

**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

27 MARCH 2003

AngloGold 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: 2002 ANNUAL REPORT TO SHAREHOLDERS TOGETHER WITH NOTICE OF MEETING

Key features – 2002

- Sound results achieved, reflecting the longer-term benefits of the company's growth and risk diversification strategy
- Long-term safety trends continue to improve: Lost Time Injury Frequency Rate down by 16% to lowest level ever
- Headline earnings, before unrealised non-hedge derivatives, increased by 29% to \$368m or \$1.66 per share
- Return on capital increased from 13% to 15%
- Return on equity increased from 16% to 21%
- Total dividend paid of R13.50 per share, or \$1.46 per ADS
- Total cash costs declined by 10% to \$161/oz
- Operating profit, excluding unrealised non-hedge derivatives, increased by 21% to \$638m
- Net profit up 36% to \$332m
- Production decreased by 15% to 5.9Moz mainly due to the sale of the Free State assets
- Reserves rose by 22% to 72.3Moz

Note: Ordinary shares were sub-divided with effect from close of business on 24 December 2002 on a 2:1 basis.

All references to ordinary shares, and all related calculations, have been restated to take cognisance of this sub-division.

Throughout this document, \$ refers to US Dollars, unless otherwise stated. For other abbreviations see glossary of terms on page 138.

THE FOLLOWING EXCHANGE RATES WERE USED AS A BASIS FOR CALCULATIONS IN THIS DOCUMENT

	2002		2001	
	Average for year	Closing rate	Average for year	Closing rate
R/\$	10.4835	8.5775	8.6182	11.9610
A/\$	1.8383	1.7873	1.9333	1.9631

CERTAIN FORWARD-LOOKING STATEMENTS

Certain statements contained in this document including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices and production, the completion and commencement of commercial operations of certain of AngloGold's exploration and production projects, and its liquidity and capital resources and expenditure, contain certain forward-looking statements regarding AngloGold's operations, economic performance and financial condition. Although AngloGold believes that the expectations reflected in such forward-looking statements 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, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government action, fluctuations in gold prices and exchange rates, and business and operational risk management. For a discussion of such factors, refer to the annual report on Form 20-F for the year ended 31 December 2001, which was filed with the Securities and Exchange Commission on 28 June 2002.



Corporate profile

AngloGold produces approximately 6Moz of gold each year. The company has a global presence, with 20 operations in eight countries, supported by extensive yet focused exploration activities in 10 countries.

AngloGold is listed on the following securities exchanges: Johannesburg (ANG), New York (AU) and Australia (AGG), as well as the London Stock Exchange (79LK), Euronext Paris (VA FP) and Euronext Brussels (ANG BB).

AngloGold's primary objective is to grow the company into the global gold equity of choice through the continual enhancement of shareholder value. The company consistently produces high rates of return on equity and capital, healthy profits and strong cash flows, resulting in substantial dividends, after providing for long-term growth.

AngloGold, which employs some 53,000 people across the world, is committed to sustainable development and takes into account both the communities and environments in which it operates.

“The best news of 2002 is that the higher Rand gold price has liberated a whole lot of reserves in South Africa. We are looking at six new projects contributing 11Moz.”

Contents

BOBBY GODSELL, ANGLOGOLD CEO **Page 8**



- | | | |
|---|--|--|
| <p>4 Letter from the Chairman and Deputy Chairman
Chairman Russell Edey and Deputy Chairman James Motlatsi share their views with shareholders.</p> <p>6 Delivering on our promises</p> <p>7 One-year forecast – 2003</p> <p>8 Interview with the CEO
Journalist Alec Hogg interviews CEO Bobby Godsell on AngloGold, gold and other issues.</p> <p>12 Group value-added statement</p> <p>13 Review of the gold market
Marketing Director Kelvin Williams discusses the renewed support for gold, its performance during 2002 and the outlook for 2003.</p> <p>14 Financial review</p> <p>17 Group operating and financial results</p> <p>18 Review of operations
A solid performance for the year reviewed by region.</p> | <p>46 Marketing
AngloGold believes in gold and is committed to growing this market.</p> <p>48 Exploration
Focused, yet extensive exploration in 10 countries. Read more.</p> <p>52 Mineral Resources and Ore Reserves</p> <p>54 Directors and executive management</p> <p>56 Directors' approval
Secretary's certificate
Report of the independent auditors</p> <p>57 Corporate governance
AngloGold is committed to attaining the highest levels of corporate governance.</p> | <p>63 Remuneration report</p> <p>64 Directors' report</p> <p>74 Group financial statements</p> <p>112 Company financial statements</p> <p>131 Investment in principal subsidiaries and joint venture interests</p> <p>132 US GAAP consolidated financial statements
For the first time, an analysis in terms of US GAAP.</p> <p>138 Glossary of terms</p> <p>140 Shareholders' information</p> <p>143 Directorate and administration</p> <p>144 Contact information</p> <p>Inside back cover
Other reports and sources of information</p> |
|---|--|--|



4.5Moz of new production at Moab Khotsoang **Page 28**

Letter from the Chairman and Deputy Chairman

AngloGold performed well in 2002, reflecting the benefits of the company's growth and risk diversification strategy. Although gold production declined with the sale of the Free State mines in South Africa, total cash costs were down year-on-year by 10% to \$161/oz and headline earnings increased by 29% on the 2001 performance, to \$368m. Returns on capital and equity for the year were 15% and 21%, respectively.

The combined effect of a sustained higher gold price and the continued success of AngloGold's brownfields exploration programme, which yielded some 3.2Moz of ore reserves at a discovery cost of only \$4.40/oz in 2002, has led to a 22% increase in the company's ore reserve to 72.3Moz. Included in this is a 30% increase in the South African ore reserve to 47.5Moz.

Looking ahead, the increase in reserves has resulted in longer mine lives rather than increased production and we anticipate gold production for 2003 to be unchanged at around 6Moz, increasing to 6.5Moz in 2006. Part of the increased reserve is due to the rise in the gold price, which has the effect of making lower-grade areas profitable. This leads to a lower average grade overall and, consequently, increased unit costs which are also affected by the stronger Rand. Total cash costs for 2003 are estimated to be \$187/oz and total production costs \$226/oz, with capital expenditure forecast at \$303m.

With respect to AngloGold's forward sales programme, the company has reduced its hedging contracts by some 133t during the past year. In the light of the continued strength of the gold price and the steady improvement in AngloGold's operating performance over the past two years, and consequently the reduced need for the company to manage revenue through forward pricing, the board has recommitted AngloGold to the continued restructuring and further reduction of the hedge book.

In January, we announced that AngloGold would be paying a final dividend for the year of R6.75 per share. This gives a total dividend for the year of R13.50 per share, or \$1.46 per share – an increase of 50% on the 2001 total dividend in Rand terms, or 68% in Dollar terms. This level of dividend, representing more than 70% of earnings per share (before unrealised non-hedge derivatives) in Rand terms, is consistent with AngloGold's established practice of paying out a high proportion of its earnings to shareholders, once we have provided for our organic growth objectives.

In the next stage of our HIV and AIDS strategy, AngloGold implemented the preparatory phase of a programme to administer anti-retroviral therapy (ART) drugs to HIV-positive employees. This programme will ensure that the company's overall approach to the epidemic is thoroughly consistent with global best practice. It offers infected employees the best possible chance of the prospect of both an improved quality of life and a longer career with the company.

The Mineral and Petroleum Resources Development Act and Socio-economic Empowerment Charter were processed through

South Africa's Parliament last year. The main purpose of the new law is to alter the mineral rights regime in the country from one of private ownership to the custodianship of these rights by the State.

The Charter's scorecard for assessing progress made by companies in promoting the participation of historically disadvantaged South Africans in the mining industry was published in February 2003. The scorecard sets out the empowerment conditions which will need to be met by applicants for new generation mining licences, which will need to be acquired within five years. We believe that AngloGold is well-placed to meet the thresholds set.

AngloGold supports this development as necessary for economic growth and the development of a non-racial society in South Africa. The publication in the media in July 2002 of an early government draft of the mining charter caused substantial uncertainty in the market. However, the final version of the Charter, published in October following extensive consultation between government, industry and other stakeholders, is a document which, if it is implemented in the spirit in which it has been developed, will be a valuable tool in turning the country's extraordinary mineral endowment into real wealth to the benefit of all of South Africa's people. We are confident that these developments will translate into long-term benefits for all of AngloGold's stakeholders.

One of the central themes of the Charter is human capital development. Indeed most of the document's attention is applied, not to the issue of equity ownership, but to encouraging employers in this industry to implement, improve and extend efforts to build a skilled and productive human resource base for the industry from within. We at AngloGold entirely endorse this focus and will continue to apply energy and substantial resources to workplace and literacy training, tertiary education and the development of effective secondary schools in areas of Southern Africa from where we draw human resources.

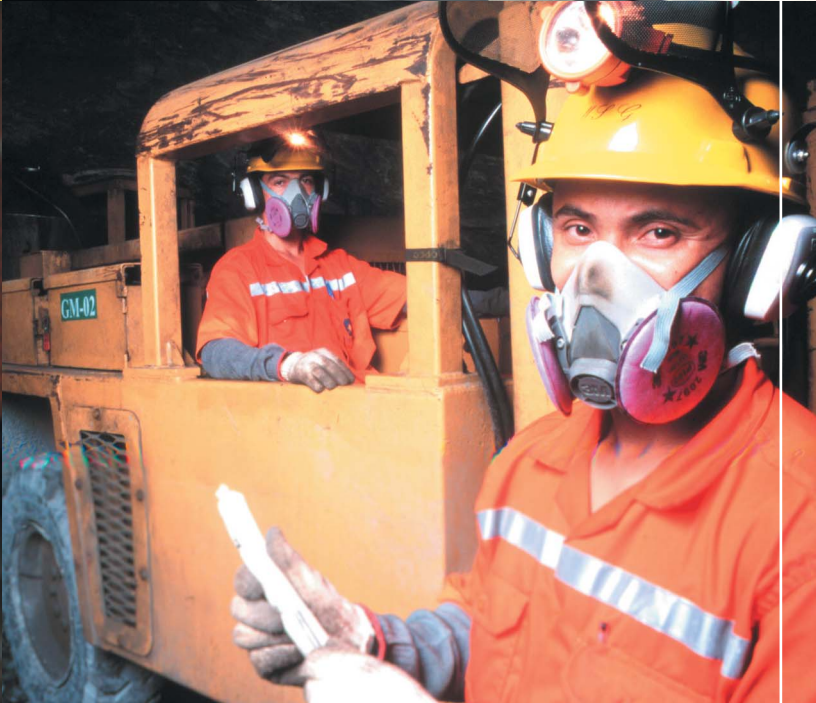
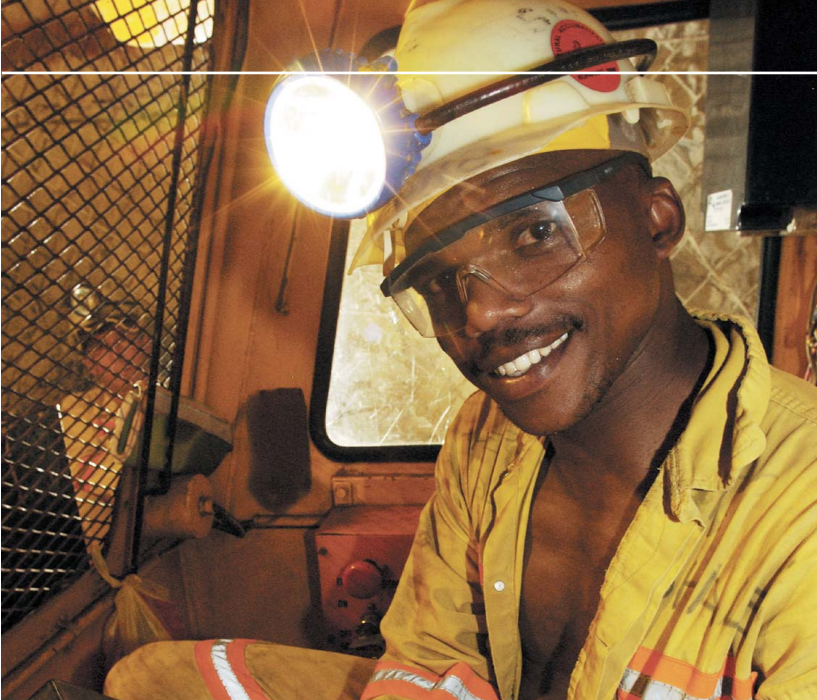
Finally, one of our founding directors, Hong Kong-based Victor Fung, will not be standing for re-election at the forthcoming AGM, given his increased responsibilities in mainland China. AngloGold wishes to place on record its appreciation for his contribution.

Russell Edey, *Chairman*

James Motlatsi, *Deputy Chairman*

3 March 2003

(Clockwise from top left) Tshepo Shale, a loco driver, Projek Katleho Great Nologwa, South Africa; Jannie Schnaar and Kobus Jacobs, Great Nologwa, South Africa; Walmirino Correia Gonzaga and Leonício José Araújo Costa at Serra Grande in Brazil, South America; Nolast Marebexeni is an onsetter's assistant at Savuka, South Africa; Stuart Foya, a geochemist with the East and West Africa region, in the Morila pit; Heidi van Wyk, Moab Khotsong, South Africa.



Delivering on our promises

What we promised for 2002

Commitment to long-term target of eliminating all accidents at work.

Growing the company into the gold equity of choice and an investment that offers its shareholders competitive returns:

- ◇ Drive the company down the cost curve
- ◇ Seek organic growth
- ◇ Continue near-mine or brownfields exploration
- ◇ Develop new greenfields exploration projects
- ◇ Apply a disciplined acquisition strategy
- ◇ Seek value down the gold chain

Reducing Rand-price cover by restructuring the hedge book

What we delivered in 2002

Long-term trend in lost time injuries decreased to 8.86 per million man hours, the lowest ever for AngloGold.

During 2002, AngloGold was one of the top-performing resource stocks in the world. The company consistently rewards shareholders with a strong dividend flow. Its performance during 2002 represents a total return to shareholders – a combination of share price performance and dividend – of 98% in Dollar terms.

Total cash costs continued to decline – from \$178/oz by 10% to \$161/oz – despite the impact of the strengthening Rand on the South African operations.

Three new South Africa projects, at Moab Khotsoeng, TauTona and Mponeng are on schedule. Sunrise Dam Expansion is complete, with the CC&V project nearing completion.

The AngloGold growth story continues, with 11.4Moz of new resources added at a cost of \$1.60/oz and 3.2Moz of new reserves at a cost of \$4.40/oz.

Exploration is continuing in countries in which AngloGold has operations, namely Argentina, Brazil, Tanzania, Mali, South Africa and the United States, as well as in prospective areas in Alaska, Canada and Peru. Some \$19m was spent during the year.

AngloGold increased its stake from 46.25% to 92.5% in Cerro Vanguardia in Argentina during the year and continues to identify value-adding merger and acquisition opportunities.

AngloGold remains committed to developing the gold market. Following a number of notable successes during 2002 – the Afridesia campaign, OroAfrica design centre, Riches of Brazil and Africa competitions, and the GoldAvenue catalogue development – the company will continue its work with the World Gold Council but will also operate independently in the spheres where it has strategic influence.

AngloGold reduced its hedging contracts by some 133t during the year. The continuing strength of the gold price and the company's solid operating performance, has reduced the need to manage revenue through forward pricing and the hedge book will continue to be managed, restructured and reduced.

Growing reserves

Some of the significant increases in ore reserves include:

Mponeng	increased by 4.6Moz mainly due to the inclusion of the Mponeng CLR and VCR below 120 level
Moab Khotsoeng	increased by 4.3Moz due to the inclusion of the Phase 2 project which will exploit the Vaal reef below 101 level
TauTona	increased by 0.8Moz due to the inclusion of the CLR below 120 level, the area East of the Bank Dyke on 116 level and the VCR area "A"
Savuka and Tau Lekoa	increased by 1.2Moz and 0.7Moz respectively owing to changes in mine design leading to additional life at both operations
Geita	increased by 0.8Moz due to the redesign of the Nyankanga, Geita Hill and Lone Cone pits, as well as the inclusion of the Chipaka, Area 3W and Roberts pits
Cerro Vanguardia	increased by 1.1Moz mainly as a result of AngloGold's increase in ownership to 92.5%.

(The above figures are the year-on-year differences in reserves, including the effect of depletion)

One-year forecast – 2003

	South Africa	East and West Africa	South America	North America	Australia	Forecast 2003	Actual 2002	Forecast 2002
Gold								
Underground operations								
Metric tonnes milled – 000	11,611	–	1,224	214	6	13,055	13,426	13,646
Yield – g/t	8.16	–	7.18	7.64	5.11	8.06	8.27	8.29
Production – oz 000	3,047	–	283	53	1	3,384	3,569	3,639
Productivity								
g/employee – actual	214	–	1,043	1,884	1,126	232	238	247
Surface and dump reclamation								
Metric tonnes treated – 000	38,325	–	–	–	–	38,325	38,366	40,239
Yield – g/t	0.23	–	–	–	–	0.23	0.30	0.23
Production – oz 000	285	–	–	–	–	285	365	294
Open-pit operations								
Metric tonnes treated – 000	–	8,727	1,057	18,416	5,332	33,532	27,186	30,378
Yield – g/t	–	3.67	8.00	0.70	2.53	1.99	2.29	1.89
Production – oz 000	–	1,031	272	414	433	2,150	2,005	1,848
Total								
Production – oz 000	3,332	1,031	555	467	434	5,819	5,939	5,781
Total cash costs – \$/oz produced	209	152	108	190	203	187	161	154
Capital								
expenditure – \$ m	188	25	39	27	24	303	268	268
Rand/US Dollar average exchange rate						9.00	10.48	11.15

Note: The 2003 forecast has been revised to exclude Jerritt Canyon, which was in the process of being sold to Queenstake Resources USA Inc at the time of this report.

Interview with Bobby Godsell

Chief Executive Officer

Veteran South African publisher and journalist, Alec Hogg, interviewed Bobby Godsell on 14 February 2003 on AngloGold, gold and other issues.

Alec Hogg: Surely the most relevant aspect of the year was the way the gold price improved, starting at under \$280/oz and ending at \$345/oz. Subsequent to year-end we have seen \$390/oz. Is this sustainable?

Bobby Godsell: An element of it is sustainable. What pleases me is that the ghosts around the gold price have gone away. For over a decade-and-a-half people have argued that gold has lost its glister, that gold is no longer a store of value, that gold is something that only primitive people want and hold, that the Dollar will be strong forever, that US equity markets will grow by 30% a year forever. That has gone away.

To be truthful, I don't know what the equilibrium price is. I think it is still finding its place. I think the negative sentiment has gone away and that there's more upside than downside in the price. We never predict it.

For over a decade-and-a-half people have argued that gold has lost its glister, that gold is no longer a store of value, that gold is something that only primitive people want and hold, that the Dollar will be strong forever, that US equity markets will grow by 30% a year forever. That has gone away.

Alec: Does a higher gold price change the way you run the business?

Bobby: The most immediate change is that our need for revenue and price certainty has diminished. That comes from two sources. At really low prices, you've got to secure particularly your marginal operations. At plus \$300/oz, we have less need for hedging, so we've taken 300t out of our hedge and are more exposed to the upside. Equally our operations are running well and so we need less insurance.

The second major change and the best news of 2002 is that the higher Rand gold price has liberated a whole lot of reserves in South Africa. South African orebodies are more defined by exchange rates and gold prices than by geology. We are looking at six new projects contributing 11Moz. Suddenly our guys in South Africa are walking tall again, they can see expansion and growth. We've come to the end of contracting, selling and closing and are planning major, new 20-year long projects.

We can't manage the price. We can't manage the exchange rate. What we can manage are the costs and so our target is that we will keep our cost increases in South Africa to two-thirds of the country's inflation rate.

Alec: Many have said that they'll only buy gold shares that are completely unhedged. Would AngloGold ever be unhedged?

Bobby: I don't think we're ever going to become theological anti-hedgers. When we started five years ago it was a very gloomy time for a gold company. We said to investors, "give us your money and we'll make you rich". One of our arguments was that we were going to pay a decent dividend. Throughout that period, we paid a dividend that has fluctuated in Dollar yield terms between 4% and 7%. So anybody holding AngloGold shares has got a yield of at least 4% in cash, plus capital appreciation. To do this we needed a certain amount of revenue certainty.

I do think that excessive hedging has contributed to price weakness. Australian producers have hedged up to 100% of their reserves. That is excessive.

We don't want to be excessive hedgers; we don't want to sell everything at the spot – perhaps somewhere in between.

Alec: What about costs, particularly in South Africa. How do you address that?

Bobby: From a management perspective we ask ourselves two simple questions: What can we manage? What can't we manage?

We can't manage the price. We can't manage the exchange rate. What we can manage are the costs and so our target is that we will keep our cost increases to two-thirds of the South African inflation rate. It's a tough target.

Alec: How different is that to when you started? Has it been a revolution?

Bobby: When we started seven years ago, we had two revolutionary ideas.

First, that people should make money out of owning gold stocks in bad times as well as good. We say that at low gold prices we are going to generate cash, make profits and pay dividends. At high gold prices we are going to generate more cash, make more profit and pay better dividends. Last year our dividend was up by about 68% in Dollar terms.

We then said that to do this we are going to focus on making money rather than on size.

So we went from being the biggest producer to being the second or third biggest. We very consciously sold off and shut down low-margin, high-risk producers. This took a third of South African production out of our hands – from 4.7Moz to 3.4Moz. Last year we produced 15% less gold and made 20% better headline earnings.

So it was a shift from volume to value. And it was very necessary. We had an asset portfolio that was exceedingly high risk, with very old mines, remnant mining, and variable grades. We now have a more stable asset base with diversity in mining type – 40% outside of South Africa and 40% from surface and shallow operations.

Now we are looking at growth – and it is still growth in earnings. What is true is that if you want to grow your earnings, you have also got to grow your volume of mining.

Alec: *The strategy, though, must have taken some kind of a diversion with the disappointment of not being able to acquire Normandy?*

Bobby: Normandy would have been a company character-changing transaction. I regret very much we couldn't get it. The appeal for me of Normandy is that it would have combined the leading Australian and South African companies into one of such size, such robustness, with such a strong balance sheet and such good assets, that any North American investor would have had to take notice of it.

This is against a background where everybody says most mergers and acquisitions destroy wealth rather than create it. We certainly got to the point where, had we gone another five cents on our offer, we would have been destroying wealth.

What does please me is that since then our company has done well. Our share has traded very well in the United States – we now trade there in value terms, at five times what we do in Johannesburg. And our Johannesburg values haven't gone down; it's the US value that has gone up.

Alec: *An issue that affected all mining companies in South Africa over the past year was the Mining Charter. You were pretty involved.*

Bobby: To achieve an industry that is broadly representative of our country, that looks like South Africa, is a good thing. I have been concerned that empowerment should be broad rather than narrow, benefiting many rather than a few, and that it should be real. You can put somebody's name on a transaction, but if they don't really have anything at risk, then they aren't, in truth, owners. We have to make more money in South Africa, not merely redistribute it. So ownership as a generator of wealth is important.

Against those criteria, the Charter looks to me to be very good. It covers a wide range of issues, things incidentally that AngloGold has been doing for a long time.

What the Charter is turning out to be is a test of the social licence. A business will only survive if it benefits all of its stakeholders over time – if people, the community, customers, employees and shareholders are left better off having an association with the company. I think it's a very good document and is going to make the South African industry more competitive, not less, and lead to greater wealth creation, not less. To draw on the gene pool of 100% of South Africa, not just white males, has got to be a good thing.



Read the Charter, sentence by sentence, and ask yourself the question: If this is done well, if it's done in a real way, if it's done with integrity, will this create more wealth or less wealth?

Alec: *Out-and-out capitalists would disagree with the assertion that inclusivity will make you more competitive.*

Bobby: With respect, I think that out-and-out capitalists, unless they're racists, have no reason to do this. Read the Charter, sentence by sentence, and ask yourself the question: If this is done well, if it's done in a real way, if it's done with integrity, will this create more wealth or less wealth?

It's quite clear from the Charter that assets should change hands at fair market value. That phrase is used repeatedly. We have done three major empowerment transactions – and sold off about a quarter of our production ounces. We haven't lost one cent in terms of value. There is no Father Christmas in this Charter, there's no giving things away.

Also, as we move to many more black managers, I expect those managers to perform. You can't put somebody in charge of a deep level gold mine unless he's really competent. Frankly, to have half of our managers able to speak fluent seSotho or Xhosa has got to lead to greater productivity. We know that when we combine literacy and new job structures, we see a 25% increase in the output of those teams.

Alec: *What about the cost or the value of ounces in the ground? South African gold ounces have made progress compared to other parts of the world. But they do still lag?*

Bobby: Gold companies trade at a premium to their net asset value. It's true that some of the North Americans trade at a larger premium. That premium is one of two things. It's either a bet on the gold price or it's the view that management is smart enough to buy new mines, prove up new reserves.

I am happy to accept the challenge for AngloGold that we will grow the company in terms of profitable ounces into the future. I am not terribly worried about competing with the North Americans.



In greenfields exploration you have to take some risks – you have got to try 20 things and expect 19 of them to fail.

Alec: *Last year you said you were going to significantly increase your investment in exploration.*

Bobby: We have, through two different strategies. Brownfields exploration means you are drilling for ounces where you already have infrastructure. They are very nice ounces because if you find more, you don't have to spend capital to sink the shaft or build the plant. Particularly with open-pit mining, companies often starve the brownfields budget and only drill to have the certainty for another six or 12 months of production. Every Dollar we spend in brownfields exploration wins reserve ounces. Our exploration budget is about \$60m – two thirds of that is brownfields.

Greenfields is different. I can only explain it in non-technical terms. It's about God's sense of humour, because God put gold in interesting places. He didn't put it in Switzerland or Singapore. So we look for gold in new and interesting places – we have just opened an office in Mongolia.

We have a map that tells us in terms of basic geological theory where you could expect major gold mineralisation through different mineralisation processes. It's a disappointing map, because a large part of the world is prospective. It would be super if you could only concentrate on two or three places. China

and India ought to be very prospective. Places that have been poorly surveyed, poorly explored, obviously hold quite a lot of potential. We are very excited about Peru, about the Great Lakes area of Africa.

In greenfields exploration you have to take some risks – you have got to try 20 things and expect 19 of them to fail.

Alec: *Could there be another Wits Basin out there?*

Bobby: It's hard to believe that it's entirely unique. We do understand the Basin extremely well. We have looked in other parts of the world; we understand the palaeontological and ageing-of-the-earth signmarks. It would be wonderful to find another. We are delighted to find any decent orebody that we can make money out of.

Alec: *What about Australia? Do you think there could be a big find waiting there?*

Bobby: We are very excited about two orebodies that we have interests in.

At Sunrise Dam mine, we have dramatically expanded the size of that open-pit operation and are immensely excited about the brownfields potential. Every time we put the drill down we come up with excellent results. I would be very surprised if we didn't significantly extend its life going forward.

The Boddington project is one of the largest and longest life gold orebodies in the world. We share that with Newmont, who succeeded Normandy in ownership, and Newcrest, and we are trying to find the right model to expand it.

Alec: *An area where you do have a distinct advantage that you have already turned to account is on the continent of Africa.*

Bobby: It's our continent, it's our home. The great thing about South Africans is that they understand about cultural diversity. We are a world in one country and no manager can assume that he knows what the people who work with him think. He's got to take the effort to find out. It's been wonderful to see Afrikaners from the Free State go to Morila in Mali, an Islamic country, French-speaking, and turn out to be very good leaders of people.

Equally, we are completely committed to developing talent from those countries. Mali has had no modern mining history. We are running three world-class mines there with overwhelmingly local people.

Alec: *There's been criticism of South African gold companies for decades about not benefiting. A couple of years ago you made a move into this field by the acquisition of a company called OroAfrica – a reconnaissance investment. How has that turned out?*

Bobby: It has done pretty well. This was part of the journey we started on seven years ago.

It's very interesting that the first sentence of every conversation about gold is a conversation about price. It's indicative of an industry that hasn't grown up, because industries don't do well because of price, they do well because of profit. The auto industry – and other industries – are not fascinated by price. They are interested in sales, consumers and customers.

The gold industry is not very customer oriented. An industry that forgets its customers will, and deserves to, go out of business. The customers of gold are overwhelmingly people who buy jewellery – 80% of 4,000t of annual production goes into jewellery.

For the last five years we have been looking at the customer and we would like to be part of modernising gold jewellery. This is an industry that got stuck in the 19th century. Going into OroAfrica was to find out about the customer. Here we had a modern factory located in our own country, making particularly gold chain and other machine-initiated gold jewellery, earrings and pendants, in alliance with the leading Italian gold jewellery manufacturer (Filk). OroAfrica uses about 5t of gold a year; Filk uses about 70t of gold. It's huge business.

It's still early days. What we'd like to do for gold is to be the Benetton of the gold industry, to be the Starbucks of jewellery. Coffee drinking was in decline in the United States. People thought it was unhealthy. But Starbucks has come along and persuaded people to pay \$3 for a cup of coffee with foam in it, when they could have the same thing for 50 cents. That completely changed the market and consumption is going up. That's what we want to do, we want to revolutionise what we offer our customers.

Alec: *Starbucks has branded coffee. Can AngloGold brand gold?*

Bobby: Starbucks has also reinvigorated the entire category. If you go to any modern city, you will find 15 Starbucks look-alikes – a place that looks nice, where you can pay a very high price for a fancy cup of coffee and where you have to learn a new language to order it. They've invented a new experience.

We think we can re-invent gold jewellery, whether it is the AngloGold brand or anything else. Coming from where we do, we would very much like to have an African brand. But equally we have been experimenting with Brazilian jewellery.

We are going to mine 6Moz of gold, we are going to mine it at a good cost, we are going to generate a lot of profit and we would be hoping to pay a really decent dividend. We hope that our price reflects the benefit of that, particularly over time.

Gold is about people, particularly in Africa, it's about peasant life, it's about kings, the country, something that has been around for 5,000 to 7,000 years; part of the earth; part of the rich cultural heritage. If we draw on that, we think we can put a jewellery offer in the marketplace which is distinctly different to the dull, 19th century jewellery store offer that we have had.

Alec: *Looking ahead, is it a year when AngloGold shareholders can expect similar progress as in the year behind.*

Bobby: We have never been in the business of predicting the gold price and to some extent, inevitably, our equity price is linked to the gold price.

We are going to mine 6Moz of gold, we are going to mine it at a good cost, we are going to generate a lot of profit and we would be hoping to pay a really decent dividend. We hope that our price reflects the benefit of that, particularly over time.

We listed on the New York Stock Exchange in 1998 at \$16 – we are now trading at around \$32 – so there has been good capital appreciation. Last year a holder of an AngloGold share would have seen a total return, including dividends, of close to 100%. Whether we are going to see the gold price shoot up as dramatically this year as it did last, I don't know. But what we can say to our shareholders is, "hold our shares, over time and at any moment in time, you have made good money". And at the very least, we are going to pay a good dividend.

It's very interesting that the first sentence of every conversation about gold is a conversation about price. It's indicative of an industry that hasn't grown up, because industries don't do well because of price, they do well because of profit.

Alec: *If we speak in a year's time, strategically what milestones would you like to have behind you.*

Bobby: Two major things:

I am assuming operational excellence; I am assuming we will mine gold very profitably.

Over and above that I would hope that we would be further down the road in growing our ounces. We want to say to shareholders that this is not a wasting-asset industry. Your piece of AngloGold paper is worth something today, it will be worth something to you in five or 10 years' time, we would like you to leave it to your kids. We have got to grow our earnings.

Then I would love to have something dramatic and interesting to say about going downstream, modernising the customer base and finding ways to expand the jewellery market, maybe even making some money out of that side of the business.

Alec: *And mergers and acquisitions?*

Bobby: All the time and ongoing, but only if they add value. We haven't had a year where we haven't done something, but it is opportunistic. I hope that we have the courage to go after every deal and I hope we have the wisdom only to do those deals that make money for our shareholders.

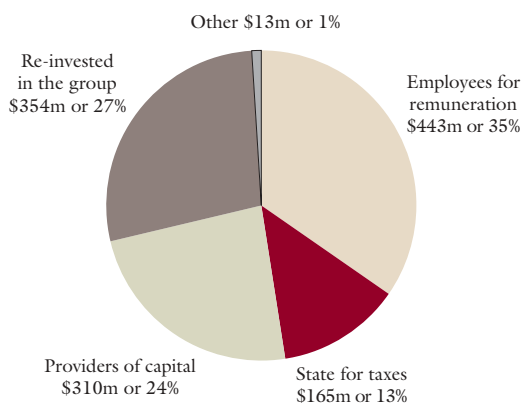
The full interview is available in video, audio and transcript form on the AngloGold website at www.anglogold.com

Group value-added statement

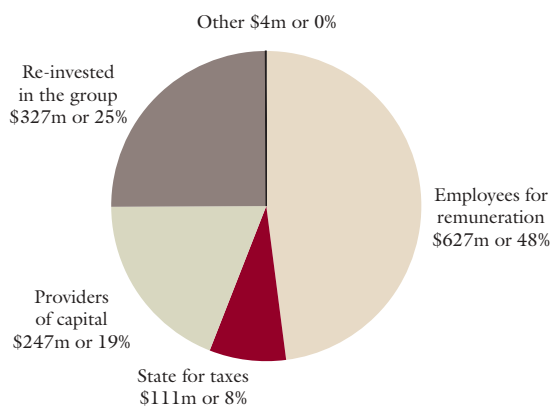
for the year ended 31 December 2002

Figures in US Dollars millions	Notes	%	2002	%	2001*
Value added					
Turnover	2		1,761		2,041
Less: Purchases of goods and services in order to operate mines and produce refined metal, including market development costs net of other income			(611)		(746)
Value added by operations		90	1,150	98	1,295
Non-hedge derivatives		7	92	—	(5)
Income from investments and interest received	6	3	43	2	26
		100	1,285	100	1,316
Value distributed					
Employees					
Salaries, wages and other benefits	10	35	443	48	627
Government	11	13	165	8	111
– Current taxation		14	177	8	103
– Deferred taxation		(1)	(12)	—	8
Providers of capital					
– Finance costs	8	3	44	5	72
– Dividends	13	20	251	13	167
– Minorities		1	15	1	8
Other					
– Loss on disposal of mines	31	1	13	—	4
Total value distributed		73	931	75	989
Re-invested in the Group					
– Amortisation and depreciation	14, 15 & 16	21	273	19	249
– Retained income		6	81	6	78
		100	1,285	100	1,316

2002 Distribution of wealth



2001 Distribution of wealth*



* Includes Free State assets

Review of the gold market

The price of gold finished the year strongly, touching a high of \$354/oz in December, fully \$75 or 27% higher than the opening price of \$279/oz. The average spot price for the year of \$310/oz is almost \$40 higher than the average price in 2001. Market volatility also increased with a price range double that seen in 2001. The US Dollar moved in the other direction, downwards against other currencies, including the Rand. The local currency gained over 30% against the Dollar, finishing at an exchange rate of R8.55 to the Dollar, off an opening rate for 2002 of R12.55. Both of these trends have been maintained into 2003.

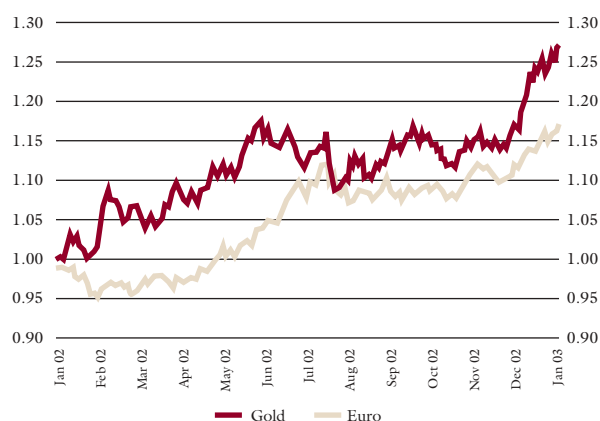
The factors which drove the gold price during 2002 had a particularly strong impact in the final quarter. These factors included US Dollar weakness, international political tension, equity market declines and a halt to the dismantling of producer hedging. This last factor had the effect of both lowering gold producer selling in the spot market, and introducing some buying in the market. During the final quarter of the year, the price was influenced most significantly by Dollar weakness and by escalating conflict over Iraq. Over the past year, the spot price has responded almost perfectly to the Dollar's fall against the Euro (see graph). The additional tension in the Middle East provided the lift to take gold up further. All of the factors that have been positive for gold in 2002 remain firmly in play, and there is good reason to expect higher gold prices in the year ahead.

Under the favourable price performance of gold, the physical market continued to show weakness throughout 2002. There has been a general decline in physical demand for gold in both the jewellery and the investment sectors, with exceptions in only a few countries. Compounding the effects of this lower demand, scrap sales and gold recycling have increased sharply in the face of higher gold prices. The negative impact of these factors in the physical market was mitigated to a degree by slightly lower new mine production, and by the reduction in supply occasioned by the run-down in gold producer hedging referred to above. As is the case in all periods of rising gold prices and gold price volatility, the physical market should revive once the price returns to a stable trading range for a period of time. However, with further gold price volatility expected in 2003, a resurgence of physical demand should not be expected immediately.

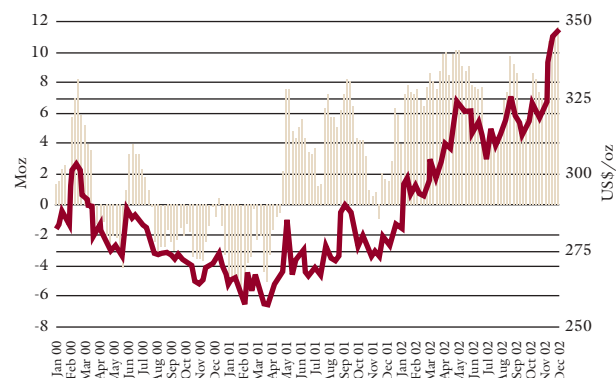
A critical factor in the strength of the gold market in 2002 has been the return of investor and speculator interest in the metal. This interest has not translated particularly into demand for physical gold, but can most certainly be seen in the derivative markets, and particularly in the futures and options positions on the New York Comex and, from time to time, on the Tokyo Comex. There is no doubt also a considerable over-the-counter derivative trade in gold, although this is not easily measured. The importance of this gold buying in the derivatives markets for the

gold price can be seen from the graph, showing gold trading positions on New York Comex from the beginning of 2000, and the US Dollar spot price of gold. Buying in the derivatives markets is directly influenced by the factors referred to above, and is directly responsible for moving the price of gold.

\$/€ rate and \$ gold price indexed 2002



**NY COMEX: Futures and options
January 2000 - January 2003**



Financial review

AngloGold's results for the year 2002 are impressive, reflecting the longer-term benefits of the company's growth and risk diversification strategy. Although gold production declined with the sale of the Free State mines in South Africa, cash costs were down year-on-year by 10% to \$161/oz and headline earnings increased by 29% to \$368m.

Results for the year

- Headline earnings before unrealised non-hedge derivatives increased by 29% to \$368m or 166 US cps (2001: \$286m or 133 US cps).
- Return on capital improved from 13% to 15%.
- Return on equity increased from 16% to 21%.
- Gold production was down 15% to 5.9Moz, mainly due to the sale of the Free State assets.
- Total cash costs declined by 10% to \$161/oz.

Dividends

A final dividend of R6.75 per share (\$0.82 per share) was paid, bringing the total dividend for the year to R13.50 per share (\$1.46 per share). This dividend represents a yield of 4.4% calculated on a share price of R305 on 30 January 2003. This level of dividend is consistent with AngloGold's established practice of paying out a high proportion of its earnings to shareholders, once it has provided for its organic growth objectives.

Gold production

Gold production was down 15% (1.04Moz) to 5.9Moz. This is mainly due to the South Africa region's sale of the Free State assets, Elandsrand and Deelkraal. If these are excluded, the group's production would have increased by 3% or 190,000oz.

The Free State contributed 1.2Moz and Elandsrand and Deelkraal contributed 35,000oz in the prior year.

With reference to the disposals mentioned above, South Africa's production is 27% lower than 2001 at 3.4Moz.

Production in the East and West Africa region increased by 25% or 217,000oz to 1.08Moz. The main contributors were at Morila (+169,000oz) due to a 74% increase in recovered grade to 11.96g/t; Yatela (+55,000oz) as 2002 was the first year of full production; and at Geita (+17,000oz) arising from increased tonnage throughput. Decreased production was recorded at Sadiola (-22,000oz) where there was lower grade and tonnage throughput.

The North America region's production decreased by 7% or 34,000oz to 462,000oz. Cripple Creek's production was 11,000oz up on the prior year due to the expansion of the crusher and absorption circuit. Jerritt Canyon's production was 45,000oz below that reported in the prior year, because of adverse weather conditions, and completion of the Cortez tolling agreement and lower recovery issues.

South America's production increased by 37,000oz to 478,000oz. This is mainly attributable to the additional 46.25% interest acquired in Cerro Vanguardia. If the additional interest were ignored, production would be 5% lower than the prior year due to production problems at Cerro Vanguardia arising from recurrent underground water in the pits causing mining of wet ore with a very high level of clay.

Australia's production decreased by 6,000oz to 502,000oz. This is mainly as a result of the closure of operations at Boddington and Tanami, which was partially offset by a 29% or 87,000oz increase in production at Sunrise Dam made possible by the mill upgrade.

Gold income

The average gold price received increased by 6% to \$303/oz in 2002. See Review of Gold Market on page 13.

Gold income together with realised non-hedge derivative income declined by 10% or \$205m during the 2002 financial year to \$1,841m (\$2,046m). This is in line with lower production, but partially offset by a higher price received. The current year's received price is \$16/oz higher than that for the previous year at \$303/oz and compares to an average spot price of \$310/oz.

Cost of sales

Cost of sales, comprising total cash costs, retrenchment and rehabilitation costs, changes in gold inventories and amortisation of mining assets, went down from \$1,519m in 2001 to \$1,203m in 2002, a decrease of 21%, analysed as follows:

- Total cash costs decreased from \$1,255m in 2001 to \$967m in 2002 (or \$178/oz to \$161/oz), following the reduction in gold produced from 6.983Moz in 2001 to 5.939Moz in 2002. Of the \$17/oz reduction in cash costs year on year, \$24/oz related to the weakening of the SA Rand against the US Dollar. Excluding the Free State operations in the prior year, total cash costs decreased by 5% from \$170/oz to \$161/oz.
- While retrenchment costs were \$22m in 2001 (with most of the costs being associated with the Free State) they decreased to \$3m in 2002.
- Rehabilitation and other non-cash costs decreased by \$1m on the previous year whilst amortisation of mining assets increased by 11% to

\$245m. South Africa's amortisation of mining assets reduced \$15m to \$61m, mainly due to the sale of the Free State operations and the devaluation of the SA Rand. The lower amortisation charge in South Africa was offset by the higher amortisation charges in East and West Africa due to increased levels of production, and in North America as a result of accelerated amortisation charges on the old crusher assets.

- Inventory movement was a \$9m charge in 2001 compared to a credit of \$24m in 2002. The increase in inventory levels on the previous year is mainly due to the increase in gold in process in the North America region. This is as a result of the ongoing problems with extracting gold from the heap leach pad resulting in a build up of inventory.

Operating profit

Operating profit excluding unrealised non-hedge derivatives is 21% up on the previous year at \$638m. This is mainly due to a 6% increase in the received Dollar gold price, and a weaker average Rand/Dollar exchange rate. Included in this operating profit is an amount of \$80m relating to realised gains on non-hedge derivatives.

The main reason for the \$111m increase in operating profit is the weaker Rand/Dollar exchange rate (\$143m), offset by \$24m caused by lower grades.

The operating margin for the AngloGold group was 35% for 2002 and 26% for 2001. The EBITDA margin was 43% in 2002 compared to 33% in 2001. These margins vary from operation to operation and are summarised on page 16.

Net profit

Net profit of \$332m (2001: \$245m) is arrived at after making, amongst others, the following adjustments to operating profit:

- Corporate and other administration expenses increased by \$3m on the previous year to \$25m.
- Market development costs amounted to \$17m for the year of which some 80% was paid to the World Gold Council.

- Total exploration expenditure was \$51m (2001: \$44m) of which \$28m (2001: \$26m) was expensed.
- Interest received increased from \$20m to \$36m, mainly as a result of the improved gold price and improved cash position with the sale of shares acquired in the aborted bid of Normandy and the proceeds from the Free State sale.
- Other net expenses amounted to \$16m for the year and included the unwinding of the decommissioning obligation, foreign exchange losses on transactions other than sales, and post-retirement medical expenses relating to mines sold.
- Finance costs decreased by \$28m to \$44m, due to lower interest rates and the rearrangement of the loan facility debt. The proceeds on the sale of the Normandy investment were utilised to repay debt.
- An abnormal item relating to the settlement of a legal claim in the amount of \$10m – \$5m net of tax.
- Goodwill amortised remained fairly constant at \$28m compared to 2001.
- A loss on disposal of the Free State assets of \$13m was recognised in 2002. During 2001, a loss of \$4m was recognised in respect of the sale of assets at the Deelkraal and Elandsrand mines.
- The taxation charge increased by \$54m to \$165m in 2002, owing mainly to an increase in earnings for the year. The effective tax rate is 32% compared to 30% in 2001.
- The minorities share of earnings has increased to \$15m compared to \$8m in the prior year. This is due to the increase of minorities in Cerro Vanguardia from 3.75% to 7.5%.

Cash flow

OPERATING ACTIVITIES

Cash generated from operations was derived from profits on ordinary activities before taxation of \$512m per the income statement, adjusted for changes in working capital and non-cash flow items. The most significant non-cash flow item was the amortisation of mining assets of \$245m.

Cash generated from operations of \$758m was increased by interest received of \$32m, but reduced by payments to outside stakeholders for:

- Finance costs of \$40m; and
- Mining and normal taxes of \$131m.

The resultant net increase in cash from operating activities is mainly as a result of the increase in AngloGold's profitability.

INVESTING ACTIVITIES

Funds of \$605m generated from operating activities were utilised to grow the group by investing in capital projects amounting to \$271m. Major project expenditure in 2002 comprised:

- Moab Khotsoeng \$36m;
- Mponeng \$33m;
- TauTona \$11m;
- Cripple Creek & Victor Expansion \$66m; and
- Sunrise Dam Project \$26m.

The funds generated from operating activities were further adjusted by:

- \$164m which was received for the disposal of the Free State assets, of which \$24m was paid for contractual obligations;
- \$34m which was paid for investments, the major portion of this being Normandy;
- \$158m which was the proceeds on the sale of the Normandy investment;
- \$97m which was the net cash consideration paid for the 46.25% additional interest in Cerro Vanguardia.

The net cash inflow after investment activities amounted to \$514m.

FINANCING ACTIVITIES

- During the year, \$585m was drawn and \$120m was repaid on the three-year \$600m syndicated loan facility. On the existing \$400m syndicated loan facility, \$175m was drawn.
- Major loans repaid include \$121m to Credit Agricole, \$355m on the matured syndicated loan facility and \$128m on the \$400m syndicated loan facility. Other repayments comprise normal scheduled payments in terms of loan agreements.

- A new loan facility of A\$50m was arranged with the Australia and New Zealand Banking Group Limited of which A\$15m was drawn. The facility is at 0.35% over the Bank Bill Swop Reference Rate and replaces the matured Australian Dollar bank syndicated facility.
- Dividend payments in the amount of \$260m were made during the year. This compares with a dividend of \$167m in 2001. Dividends were financed from the cash generated from operating activities.

The net result of the operating, investing and financing activities amounted to a net cash inflow of \$147m, which when added to the opening balance and translation adjustment, amounted to \$413m at 31 December 2002.

Balance sheet

With effect from 1 January 2002, the Free State assets were sold to a joint venture

between Harmony Gold Mining Company Limited and African Rainbow Minerals (Proprietary) Limited.

During July 2002, an agreement was reached with Pérez Companc International to acquire its entire 46.25% equity interest in Cerro Vanguardia SA, including a loan, for a net cash consideration of \$97m, which was paid from AngloGold's existing but undrawn debt facilities.

Net debt to capital employed is 17% compared to 31% in 2001. This decrease is attributable to the sale of the Free State assets and the Normandy shares, and the strengthening of the SA Rand against the US Dollar.

Other issues

On 3 October 2002, the President of South Africa signed the Mineral and Petroleum Resources Development Act 2002. The provisions of this law will come into operation on dates to be specified by the President, who may stipulate different dates for different provisions. It is

uncertain when the President will exercise these powers and, until the new provisions are effective, the existing regulatory regime for mineral rights will remain in place.

The company reduced its hedging contracts by some 4.29Moz during the year. In the light of the continued strength of the gold price and the steady improvement in AngloGold's operating performance over the past two years, which has reduced the need for the company to manage revenue through forward pricing, the AngloGold board has encouraged the continuing management, restructuring and reduction of the hedge book.

	2002				
	Gold income \$m	Operating profit* \$m	Operating margin %	EBITDA \$m	EBITDA margin %
South Africa	930	389	38.8	373	37.2
East and West Africa	329	129	39.2	190	57.8
South America	195	84	42.1	118	59.2
North America	152	3	1.9	59	38.1
Australia	155	33	21.3	55	35.5
Total	1,761	638	34.7	795	43.2

	2001				
	Gold income \$m	Operating profit* \$m	Operating margin %	EBITDA \$m	EBITDA margin %
South Africa	1,298	341	26.1	351	26.9
East and West Africa	250	87	34.8	134	53.6
South America	177	65	36.1	98	54.4
North America	161	16	9.9	58	36.0
Australia	155	18	12.2	38	25.7
Total	2,041	527	25.8	679	33.2

* Operating profit excludes unrealised non-hedge derivatives.

Group operating and financial results

			2002	2001	2000	1999	1998
Underground operations							
Area mined	– m ²	– 000	2,116	3,043	3,900	3,880	4,275
Metric tonnes milled	– 000	– total	13,426	17,954	21,293	21,704	23,396
Yield	– g/t	– average	8.27	8.20	7.96	8.09	8.08
Production	– oz 000	– total	3,569	4,734	5,451	5,643	5,821
Productivity							
g/employee		– target	247	219	209	222	174
		– actual	238	214	193	210	184
Surface and dump reclamation							
Metric tonnes treated	– 000		38,366	50,355	50,289	54,354	57,511
Yield	– g/t		0.30	0.32	0.32	0.30	0.30
Production	– oz 000		365	514	510	520	547
Open-pit operations							
Metric tonnes mined	– 000		109,987	85,790	49,121	47,880	7,525
Stripping ratio	– t (mined-treated)/t treated		3.05	2.17	1.08	2.51	1.63
Metric tonnes treated	– 000		27,186	27,042	23,601	13,630	2,863
Yield	– g/t		2.29	2.00	1.69	1.72	2.54
Production	– oz 000		2,005	1,735	1,282	755	234
Total							
Production	– oz 000		5,939	6,983	7,243	6,918	6,602
– South Africa	– oz 000		3,412	4,670	5,418	5,746	6,368
– East and West Africa	– oz 000		1,085	868	366	262	234
– North America	– oz 000		462	496	496	485	–
– South America	– oz 000		478	441	439	425	–
– Australia	– oz 000		502	508	524	–	–
Price received*	– \$/oz sold		303	287	308	315	333
Total cash costs	– \$/oz produced		161	178	213	213	225
Total production costs	– \$/oz produced		203	213	245	244	259
Monthly average number of employees			53,097	70,380	84,036	86,120	93,316
LTIFR			8.86	10.55	11.58	13.91	14.52
Rand/US Dollar average exchange rate			10.48	8.62	6.78	6.11	5.53
Financial results							
\$m							
Operating profit			650	517	468	505	469
Operating profit excluding unrealised non-hedge derivatives			638	527	468	505	469
Net profit			332	245	166	434	318
EBITDA			795	679	608	614	566
Headline earnings			376	281	254	325	277
Headline earnings before unrealised non-hedge derivatives			368	286	254	325	277
Capital expenditure			271	298	304	220	174
Financial ratios							
Capital employed	– \$m		2,994	2,550	3,119	3,354	2,149
Return on capital	– %		15	13	10	15	13
Equity	– \$m		2,082	1,559	2,006	2,576	2,057
Return on equity	– %		21	16	11	16	12
Debt	– \$m		926	987	1,156	828	184
Cash	– \$m		413	191	195	493	254
Net debt (cash)	– \$m		513	796	961	335	(70)
Net debt (cash) to capital employed	– %		17	31	31	10	(3)
Net debt (cash) to equity	– %		25	51	48	13	(3)
Interest cover	– times		18	9	9	12	23
Operating margin	– %		35	26	21	23	21
EBITDA margin	– %		43	33	28	28	25

Glossary of terms on page 138.

* Including realised non-hedge derivatives

Review of operations

AngloGold's operations produced some creditable performances during the year. Gold production declined by 15% mainly as a result of the sale of the Free State assets in South Africa. Excluding the production previously sourced from these assets, production rose by 3% to 5.9Moz. Total cash costs decreased by 10% to \$161/oz, while resources increased by 2% to 287.6Moz and reserves increased by 22% to 72.3Moz.

The year 2002 can be characterised as one in which the company actively pursued internal growth objectives. Supported by a rising gold price and continued cost control, a number of projects were identified and initiated to deliver new ounces from increasing reserves.

AngloGold's value-adding growth strategy remains on track, with projects to the value of \$810m set to contribute an additional 3.3Moz to production over the next five years. In addition, feasibility and pre-feasibility studies are being undertaken on a further 11 projects, which should increase the operations' LOM.

Safety and health

The safety and health of employees remains a key area of focus for the company. Performance on the safety and health front was encouraging in some areas and disappointing in others.

The long-term trend in lost time injuries continues to decrease – to 8.86 per million man hours in 2002 – the lowest ever for AngloGold and reflecting an improvement of 16% for the year. This should be seen in the context of some 53,000 employees having worked 142 million hours during the year.

Regrettably, however, fatal accidents continued, with 44 employees losing their lives in the course of work during the year; 39 of these fatal accidents were in the South Africa region where most of the company's operations and employees are based. As a result, the fatal injury frequency rate (FIFR) increased to 0.31 per million man hours.

Despite the tragedy of these deaths, there were a number of exceptional safety performances at various operations. Great Noligwa mine achieved one million fatality-free shifts during the year, as did TauTona post year-end.

✧ The Serra Grande mine in Brazil recently recorded one million hours worked without a single lost-time injury. Serra Grande was also awarded the inaugural AngloGold Global Safety Award in January 2003.

✧ TauTona, one of the deepest mines in the world, is also one of the safest, with no rockfall-related fatalities recorded since September 2001. TauTona won the South Africa region Safety Shield for 2002.

✧ The Cripple Creek & Victor mine in Colorado completed its two-year expansion programme without injury.

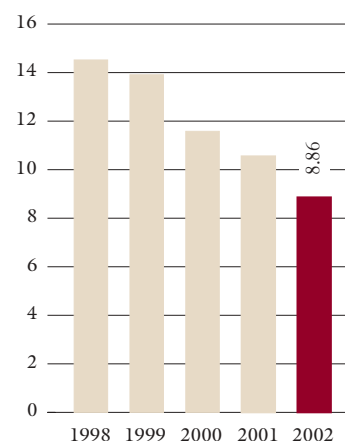
Extensive efforts at emphasising and improving safety continue with the company's intranet and mine-based newsletters, as well as a monthly safety newsletter from the Chief Operating Officer, used to communicate with all employees.

Progressive and encouraging safety initiatives continue to be developed and implemented. In the Australia region, for example, safety performance is now being measured against leading indicators in addition to the traditional trailing indicators. This means that progress is assessed in terms of safety initiatives being undertaken, and on the level of employee commitment and knowledge, and not simply on the number of lost-time injuries.

South Africa remains the greatest challenge in terms of safety. Task teams are working to bring about major improvements in five areas, namely safety management systems, falls of ground and seismicity, dust, the effect of illness and HIV/AIDS on the workplace and safety,

LOST TIME INJURY FREQUENCY RATE

	2002	2001
South Africa	9.98	11.58
East & West Africa	2.93	1.30
South America	4.21	8.16
North America	4.95	1.58
Australia	11.22	13.47
Group	8.86	10.55



AngloGold's Lost Time Injury Frequency Rate (per million man hours)

(Clockwise from top left) Metallurgical test work – pouring fused material from a gold fire assay in Kayes laboratory in Mali, East and West Africa region; Severe weather conditions at Jerritt Canyon caused a slow start to the year in the North America region; This flotation tank at Ergo, South Africa, has the capacity to treat 100,000t of slimes a day; Hydro-powered rockdrill operated by Ephraim Mabeia at Tau Lekoa mine, South Africa region; Stream sampling by geologists in the Peru exploration division; Gold production rose significantly at Sunrise Dam, Australia region, during the year.



and developing a safety mindset. To assist in creating this safety mindset, an external consultant – DuPont – has completed an assessment of the company's operations and an in-house team has been established to tackle the implementation of this campaign. AngloGold's HIV/AIDS programme is dealt with on page 23.

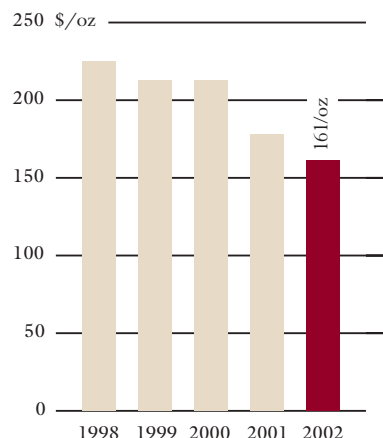
Performance

Highlights for the year from an operational perspective include the sterling performance of the East and West Africa region, which increased attributable production by 25% to 1,085,000oz, at a total cash cost of \$126/oz.

Further progress was made in AngloGold's drive for geographical and orebody diversity. Gold production from outside South Africa, principally from low-cost surface and shallow mines, rose to 42% of production, 39% of operating profit and 53% of EBITDA.

Overall, attributable production decreased to 5.94Moz, mainly as a result of the impact of the sale of the Free State assets. This was partially offset by an increase in production from the remaining operations of about 3%.

Good cost control was undermined to some extent by the strong performance of the SA Rand in the second half of the year. Nonetheless, total cash costs in Dollar terms decreased still further by 10% to \$161/oz. As a result, operating profit increased by 21% to \$638m.



Total cash costs over time

Total cash costs have declined steadily over the past five years. However, an increase is expected in 2003 to \$187/oz.

Capital expenditure during the year amounted to \$271m of which \$95m was attributable to maintenance and \$176m to expansion.

Outlook

Looking ahead, production is expected to remain unchanged in 2003 at 6Moz, while

total cash costs are expected to rise to \$187/oz, largely due to the strengthening of the South African currency and the lower average grade being mined. The latter is directly related to the fact that lower grade areas have become profitable as a result of a rise in the gold price. Capital expenditure is forecast at \$303m.

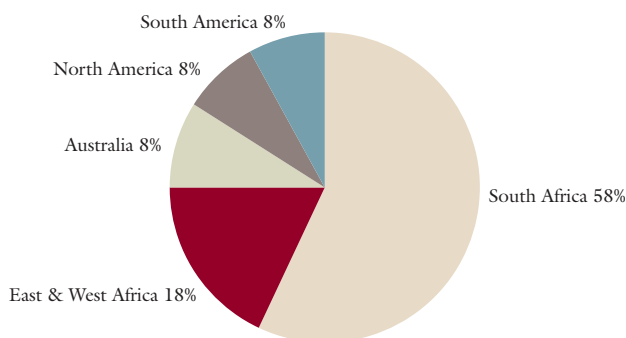
TOTAL CASH COSTS PER REGION (\$/oz)

	2002	2001	Variance %
South Africa	158	184	(14)
East and West Africa	126	129	(2)
South America	126	134	(6)
North America	222	211	5
Australia	193	194	(1)
Group	161	178	(10)

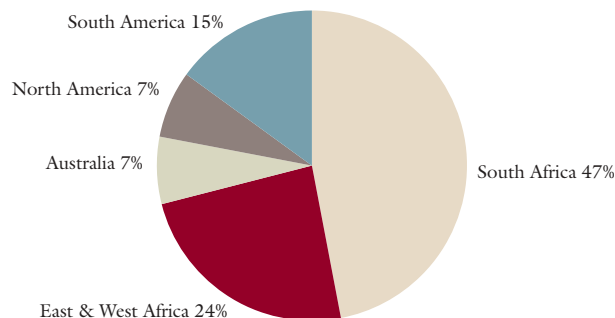
ATTRIBUTABLE PRODUCTION (000oz)

	2002	2001	Variance %
South Africa	3,412	4,670	(27)
East and West Africa	1,085	868	25
South America	478	441	8
North America	462	496	(7)
Australia	502	508	(1)
Group	5,939	6,983	(15)

Contribution to production (oz) by region



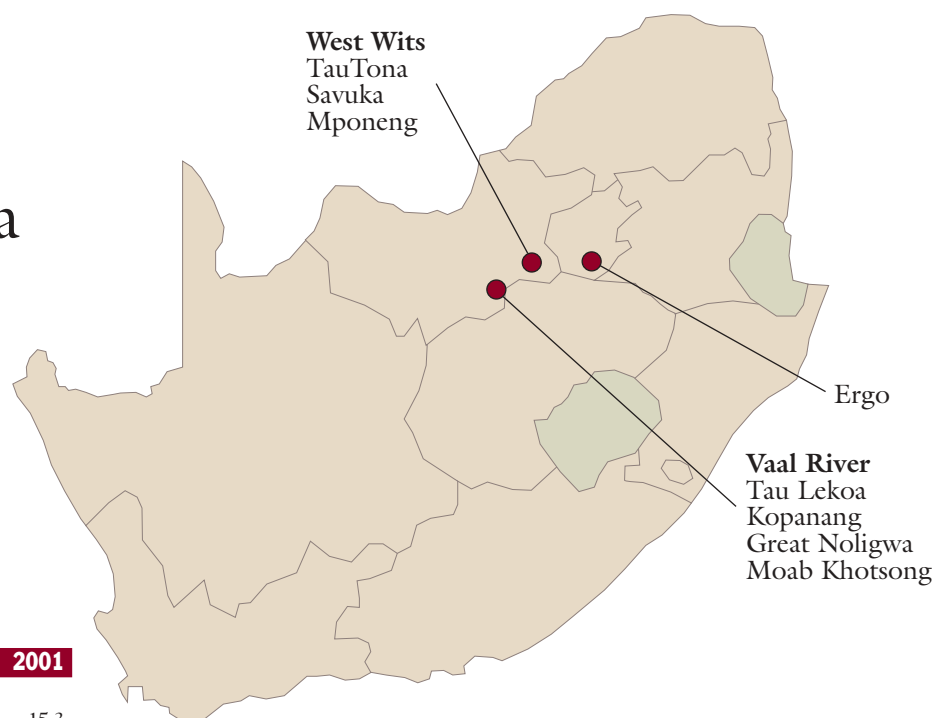
Contribution to EBITDA by region



The massive fridge plant at Moab Khotson in South Africa.



South Africa



Key statistics	2002	2001
Tonnes treated (Mt)		
Underground	11.3	15.3
Surface (incl Ergo)	38.4	50.3
Average grade (g/t)		
Underground	8.40	8.20
Surface (incl Ergo)	0.30	0.32
Gold production		
Moz	3.4	4.7
kg	106,106	145,247
Total cash cost		
\$/oz	158	184
R/kg	53,146	50,065
Number of employees*	44,828	64,900
Efficiencies		
g/TEC	223	206
m ³ /TEC	4.58	4.42
Capex		
\$m	105	101
Rm	1,150	875

* Including contractors

Safety and health

Tragically, 39 employees lost their lives in mine accidents during the year. This includes 11 employees who lost their lives in three multiple fatal seismic accidents at Great Noligwa and Savuka. As a result, the FIFR rose to 0.34 in 2002 from 0.28 the previous year.

The primary cause of fatal accidents remains falls of ground, which caused 57% of fatal accidents during the year. A high-profile Fall of Ground Safety Campaign was launched during the first quarter of the year in an attempt to increase awareness associated with particularly non-seismic falls of ground, and this campaign has largely been successful. Transport-related accidents were the second biggest problem

AngloGold's operations in South Africa

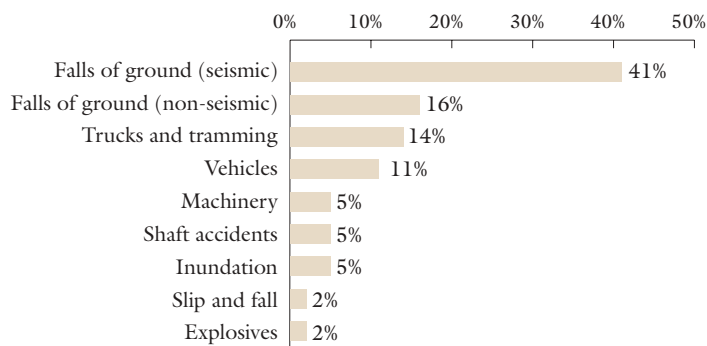
The South Africa region comprises seven underground operations: the Great Noligwa, Kopanang, Tau Lekoa and Moab Khotsong mines are located in the Vaal River area, near the towns of Orkney and Klerksdorp, while the Mponeng, Savuka and TauTona mines are located near Carletonville. A surface reclamation project – Ergo – is located near Johannesburg. Four mines in the Free State region were sold to Freegold, a joint venture between ARMgold Limited and Harmony Gold Mining Company Limited in November 2001, with control of these operations passing to the joint venture with effect from 1 January 2002.

area and accounted for a further 25% of occupational accidents. A programme to address this involving training, infrastructure improvement and audits, was launched in the last quarter and will continue during 2003.

Overall, success has been achieved in decreasing LTIFR by 14% to 9.98, the best-ever level.

A number of mines performed exceptionally well, with notable safety and health achievements:

✧ TauTona mine, despite operating at ultra-deep levels, has not had a rockfall-related accident since September 2001, and continues to post accident frequency rates similar to those of AngloGold's surface operations. TauTona



Causes of fatal accidents – 2002

The primary cause of fatal accidents on the South African operations is falls of ground. A major campaign to address this was initiated during the year.



The South African operations performed creditably in the year under review, despite a slow start. If the Free State operations are excluded from last year's production numbers, production for the South Africa region decreased by 1%.

also won the South Africa region Safety Shield Competition for the best improvement in serious injury rates over the past five years.

✧ After the tragic multiple fatal accidents in May and June, Great Noligwa mine went on to achieve a million fatality-free shifts on 27 November 2002.

Occupational health

The primary concerns in respect of occupational health in the South African operations are noise-induced hearing loss (NIHL), occupational lung diseases (OLD) and tuberculosis (TB).

Occupational health services are provided to employees at two fully-equipped regional occupational health centres. These are staffed by occupational medical practitioners, professional nurses, audiologists and other support staff.

In addition, each mine has an occupational health nurse on site.

During the year, 52,742 occupational medical surveillance examinations (initial, periodical, transfer and exit) were performed. There were 1,087 new cases of NIHL in 2002. This translates into a rate of 26 per 1,000 employees, compared with 12 per 1,000 in 2001. Regarding OLD, 186 employees were diagnosed, reflecting a rate of 4 per 1,000 employees, the same rate as in 2001; 983 new cases of TB were treated in 2002, a rate of 23 per 1,000 employees, also the same rate as in 2001.

Stricter screening for NIHL, in preparation for a new compensation rule requiring base-lining of all employees, has meant an increase in the NIHL rates, which are now expected to fall off. No increase in liability is anticipated.

Results of efforts made by AngloGold to silencing all machine drills and over 88% of noisy fans over the past three years will soon become evident in NIHL results as ambient noise levels have been significantly reduced.

AngloGold continues to make advances in the control of underground dust. New and more accurate measuring methods have been introduced; better engineering practices are evident; a more standard approach to respiratory protective equipment has been implemented and employees detected as having very early OLD are moved to lower risk areas.

TB remains an area of focus in the sphere of occupational health. More effective detection methods are resulting in earlier diagnosis and treatment, which is limiting the onward transmission of the disease.

HIV is the major factor contributing to increased TB rates in South Africa. It is expected that the HIV Wellness Programme and introduction of anti-retroviral therapy (ART) by AngloGold (see HIV below) will have a positive impact on the TB problem and a project aimed at preventing transmission of TB, through mass prophylaxis, is planned for 2003.

HIV/AIDS

The prevention of HIV/AIDS infections and the compassionate care of those afflicted with the disease remains a priority for the South Africa region. AngloGold's core intervention comprises four elements, namely:

SAFETY PERFORMANCE

	LTIFR		FIFR	
	2002	2001	2002	2001
Great Noligwa	11.06	9.61	0.47	0.19
Kopanang	12.91	11.12	0.22	0
Tau Lekoa	17.94	13.53	0.51	0.37
Ergo	1.53	3.86	0	0.20
TauTona	7.67	12.22	0.08	0.16
Savuka	17.12	21.00	1.24	1.06
Mponeng	10.91	13.77	0.47	0.47
Moab Khotsoeng	6.82	4.65	0.19	0.17

SAFETY STATISTICS

	2002	2001	2000	1999	1998
FIFR	0.34	0.28	0.24	0.38	0.41
LTIFR	9.98	11.58	11.98	14.35	15.18



Joan de Jong, CEO of Hospice, North West, with little Teboga Malangane, at the day care centre for HIV/AIDS children. AngloGold supports this invaluable facility in the Klerksdorp area.

◇ Prevention, that is, restricting the spread of the disease through education, the provision of condoms and the effective treatment of sexually transmitted infections, is a key component of the programme. Some 1,082 employees participated in AngloGold's Voluntary Counselling and Testing programme during 2002, which is an improvement on the previous year and a significant achievement, considering the stigma associated with the disease.

◇ Care for employees infected with the virus through comprehensive hospital benefits and the company's Wellness Clinics, where patients receive preventive treatment against opportunistic infections and where an ART trial project was recently introduced.

◇ Support for those employees no longer able to fulfil their role in the company is provided through a compassionate ill-health retirement programme linked to home-based care programmes that AngloGold funds in labour-sending or near-mine communities.

◇ Fundamental research into the disease and its treatment, funded by AngloGold and conducted through Aurum Health, a wholly-owned subsidiary of AngloGold Health Service. Best practice interventions identified and developed by Aurum guide the company's medical strategy.

AngloGold's AIDS strategy, which determines and guides these interventions, is a collaborative joint effort that has been defined in the agreement signed by the company and all five of its unions in July 2002.

A noteworthy programme development was the introduction of ART, which was announced in August 2002. This is being implemented for employees who are medically eligible for the treatment and

are willing to participate in the project. The first phase of this project aims to develop an understanding of and find solutions to the challenges inherent in the provision of ART in the gold mining industry. The project will identify the operational requirements of providing ART, particularly around supporting patient adherence to the drug regimen, and making the provision of ART a part of primary rather than specialist healthcare to make it accessible in the volumes required. Included in this will be the monitoring of patients' capacity to carry out their duties in underground working conditions, and of drug sensitivity. Some 200 employees have been invited to participate in the initial programme before roll-out to all eligible employees in April 2003, for which the company has budgeted \$1.5m.

Because HIV/AIDS is not a notifiable disease, no reliable data exists on prevalence levels. However, based on available information it is estimated some 30% of AngloGold's South African workforce is HIV-positive and some 3,000 current employees have developed advanced AIDS, making them eligible for ART. Some 1,500 employees are currently participating in AngloGold's Wellness programme. Some 600 employees left the company as part of the ill-health retirement programme during the year, alternative employment was found for 87 employees and 300 employees died in service during the year, largely as a consequence of AIDS-related conditions.

Performance

The South African operations performed well for the year under review, despite a slow start at the beginning of the year and significant seismic events at Great Noligwa mine. Overall gold production declined by 27% to 3,412,000oz, a result of the once-off decrease of 1,232,000oz (26% on last year) attributable to the sale of the Free State assets. If the Free State operations are excluded from last year's production numbers, production decreased by 1% due to the drop in production at Ergo. Total cash costs decreased by 14% to \$158/oz, and even in Rand terms were well controlled to a 6% increase to R53,146/kg. This was despite an inflation rate of approximately 12% during the year. Productivity, in terms of the two main indices used – namely g/TEC and m²/TEC – improved by 8% to 223 and 4% to 4.58, respectively.

Consequently, operating profit excluding unrealised non-hedge derivatives, rose by 15% to \$390m (R4.1bn).

VAAL RIVER

GREAT NOLIGWA

Volume mined decreased for the year, while grades declined by some 11% to 11.02g/t as a result of a change in the mining plan following several seismic events. The cumulative effects of these damaging seismic events during the second quarter continued to be felt into the third and fourth quarters, as a result of a lack of available production mining faces. At the same time, steps to further improve workplace safety were taken and changes were made to the mining plan which resulted in a temporary slowdown in mining production. Consequently, gold production decreased by 12% to 880,000oz (27,380kg). Total cash costs rose by 2% to \$124/oz, largely as a result of the decrease in gold production and costs incurred following the seismic events. In Rand terms, cash costs increased by 26% to R41,658/kg. Operating profit, excluding unrealised non-hedge derivatives, at \$141m (R1,487m) was 4% lower than the previous year.

In terms of outlook, production is expected to increase to 954,000oz or 29,685kg during 2003, at a total cash cost of \$154/oz (R44,459/kg) as grades continue to decline. Capital expenditure during 2003, for the refurbishment of infrastructure and the No 8 plant mill, is likely to be in the region of \$22.8m or R205m.

KOPANANG

Gold production increased by 3% to 511,000oz or 15,874kg, mainly as a result of increased volumes mined through improved labour efficiencies. Total cash costs reduced by 7% to \$165/oz in Dollar terms; however, in Rand terms, cash costs increased by 14% to R55,001/kg, mainly as a result of increased cementation support for safety reasons and lower by-product contributions from the lower exchange rate. Operating profit, excluding unrealised non-hedge derivatives, increased by 33% to \$56m (R591m).

For 2003, production is expected to increase to 512,000oz or 15,926kg, at a total cash cost of \$220/oz (R63,741/kg), predominantly from higher volumes mined. For the year ahead, capital expenditure on infrastructure refurbishment, expansion development and hostel upgrades is planned at \$13m or R119m.

CASH COSTS

	Forecast 2003	2002	2001	2000	1999
R/kg	60,515	53,146	50,065	48,395	44,598
\$/oz	209	158	184	218	227

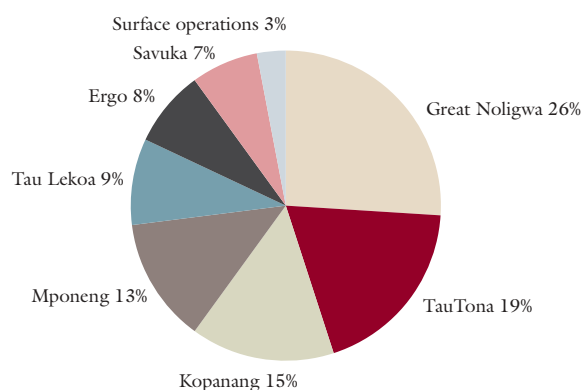
TOTAL CASH COSTS PER OPERATION

	R/kg		\$/oz	
	2002	2001	2002	2001
Great Noligwa	41,658	33,068	124	122
Kopanang	55,001	48,121	165	178
Tau Lekoa	64,234	55,545	192	203
TauTona	44,465	42,347	132	154
Savuka	82,111	68,209	245	248
Mponeng	59,504	61,221	178	223
Ergo	61,810	58,884	184	215

CAPITAL EXPENDITURE

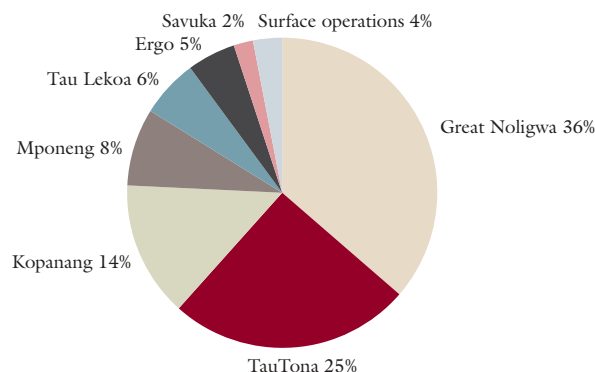
	Forecast 2003	2002	2001	2000	1999
Rm	1,659	1,150	875	1,047	922
\$m	185	105	101	145	151

Contribution of South African operations (oz) to the region's production



Three mines, Great Noligwa, TauTona and Kopanang, make up 60% of the South Africa region's production.

Contribution of South African operations to the region's EBITDA (%)



Moab Khotsong

The largest project under development in the South Africa region is the Moab Khotsong mine, located in the Vaal River area.

Production is scheduled to commence in late 2003, with full production expected in 2006.

The mine will add 4.5Moz to the region's production to 2015, at an average cash cost of \$129/oz.

TAU LEKOA

Volumes mined at Tau Lekoa rose by 6%, while grades improved by 1% to 4.45g/t. Gold production increased by 9% to 311,000oz or 9,675kg. In Dollar terms, total cash costs declined by 6% to \$192/oz, while in Rand terms total cash costs increased by 16% to R64,234/kg. This was primarily as a result of increased volumes mined, increased labour building up to a higher volume platform and lower contribution from by-products.

Gold production should increase to 319,000oz (9,926kg) in 2003, while total cash costs are expected to rise to \$244/oz (R70,689/kg) mainly through higher volumes mined, lower grade and inflation. Tau Lekoa anticipates capital expenditure of about \$8m or R71m during 2003, on technology projects, expansionary projects (Goedgenoeg and Weltevreden) and infrastructural refurbishment.

WEST WITS**TAUTONA**

TauTona continued with its strong performance during the year, with gold production rising by 3% to 643,000oz, or 19,997kg. Total cash costs decreased to \$132/oz. In Rand terms, however, this reflected an increase of 5% to R44,465/kg.

For 2003, gold production is expected to decrease to 623,000oz or 19,362kg, at a total cash cost of \$168/oz (R48,677/kg) mainly from lower gold production and inflationary pressures. During the year ahead, capital expenditure on infrastructure refurbishment and expansion

projects is likely to be in the region of \$22m, or R198m.

SAVUKA

Increased seismicity in the VCR had a negative impact on the volumes mined at the beginning of the year, although improvements in the rate of face advance countered this to some extent. After having mined a pillar in the first half of the year, the grade dropped on the depletion of the pillar, resulting in an average yield of 7.07g/t, similar to the previous year. Consequently, gold produced decreased by 2% to 236,000oz or 7,331kg, at a total cash cost of \$245/oz. In Rand terms, total cash costs increased by 20% to R82,111/kg as a result of the accelerated development plan to match the new LOM profiles.

Looking forward, production is expected to decrease to 235,000oz or 7,299kg in 2003, while total cash costs should rise to \$330/oz (R95,531/kg) following the higher volumes mined and increased development planned. The higher volumes mined planned for 2003 are to counter the 23% drop in recovered grade. Capital expenditure on expansion projects and infrastructure refurbishment is expected to be in the region of \$10m or R94m. Savuka has strategic synergies with TauTona.

MPONENG

Performance at Mponeng improved significantly during the year, with volumes mined increasing by 21% and yields rose to 8.63g/t. Although newly equipped raise lines had an impact on costs during the year, the flexibility

afforded by these had a favourable impact on production from mid-year. As a result, gold production increased by 27% to 466,000oz or 14,498kg. Total cash costs decreased by 20% to \$178/oz; in Rand terms, total cash costs decreased by 3% to R59,504/kg.

Gold production is expected to decrease to 401,000oz or 12,476kg in 2003, while total cash costs should increase to \$244/oz (R70,681/kg) from the cost of the increased development plan and lower gold production. In 2003, capital expenditure is expected to be in the region of \$46m (R413m) for expansion and shaft deepening, ore reserves development and infrastructure upgrades.

ERGO

As anticipated, gold production decreased by 20% to 264,000oz, or 8,215kg, following the closure of the Daggafontein plant in December 2001. During the year, the operation was affected by higher-than-expected rainfall, environmental clean-up activities and power failures. The effects were offset by improved headgrades and increased metallurgical efficiency. Total cash costs decreased by 15% to \$184/oz. In Rand terms, total cash costs increased by 5% to R61,810/kg.

Production is expected to decrease to 215,000oz or 6,692kg in 2003 as a result of a declining headgrade. The 20% lower grade and constant volumes should result in a rise in total cash costs to \$285/oz (R82,602/kg). Ergo's closure is scheduled for early 2005. Planning has started with the establishment of a closure project



team. The project scope includes rehabilitation, social aspects and other liabilities associated with the closure of the operation.

Growth

Three major growth projects are currently in progress in South Africa – at Mponeng, TauTona and Moab Khotsong – at a total capital cost of approximately R5.6bn (\$649.7m at current year's closing exchange rate).

MPONENG SHAFT DEEPENING PROJECT

Good progress has been made during the year with the Mponeng Shaft Deepening Project. The project involves the development of ore reserves from the Ventersdorp Contact Reef (VCR) on 113, 116 and 120 levels at Mponeng mine (ranging from 3,172m to 3,372m below surface). The project will add some 2.8Moz to production and extend the LOM by five years to 2012. Total capex for the project is R1.3bn (\$159.3m at current year's closing exchange rate) with some R318.7m remaining (\$37.2m at current year's closing exchange rate). Average project cash costs over the LOM should be in the region of R55,200/kg (\$180/oz at current year's closing exchange rate). In-circle development is in progress and will be completed by February 2003.

Access development on 113 level has been completed and permanent equipping began in January 2003. At 116 and 120 levels, access development is scheduled for completion in May 2003.



Great Noligwa

Great Noligwa mine contributed 26% to the South Africa region's production. This was despite several major seismic events at the mine during the year. The underground locomotive seen here is known as "Big Momma". Its introduction is part of the mine's Hypermine project.

ADDITIONAL OPPORTUNITIES IN SOUTH AFRICA

Mine	Project	Additional gold production	Production start-up
Moab Khotsong	Phase 2: below 101 level	4.4Moz	2012
Mponeng	Lower grade VCR and CLR	3.1Moz	2014
TauTona	CLR 120-125 level and 116 level (east of Bank Dyke)	1.6Moz	2006
Mponeng	VCR: 120 – 125 level	1.3Moz	2007
TauTona	VCR shaft pillar and 66 level	0.3Moz	2005
Tau Lekoa	Above 900 level	0.2Moz	2006

TAUTONA EXTENSION PROJECT

This project has two areas of focus, namely accessing and mining part of the shaft pillar, and accessing and mining an area east of the Bank Dyke (previously part of the Mponeng mine plan). The project will add 2.7Moz to the mine, at a total capital cost of R432m (\$50.4m at current year's closing exchange rate); of this some R160.1m (\$18.7m at current year's closing exchange rate) has already been spent. LOM has been extended by six years to 2013, with average project cash costs expected to be in the order of R55,500/kg (\$180/oz at current year's closing exchange rate).

Development to access the CLR and area east of the Bank Dyke is on target, while rehabilitation of the haulages continues. The drilling programme from various levels is in progress.

MOAB KHOTSONG MINE

The largest of the current South African projects is the development of the Moab Khotsong mine, located in the Vaal River area. The project comprises the sinking of a new shaft to 3,130m below surface (101 level) to access the Moab lease area, a 136-tonne reserve. The shaft system will have a capacity to hoist about 150,000t/month. Production is scheduled to commence in the last quarter of 2003, with full production of 360,000oz, or 11,215kg per annum, expected by 2006. The mine will add 4.5Moz to this region's production to 2015, with an average cash cost of R39,600/kg (\$129/oz at current year's closing exchange rate). Total capex for the project is R3.8bn (\$440m at current year's closing exchange rate), of which some R2.8bn (\$335m at current year's closing exchange rate) has already been spent. Development of this mine, which began in 1991, is on schedule.

The Main shaft extension was commissioned to a depth of 3,130m in June 2002. Permanent equipping of the RV shaft is 70% complete with commissioning scheduled for March 2003. Access development has progressed to a point where the crosscut is in position and the first raiseline is being established.

ADDITIONAL OPPORTUNITIES

In addition, a higher gold price has contributed a further 11Moz of gold to reserves, resulting in the possible development of six deep-level mining projects currently under evaluation.

Sustainable development

Since the South Africa region employs by far the most people, and has the largest number of operations, its community and environmental impact is greater here than anywhere else. The aim of the South Africa region is to create a balance between the impact on the natural and social environments in which it operates while at the same time ensuring that it delivers significant and lasting benefits to employees, their communities and other stakeholders, in partnership with government, international agencies, labour, health and non-governmental organisations. As a result of historical and current socio-economic imperatives, the role played by the company in social issues is significant.

ENVIRONMENT

An amended Environmental Management Programme Report for the West Wits and Vaal River operations was submitted to the Department of Minerals and Energy in November 2002. It is anticipated that feedback will be received on this early in 2003.



(From left to right) A pre-schooler enjoying the outside play area at the Shiloh Marabian Mission Station School in Whittlesea (a Khululeka project); Noncedile Mozondi, one of the Mabhongo villagers who was given chickens as a part of the Masikhanyise sustainable development project. Coleth du Plessis and her pupils in the new cookery centre at the North West Secondary School for the deaf in Leeudoringstad. All these projects were supported by the AngloGold Fund.

Water usage and management remains a key area of focus. Water balances were updated and redesigned to ensure a more user-friendly and comprehensive system. Water monitoring programmes and procedures for ground and surface water were developed and implemented at the Vaal River and West Wits operations and a quarterly reporting and analysis system was rolled out across the region. Geotechnical assessment of rock dumps and tailings storage facilities, indicating pollution potential and associated time periods, were completed. This is the first time such an assessment has been undertaken in the South African gold mining industry. The main focus for 2003 will be the reduction in potable water usage and the treatment of mine water to reduce the contamination potential on water resources.

During 2002, the region committed itself to the development of a web-based electronic Environmental Management System. The system is based on ISO14000 principles. The first of four phases, involving policy development and planning, was completed in 2002.

Also during 2002, the region's Environmental Incident Review system was further refined, with the emphasis placed on implementation within the operations.

AngloGold is currently funding a study being undertaken by the genetics department of the University of Pretoria into the yellowfish population of the Vaal River. This study will develop genetic fingerprints of two particular species to assist in the formulation of fisheries management regulations. Both the Vaal River and West Wits operations are part of the greater Vaal River catchment area.

Good progress was made with rehabilitation trials at the Ergo Daggafontein tailings dam. The dam was decommissioned in

December 2001 and will be rehabilitated to environmental closure in terms of the Minerals Act.

SOCIAL INVESTMENT

In South Africa, the company's corporate social investment initiatives are directed by the AngloGold Fund and Education Trust. During 2002, some \$1.5m (R15.6m) was committed to a range of initiatives, both large and small.

The primary areas of investment remain education, welfare and development, community health, health projects related to HIV/AIDS, and skills and entrepreneurial development. Although the Fund supports projects which have a national impact, the focus is on those regions and communities in which the company operates or has a major impact. For example, during the year, some 35% of funding went to the Eastern Cape, an area from which the company traditionally draws much of its workforce.

Some of the major projects currently in progress include:

✧ Klerksdorp Methodist Primary School is one of the few English-medium primary schools in one of AngloGold's key operational areas. The school's intake has grown exponentially over the past few years, to the point where new learners had to be turned away due to the lack of space. AngloGold's donation of \$118,000 will enable a block of five classrooms to be added to the complex.

✧ The Boyden Observatory is home to the second largest optical telescope in Africa. The observatory, part of the University of the Free State's Science Block, recently initiated a project to upgrade its facilities to make them more relevant to the school curriculum and accessible to previously disadvantaged communities in the area. The long-term aim is to foster greater interest in the study of science, engineering and technology.



(From left to right) A Grade 6 pupil doing his homework in the aftercare centre at the Methodist Primary School in Klerksdorp; Ayanda Matha a pre-grade pupil enjoying the playground equipment that AngloGold sponsored for the Winterberg School Trust, Tarkastad; Elisabeth Ganakgomo preparing a quilted bedspread that will be sold to raise funds for the Mohau AIDS centre.

◇ Goldfields Hospice in the Free State has received a grant of \$15,000. This valuable facility provides extensive community-based homecare for terminally ill patients in the Welkom area in the Free State.

◇ Siphumezulwazi Secondary School in Alice in the Eastern Cape has been awarded grant from the AngloGold Fund for the construction of five classrooms, a store room, an office and ablution facilities.

◇ The National Association of Childcare Workers in the Eastern Cape was awarded \$27,500 for the Isibindi project in Cala, in the Eastern Cape. The project provides accredited training, support and development for child and youth care workers and is aimed at assisting children and youths who have been placed at risk as a result of abuse, HIV/AIDS or criminal involvement.

◇ Khululeka Community Education Development Centre in Queenstown, Eastern Cape, is another project that was supported during the year. A \$25,000 grant to this leading early childhood development centre will enable a comprehensive training programme to be developed to empower other early childhood development practitioners with skills, resources and values to provide quality education and care for young children. The materials developed by Khululeka are already used by many other non-governmental organisations (NGOs) who do not have the resources or infrastructure to develop their own materials.

◇ The African Medical Mission in the Eastern Cape received a grant of \$27,000. The hospital which is situated in the town of Bedford, caters for a third of the people in the province – many of whom live in rural areas and cannot afford alternative medical facilities and care.

◇ Carletonville Technical College was awarded some \$23,000 to purchase computers for an engineering laboratory. The college is one of only six technical colleges in the country offering mining-related subjects and the only facility offering surface and hard-rock courses. Improved facilities will better equip locals with the knowledge, resources and skills to be employed by mines in the surrounding areas.

◇ Another project which received support is the St Bernard's Hospice in the Eastern Cape. One of the best managed hospices in the region, St Bernard's provides a safe haven for terminally ill patients. A grant of \$25,000 has assisted this organisation in improving and extending its homecare programme and to extend specialist care to patients, many of whom suffer from HIV/AIDS.

◇ The AngloGold Fund also awarded a grant of \$20,000 to the Triest Training Centre in North West Province. The centre provides care, rehabilitation and the integration of intellectually handicapped people into mainstream society.

The Morifi Community Secondary School was opened in September 2002. The school, granted R2.5m from the AngloGold Fund and situated in rural Lesotho not far from Mohale's Hoek, is the first in the area to cater for pupils in the post-primary phase. It was built following extensive consultation and planning with both the community and the Lesotho Ministry of Education. As almost a fifth of employees are from Lesotho, this is in line with the strategy to contribute to those communities from where AngloGold's employees come. The first intake of 160 pupils has been enrolled and there are five teachers on the staff. The number of pupils is expected to increase to 475 within three years.

(From left to right) Songo Ndungane and Popama Mokopane, Grade 2 pupils, taking a break from a literacy class, Ginsberg Primary, King William's Town.





East and West Africa

Key statistics	2002	2001
Tonnes treated (Mt)		
(attributable)	8.0	7.3
Average grade (g/t)	4.22	3.71
Gold production (000 oz)		
(attributable)	1,085	868
Total cash cost \$/oz	126	129
Number of employees*	2,275	1,600
Efficiencies (g/TEC)	1,855	1,884
Capex (\$m)		
(attributable)	27	34

* Including contractors



AngloGold's operations in East and West Africa

The East and West Africa region (formerly known as the Africa region) comprises five operations, located in three African countries other than South Africa. These are the Yatela, Sadiola and Morila mines in Mali, the Navachab mine in Namibia and the Geita mine in Tanzania.

Safety and health

Safety has been an issue of concern in the East and West Africa region during the year, with 45 lost time injuries. One fatal accident occurred at Morila and three fatal accidents at Geita. The main contributing factors were identified and action plans were implemented to address the deficiencies. The LTIFR and the FIFR for the region were 2.93 and 0.26 respectively.

During the year, Geita maintained its NOSA 4-star rating, while Navachab retained its NOSA 5-star rating.

Malaria

With the ever-present threat of malaria at most of the African operations, prevention and treatment programmes are running effectively at the Malian and Tanzanian operations. The focus is on education, malaria vector control, the issuing of mosquito nets and early detection and treatment.

HIV/AIDS

HIV/AIDS programmes have been implemented in the region with the

WHO OWNS AND MANAGES THE OPERATIONS

Operation	Country	Partners	Stake	Management
Morila	Mali	AngloGold	40%	AngloGold
		Randgold Resources	40%	
		Government of Mali	20%	
Geita	Tanzania	AngloGold	50%	Joint management
		Ashanti Goldfields Company	50%	
Sadiola	Mali	AngloGold	38%	AngloGold
		IAMGOLD	38%	
		Government of Mali	18%	
		International Finance Corporation (IFC)	6%	
Navachab	Namibia	—	100%	AngloGold
Yatela	Mali	AngloGold	40%	AngloGold
		IAMGOLD	40%	
		Government of Mali	20%	

SAFETY PERFORMANCE

	LTIFR		FIFR	
	2002	2001	2002	2001
Morila	6.27	1.68	0.33	0.00
Geita	2.11	0.65	0.49	0.00
Sadiola	1.54	0.00	0.00	0.00
Navachab	3.05	2.98	0.00	0.00
Yatela	2.07	2.52	0.00	0.00



Expansion at Geita

The first phase of the Geita gold plant expansion was approved during the first quarter following encouraging results from exploration in the Nyankanga pit, which increased the total remaining reserve to 33.5Mt. Plant throughput is being increased from 4.5Mtpa to 6Mtpa in two phases.

Phase 1, which was completed in December 2002, involved the installation of secondary crushers and modification to the ball mill to cater for the increased throughput, raising the treatment rate to 5.6Mtpa at a capital cost of \$3m.

primary focus on prevention through education and awareness. At all operations, education programmes have been conducted in the local communities and throughout the workforce. Peer educators have been identified and have received professional training. Partnerships have been formed with NGOs and other stakeholders in the local communities. Awareness programmes and condom distribution initiatives are ongoing.

Performance and outlook

Overall, the East and West Africa region delivered an excellent performance for the year and produced over a million attributable ounces for the first time, largely owing to the exceptional high-grade ore at Morila. Attributable production increased by 25% to 1,085,000oz, while total cash costs decreased by 2% to \$126/oz. Operating profit, excluding unrealised non-hedge derivatives, increased to \$129m.

MORILA

Gold production at Morila increased by 67% to 421,000oz, largely as a result of the interception of exceptionally high-grade zones of ore during July to October. The average recovered grade for the year rose by 74% to 11.96g/t. As a result, total cash costs for the year improved by 28% to \$74/oz and operating profit, excluding unrealised non-hedge derivatives, rose by 190% to \$70m.

Attributable production at Morila should decrease by 19% to 343,000oz for 2003, while total cash costs will be \$93/oz with the return to average mine grades. Drilling to identify other possible high-grade zones is underway. Capital expenditure of \$4m is anticipated in 2003.

GEITA

Geita experienced another good year. Production rose by 6% to 290,000oz, despite a 2% decline in the average grade for the year to 3.62g/t. Total cash costs increased by 19% to \$175/oz, as a result of increased stripping requirements, increased mining from the Kukuluma pit, and greater distances to the Geita plant. Operating profit, excluding unrealised non-hedge derivatives, fell by 20% to \$20m.

During the second quarter, Geita successfully concluded its 90-day project completion testing, as required by loan covenants, resulting in the release of the AngloGold loan guarantees.

Approval was granted for the first phase of the Geita expansion project during the first quarter of the year. This followed encouraging results from exploration drilling in the Nyankanga pit, which increased the total remaining ore reserve to 33.5Mt. To realise the full potential of this increased reserve, plant throughput is being raised from 4.5Mtpa to 6Mtpa in two phases over the next two years. By year-end, Phase 1 of this project

– increasing throughput to 5.6Mtpa – had been completed and commissioned.

During 2003, attributable production should increase by 17% to 339,000oz. Total cash costs should increase by 1% to \$176/oz. Capital expenditure of \$12m is planned in 2003.

SADIOLA

Tonnage throughput at Sadiola was adversely affected by mineral sizer downtime in the first quarter, the low availability of high-grade oxide ore during the year and problems with the treatment of higher-grade soft sulphide ore. This resulted in a 5% decrease in the average recovered grade for the year to 2.96g/t. Consequently, gold production of 182,000oz was 10% lower than the previous year. Total cash costs increased by 25% to \$163/oz as a result of the lower production and treatment of sulphide ores. Operating profit, excluding unrealised non-hedge derivatives, decreased by 42% to \$12m.

The plant conversion project to improve gold recovery from the treatment of soft sulphide ore was completed on schedule by the end of February 2002. High cyanide values in the final residue prevented the treatment of soft sulphide ore, which required high cyanide addition to maintain acceptable recoveries. A cyanide destruction plant was designed and commissioned in the third quarter and



was fully operational at year-end. The system will be fully optimised by the end of January 2003.

The final instalment on the project finance loans for the development of Sadiola was paid during the second quarter. The total repayments for the five-year period of the facility amounted to \$288m.

During the year ahead, attributable production at Sadiola should decrease by 7% to 169,000oz, while total cash costs will increase by 18% to \$193/oz due to increased reagent costs to treat sulphide ore. Capital expenditure of \$2m is planned for 2003.

NAVACHAB

Navachab continued to exceed production targets in 2002, although gold production was 2% lower at 85,000oz, mainly due to a 5% decrease in recovered grades to 1.93g/t for the year. Total cash costs declined by 10% to \$147/oz. Operating profit, excluding unrealised non-hedge derivatives, increased by 41% to \$12m.

A decision to proceed with a pushback towards the east to extend the LOM by eight years to 2013 was taken by the AngloGold board in July 2002. An early application for the renewal of the mining licence has been approved. This extends the licence to 2018.

Looking ahead to 2003, attributable production at Navachab should decrease by 6% to 80,000oz. It is anticipated that total cash costs will increase by 50% to \$220/oz as extra stripping will be required at the Eastern Pushback.

It is expected that capital expenditure will rise by 41% to \$4m during the year.

YATELA

This was the first full year of operation at Yatela. Gold production increased by 105% to 107,000oz, while total cash costs increased by 18% to \$175/oz, largely as a result of higher maintenance costs on the mineral sizers as a result of harder materials being treated, and increased reagent – mainly cement – usage. Cement is used for leach pad stability. Operating profit including non-realised hedge derivatives, rose by 114% to \$10m.

During 2003, attributable production is expected to decrease by 8% to 98,000oz. Total cash costs should increase by 14% to \$199/oz. Capital expenditure of \$3m is planned in 2003.

Growth

As a result of the successful brownfields drilling programme at Geita during

the year, the reserve has increased by 21% to 4.7Moz, confirming the company's confidence in the prospectivity of the deposit.

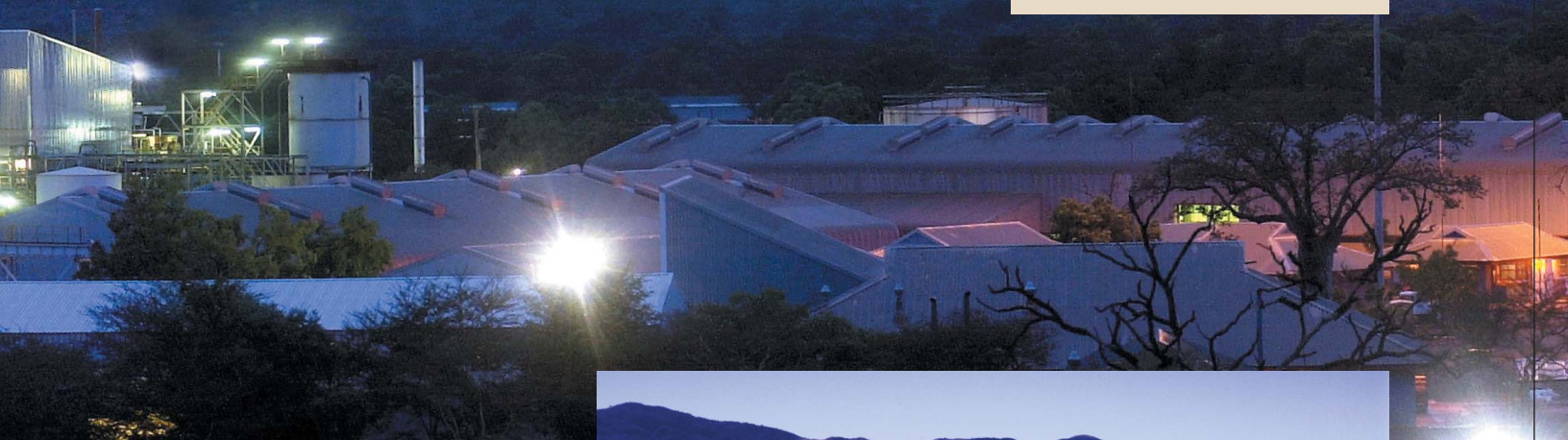
With the improvements in the gold price, a feasibility study commenced during the first quarter to evaluate the economic viability of a mine expansion project at Navachab.

Sustainable development

AngloGold's aim of ensuring sustainable development is particularly pertinent in Africa where mining operations are frequently located in inaccessible areas, largely untouched by industry and economic development. Sensible mining practices, with the full involvement of local communities and governments, can ensure that long-term benefits accrue to the regions, even after mining has been completed.

Localisation programmes have been implemented at all operations with the main focus on the implementation of technical and managerial training programmes to fast-track the career development of local employees. Artisan training and business skills, safety and metallurgical training are in place at the operations. Progress has been made with at least 60%

AngloGold's philosophy of ensuring sustainable development is particularly pertinent in Africa where mining operations are frequently located in inaccessible areas, largely untouched by industry and economic development. Sensible mining practices, with the full involvement of local government and communities – such as here at Sadiola in Mali – can ensure that long-term benefits accrue to the region, even after mining has been completed.



of supervisory and managerial positions now being held by local employees.

Sustainable social development strategies have been implemented at all of the operations. At Sadiola and Yatela mines, through the facilitation of water irrigation and the training and education of local farmers, sustainable farming projects are being implemented in the local communities. Similar programmes are being investigated at other operations. As a result of a major drought in the local communities surrounding the Malian operations, borehole drilling operations are taking place to increase the provision of water. These initiatives to establish greater water security through the use of ground water, rather than surface water have cost in the region of \$120,000.

At Sadiola and Yatela mines, the micro-credit programme continued with 98 loans amounting to \$70,000 being granted to assist prospective small businesses.

At Morila, significant contributions (of some \$250,000) were made towards the upgrade and maintenance of infrastructure in the communities surrounding operations. Examples include the upgrading of medical clinics, building of roads and bridges, provision of electricity



for strategic facilities and the construction of dams.

Training and education programmes have been initiated by the operations for the local communities covering topics such as HIV/AIDS and sustainable development. A social development trust consisting of mine management, NGOs and local community representatives is in the process of being formed by Morila mine. An initial contribution of \$500,000 has been made by the mine to this trust. The main aim of the trust will be to manage the allocation of funds towards sustainable development projects and to monitor the success of these projects.

Navachab continues to exceed production targets. Looking ahead, a project to extend the LOM by eight years was approved by the AngloGold board in July 2002.

South America

Key statistics	2002	2001
Tonnes treated (Mt)		
(attributable)	1.9	1.7
Average grade (g/t)	7.8	7.8
Gold production (oz)		
(attributable)	478,000	441,000
Total cash cost (\$/oz)	126	134
Number of		
employees *	2,660	2,300
Efficiencies (g/TEC)	684	611
Capex (\$m)		
(attributable)	24	20

* Excludes contractors for the Cuiabá Expansion and contractors for the implementation phase of Córrego do Sítio mine



AngloGold's operations in South America

The South America region comprises three operations, Morro Velho and Serra Grande (50%) in Brazil and Cerro Vanguardia (92.5% as of July 2002) in Argentina.

ANGLOGOLD'S OPERATIONS IN SOUTH AMERICA

Operation	Country	Partners	Stake	Management
Morro Velho	Brazil	–	100%	AngloGold
Serra Grande	Brazil	AngloGold TVX Gold inc	50% 50%	AngloGold
Cerro Vanguardia	Argentina	AngloGold Formicruz, Santa Cruz Province	92.5% 7.5%	AngloGold

Safety and health

Safety performance in the region was good, with the overall LTIFR – at 4.21 – below the Ontario benchmark of 6.5. Regrettably, a fatal accident occurred at Cerro Vanguardia on 17 July. Following a complete review of risk management procedures in November 2002, Cerro Vanguardia was re-audited and maintained a NOSA 5-star rating and ISO14001 Certification.

Serra Grande was audited during the first quarter and gained a 4-star rating. At the end of November, the mine was re-audited and achieved a NOSA 5-star rating – the first underground mine in the world to achieve this distinction. The mine was awarded the inaugural Dick Fisher Safety Award, for the best performance across AngloGold's

operations, based on year-on-year safety improvements.

Morro Velho was also audited in the first quarter and was awarded a NOSA 3-star rating. A re-audit will take place in the first quarter of 2003.

Performance and outlook

Attributable production in the South America region increased to 478,000oz, principally as a result of the acquisition of

an additional 46.25% stake in Cerro Vanguardia in July 2002. Total cash costs decreased by 6% to \$126/oz as a result of improved cost management, higher by-product credits and the effects of the devaluation of the Real and Peso. Attributable operating profit, excluding unrealised non-hedge derivatives, rose by 26% to \$68m, primarily as more gold was sold at a higher gold price with lower cash costs.

MORRO VELHO

Production declined marginally to 205,000oz because of lower tonnages treated. This was exacerbated by rock mechanic problems experienced at Cuiabá mine in the first quarter, which have since been resolved. Total cash costs increased by 3% to \$131/oz. Operating profit, excluding unrealised non-hedge derivatives, was kept stable at \$29m. Looking to 2003, production is expected

SAFETY PERFORMANCE

	LTIFR		FIFR	
	2002	2001	2002	2001
Morro Velho	5.73	9.07	0.00	0.58
Serra Grande	0.70	6.42	0.00	0.00
Cerro Vanguardia	3.72	7.54	0.93	0.00



Mayra Rodrigues Nunes (left), a monitor at the Harry Oppenheimer Environmental Centre, hands seedlings to children from the Nova Lima day care centre. Both these centres are examples of AngloGold's social investment initiatives aimed at the communities surrounding its operations.

to increase to 218,000oz, at a total cash cost of \$106/oz. Capital expenditure for the year amounted to \$17m and will increase to \$28m during 2003.

SERRA GRANDE

Attributable production decreased by 3% to 94,000oz as a result of a 3% fall in grade owing to a depletion of the sulphide orebodies. Total cash costs decreased by 7% to \$100/oz mainly due to the devaluation of the Real. Attributable operating profit, excluding unrealised non-hedge derivatives, increased by 1% to \$17m.

Production is expected to decrease to 90,000oz in 2003, at a total cash cost of \$90/oz. Capital expenditure for the year amounted to \$3m, and will increase to \$4m during 2003.

CERRO VANGUARDIA

Attributable gold production rose by 32% to 179,000oz principally as a result of the acquisition of an additional 46.25% stake from Pèrez Companc in July 2002. Excluding the additional production arising from the acquisition, production declined by 11% as a result of water entering the pits and combining with clay in the ore feed to the plant, causing production delays in the third quarter, which are still being addressed.

Total cash costs decreased by 22% to \$104/oz as a result of better cost management and the Peso devaluation,

while attributable operating profit, excluding unrealised non-hedge derivatives, increased 85% to \$27m, as a result of AngloGold's additional interests in Cerro Vanguardia, lower cash costs and the higher gold price received.

In 2003, production should rise to 246,000oz, at a total cash cost of \$110/oz. Capital expenditure for the year amounted to \$2m, and will increase to \$6m during 2003.

Growth

The pre-feasibility study for the Cuiabá Expansion Project was completed in 2002. The project envisages expanding production from 2,300tpd to 4,000tpd, yielding an additional 180,000oz/year of production at an estimated capital cost of some \$93m. The feasibility study for the project will be completed during 2003 and, should approval be received, is scheduled for implementation in September 2004. Full production capacity would be reached in 2006.

Pre-feasibility studies to expand Cerro Vanguardia's ore treatment plant throughput to 1.2Mtpa and underground mining to produce 300,000tpa were both started in 2002. The increase in production is forecast at 75,000oz per year at an estimated capital expenditure of \$13m. Implementation of these projects will be carried out from August 2003 to August 2004 and full production is expected in 2005.

The pre-feasibility study of the Lamego Project, which envisages the exploitation of 6.3Mt of resources at 5.96g/t, is due to start in 2003. Production is forecast to be 45,000oz per year for 10 years, with capital expenditure of \$14m.

Opening of the access ramp to confirm resources of 600,000t at 10.78g/t of sulphide ore at Córrego do Sítio began in 2002. The pre-feasibility study to treat the sulphide ore will start in 2003 at an estimated capital expenditure of \$13m. The project will produce 55,000oz/year.

Exploration work continues at Serra Grande, with the aim of increasing reserves. During 2002, aerial geophysical work was undertaken and studies to verify geophysical anomalies were conducted. During 2003, it is expected that the investigation of such anomalies is expected to intensify.

Sustainable development

Environmental and social issues continue to receive attention.

Ongoing environmental work at Morro Velho includes a stepped-up waste collection and recycling campaign during the year, significantly reducing the amount of waste generated by the company. This programme has been bolstered by an extensive communications network to instil further awareness of the campaign.

Cerro Vanguardia received both the ISO14001 and NOSA 5-star status, becoming the only mine in the world to have achieved these two accreditations simultaneously.



In Raposos, Morro Velho has revitalised a dressmakers' cooperative by providing both financial and administrative support. Raposos, a mining town, was founded more than 300 years ago around one of the Morro Velho operations which has since closed.

Various donations amounting to \$1.2m were made by the company to a number of projects. As an example of working in partnership with local municipalities, communities and other institutions, Morro Velho recently contributed towards the establishment of the Reference Centre for Pneumology. The Centre provides free services for the diagnosis and treatment of silicosis and associated diseases. The Centre has its own team of specialist physicians including ancillary services such as social work, physical therapy and pharmacies.

A project that has been dubbed "the second gold yield" will see the valuable real estate owned by Morro Velho in and around Nova Lima being used to provide much-needed green areas as a very important backdrop to the growing urban

landscape. Discussions are being held with key authorities in the region to ensure appropriate best practice use into the future. Also in the Nova Lima area, an educational campaign has been developed to inform communities about safe water usage.

To increase awareness of such green issues, the Harry Oppenheimer Centre for Environmental Education continued with its efforts during the year, while at the same time providing a recreational centre. The Centre had some 9,000 visitors during the year and about 600 company employees participated in courses and workshops looking at environmental programmes and technology implemented by the company.

Another environmental project, established by Serra Grande 18 months ago, the Ecological Preservation Centre, received visits from more than 400 people from the community of Crixás during the year. Students and teachers, as well as other community leaders, participated in the environmental awareness courses developed by the Centre.

A survey of the small community of Rio Acima, home to the Engenho d'Água mine, near Morro Velho, indicated that, although most community members were positive about the development, some aspects of concern were raised – such as dust and traffic control. This was then addressed by the company by watering the roads and further training of operators.

The Córrego do Sítio mine, located in Santa Bárbara, was granted a renewal of its operating permit in 2002, which is now valid until July 2007. Good progress was made with environmental rehabilitation on the mine with about 163 hectares having been replanted up to December 2002.

An agreement was reached with the National University of Southern Patagonia for the monitoring of the flora, fauna and soil of the region in which the Cerro Vanguardia mine is situated. The aim is to ensure the preservation of animal and plant species, in addition to maintaining water and soil quality.

North America

Key statistics	2002	2001
Tonnes treated (Mt)		
(attributable)	13.3	12.2
Average grade (g/t)	1.08	1.27
Gold production (oz)		
(attributable)	462,000	496,000
Total cash cost (\$/oz)	222	211
Number of employees*	910	850
Efficiencies (g/TEC)	1,979	2,273
Capex (\$m)		
(attributable)	74	93

* Including contractors

SAFETY PERFORMANCE

	LTIFR	
	2002	2001
Jerritt Canyon	5.74	1.17
CC&V	4.36	1.91

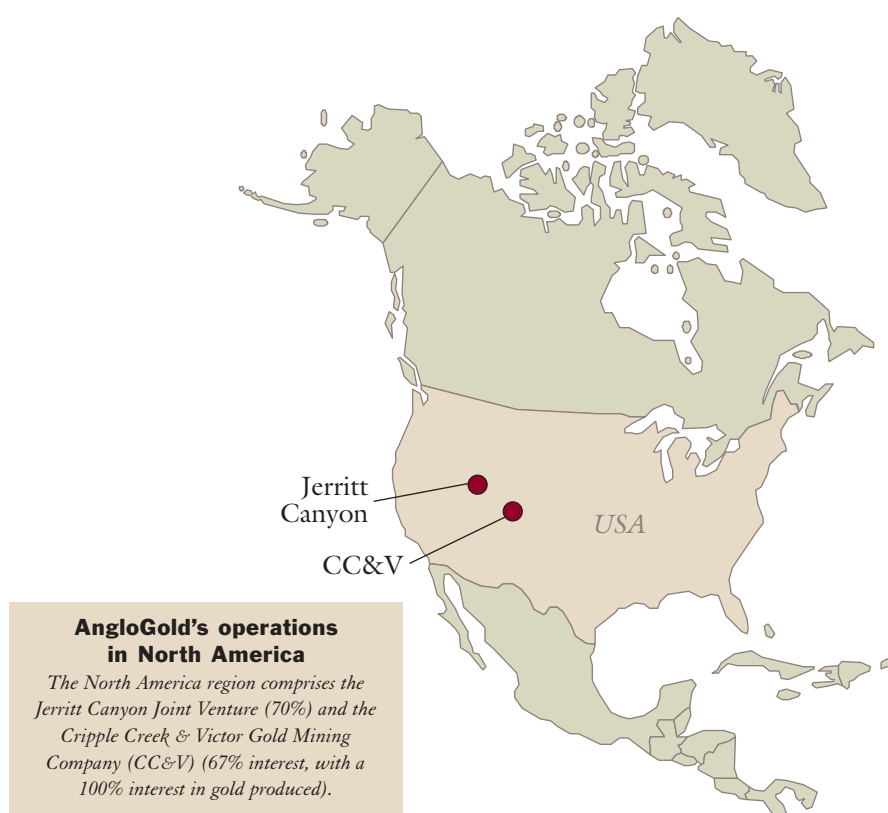
Safety and health

Safety performance continued at the exceptionally high levels that have become the norm at the North American operations. The overall LTIFR was 4.95, which compares favourably with the Ontario benchmark. Jerritt Canyon's Smith mine was once again recognised by the Nevada Mining Association as having the lowest reportable injury rates for calendar 2001, while the Murray mine achieved one million man-hours without a lost time injury.

CC&V was recognised by the Colorado Mining Association for achieving over 728,000 contractor man-hours without a lost time injury during the recent project expansion. CC&V's Safety Supervisor was also recognised by the Colorado Mining Association for his active involvement in this achievement.

Performance and outlook

The year started with some difficulties at the North American operations as severe weather conditions affected Jerritt Canyon, and CC&V experienced ongoing technical problems associated with its valley leach facility. Performance had improved by year-end, however, particularly as major elements of the CC&V expansion project were completed on time and below budget. Production



WHO OWNS AND MANAGES THE OPERATIONS

Operation	Country	Partners	Stake	Management
Jerritt Canyon	USA	AngloGold Meridian Gold Inc	70% 30%	AngloGold
Cripple Creek & Victor	USA	AngloGold Golden Cycle Gold Corp	67% *100% 33%	AngloGold

* Interest in gold produced.

for the year decreased by 7% to 462,000oz, while cash costs rose by 5% to \$222/oz. Operating profit, excluding unrealised non-hedge derivatives, decreased by 84% to \$3m as a result of these production issues and higher non-cash charges at CC&V.

JERRITT CANYON

A reorganisation of labour in the underground mines resulted in reduced productivity in the first quarter, but the resultant improvements were felt from the second quarter onwards. Attributable production decreased by 16% to 237,000oz, primarily due to lower first quarter mill tonnages, lower grades mined, and completion of the Cortez tolling agreement.

Total cash costs increased by 12% to \$249/oz, while operating profit excluding unrealised non-hedge derivatives, decreased to a loss of \$3m.

On 27 February 2003, it was announced that AngloGold had entered into a purchase and sale agreement with Queenstake Resources USA Inc on its interest in the Jerritt Canyon Joint Venture. In terms of the agreement, Queenstake will pay the Jerritt Canyon Joint Venture \$8m on closing, \$6m in deferred payments and additional royalty payments. Queenstake will accept full closure and reclamation and other liabilities. The transaction is expected to close no later than 31 March 2003.

CC&V

Production at CC&V increased by 5% to 225,000oz. Although gold production was negatively affected by technical problems associated with the leach system pH, higher leach solution volumes were processed during the latter part of the year. These factors, combined with the near completion of the bulk of the \$195m

expansion in the third quarter, served to enhance operational efficiencies. The expansion project has increased the average annual gold production by 40% and extended the LOM from 2008 to at least 2013, thereby yielding an additional 2.8Moz. Current indications are that the average LOM cash costs will reduce from \$227/oz to \$176/oz. The new crushing facility was commissioned in July 2002, while additional leach pad and solution handling equipment were brought into production in September and December 2002, respectively.

Total cash costs remained at \$187/oz as higher reagent costs were offset by continued cost-cutting efforts. Mined tonnage and metal production improved towards the latter part of the year as the full benefit of the expansion project was realised.

Operating profit, excluding unrealised non-hedge derivatives, decreased by 38% to \$6m, owing to accelerated depreciation charges on the old crusher assets and higher amortisation charges relating to increased production. For 2003, production is likely to rise to 414,000oz at a total cash cost of \$179/oz. Capital expenditure amounted to \$66m in 2002, and is expected to be in the region of \$25m in 2003.

Growth

Following the completion of the CC&V expansion project in 2002, extensive brownfields drilling is being conducted to further optimise surface mine plans, as well as to assess the potential for future underground operations.

Sustainable development

AngloGold North America endeavours to make a positive contribution to the communities in which the company operates. Projects with potential social, economic or environmental benefits are identified, nominated, evaluated and recommended to management for support.

Jerritt Canyon spearheaded the development of a voluntary mercury reduction programme with other mining companies, as well as state and federal government agencies. The aim is to reduce mercury air emissions between 2003 and 2005. Jerritt Canyon was a charter member and has implemented controls and other actions to exceed programme requirements.

Haul road re-contouring, surface mine backfill grading and revegetation,

and site rehabilitation of facilities beyond the requirements of the approved reclamation plan, were undertaken at Jerritt Canyon in 2002.

Funding in the form of housing and transportation for the Boise State University researchers' goshawk study group was provided again in 2002. Continued support for this research by Jerritt Canyon has resulted in this being the longest continuous study of goshawk in North America.

The McCaw School of Mines Foundation, the Gold Fever programme, University of Nevada Foundation, scholarships, teachers' programmes, and a myriad other worthwhile educational programmes are supported by Jerritt Canyon.

CC&V donated \$25,000 in 2001 and \$25,000 in 2002 to support the construction of a regional medical centre in Teller County. These donations were used by the Medical Centre Board to obtain a \$250,000 grant from the State

of Colorado for this worthwhile project that will benefit the citizens of Teller County for many years into the future.

CC&V delivered two bulldozers with operators to assist the US Forest Service in fighting the Hayman Fire during the early summer of 2002. This was the largest fire in Colorado's history. CC&V later made a \$10,000 donation for fire rehabilitation. A three-to-one federal matching fund increased this amount to \$40,000. CC&V recognised the importance of fire rehabilitation in stabilising the soils and helping to control future flooding and sedimentation.

CC&V continues to actively support the Vindicator Valley Trail System in co-operation with an independent advisory group referred to as the Southern Teller County Focus Group. The trails, overlooks and structures have become tourist attractions and provide an opportunity to educate the public about historic and modern mining.



**Expansion at Cripple Creek
& Victor**

The expansion project, completed in 2002 without a single lost time injury, has increased gold production capacity by 40% and extended the LOM to 2013.



This 1,218ft long bridge, built to accommodate the expanded CC&V leach pad, spans a 250ft drop and cost \$18m to build. The bridge is a co-operative effort between CC&V and the Colorado Department of Transportation.

Australia

Key statistics	2002	2001
Tonnes treated (Mt)		
(attributable)	6.1	8.0
Average grade (g/t)	2.56	1.97
Gold production (oz)		
(attributable)	502,000	508,000
Total cash cost		
\$/oz	193	194
A\$/oz	354	375
Number of employees*	600	700
Efficiencies (g/TEC)	2,437	1,952
Capex (attributable)		
\$m	31	42
A\$m	57	82

* Including contractors

SAFETY PERFORMANCE*

	LTIFR	
	2002	2001
Sunrise Dam	11.0	11.56
Union Reefs	0.0	5.08

* Based on South African benchmark definitions

Safety and health

The Australia region (including Union Reefs, Sunrise Dam and Boddington) recorded an LTIFR of 11.22 for the year, down some 17% on the previous year, combined with a 38% decrease in all injuries. The SafeGold initiative, launched by Bobby Godsell at the Australian operations in late 2001, contributed to the improved safety performance. Further safety initiatives will be introduced in 2003.

Union Reefs was the recipient of the Northern Territory Government's recognition award for resource development in 2002.

Performance and outlook

Overall, production in the Australia region decreased only marginally (by 1%) to 502,000oz despite the closure of Tanami and Boddington in late 2001. Excellent results were achieved from the remaining operations, particularly at Sunrise Dam, where production increased by 30%. In US Dollar terms, total cash costs decreased by 1% to

\$193/oz, or A\$354/oz, a decline of 6%. This was a result of an ongoing focus on cost reduction and the impact of the expansion at Sunrise Dam. Operating profit, excluding unrealised non-hedge derivatives, increased by 83% to \$33m (A\$60m).

SUNRISE DAM

Gold production at Sunrise Dam increased significantly by 30% to 382,000oz as plant throughput rose by 41% to an annual rate of 3.4Mtpa following the capital expansions undertaken the previous year. Total cash costs increased by 15% to \$177/oz or by 9% to A\$323/oz. After completion of a major cutback at the end of 2001, mining in the new MegaPit reached full capacity in the first half of 2002. A smaller cutback, in the Watu section of the pit, was approved during the year, giving access to additional ore that had been identified for ongoing drilling. Operating profit, excluding unrealised non-hedge derivatives, rose by 57% to \$33m (A\$61m). Production should remain unchanged at 382,000oz in 2003 at

an expected total cash cost of \$192/oz (A\$326/oz). Capital expenditure was \$26m (A\$47m) for 2002, and should be of the order of \$14m (A\$23m) in 2003.

UNION REEFS

Gold production at Union Reefs increased by 4% to 118,000oz, despite disruptions to mining in the main Crosscourse Pit during the wet season at the beginning of the year, and an increased focus on mining smaller, satellite resources. Furthermore, total cash costs fell by 3% to \$224/oz or by 8% to A\$411/oz, as a result of higher production and tight cost control. As a result, operating profit, excluding unrealised non-hedge derivatives, increased to \$3m (A\$6m). The mine remains in closure mode, with operations expected to cease in the second half of 2003.

Growth

Very encouraging exploration results were achieved at Sunrise Dam during the year.

A decision to proceed with the Boddington Expansion Project is expected



AngloGold's operations in Australia

The Australia region comprises two operations: Sunrise Dam in Western Australia and Union Reefs in the Northern Territory. Two further operations, Boddington and Tanami, were closed at the end of 2001, with only the residual plant clean-up at Boddington contributing 2,000oz during the year. Boddington is currently on a care-and-maintenance programme, pending a decision to proceed with the Boddington Expansion Project. The Tanami plant has been leased for third party ore processing.



Encouraging exploration results were achieved at Sunrise Dam, where gold production has already increased significantly during the year under review.

by the second half of 2003. AngloGold owns 33.33% of the Boddington Gold Mining Company, along with Newmont (44.45%) and Newcrest (22.22%). A feasibility study completed in 2000 was based on an operation with a throughput of 25Mtpa, producing an average of 600,000oz of gold and 22,500t of copper per year over a mine life of 15 years. Further work was undertaken by the respective JV partners in the past year to further test the feasibility study, better understand the project risk and identify opportunities for enhancing returns. This work is likely to continue into the second quarter of 2003.

During 2002, Worlsey Alumina – the previous manager of the project – was

replaced by the Boddington Gold Mining Management Company, which is owned by the JV partners in proportion to their interests in the project. Environmental approvals associated with the expansion were received in June 2002 and will remain valid for a period of five years.

Sustainable development

Environmental management and compliance, as well as the promotion of social development in the regions in which the company operates, continued as a matter of priority during the year.

AngloGold Australia improved its environmental performance, reducing the number of Category 3 incidents

during the year to two compared with eight incidents in 2001. A detailed closure plan for Union Reefs, addressing environmental, stakeholder and community issues, was approved by the Northern Territory Government.

The company was involved in a number of community development and support initiatives during the year and maintained its commitment to training, employment and business support in indigenous communities. In recognition of its positive contribution to indigenous issues in the Tanami region, the Darwin exploration team received a Community Service Award.

Summary of operations

	Attributable tonnes treated (Mt)		Average grade recovered (g/t)	
	2002	2001	2002	2001
Operation				
SOUTH AFRICA				
Ergo	32.8	41.3	0.25	0.25
Great Noligwa	2.5	2.5	11.02	12.34
Kopanang	2.2	2.1	7.23	7.4
Moab Khotsong *	—	—	—	—
Mponeng	1.7	1.5	8.63	7.71
Savuka	1.0	0.9	7.07	7.97
Tau Lekoa	2.2	2.0	4.45	4.42
TauTona	1.7	1.6	11.66	11.94
EAST AND WEST AFRICA				
Geita (50%)	2.5	2.3	3.62	3.7
Morila (40%)	1.1	1.1	11.96	6.87
Navachab	1.4	1.3	1.93	2.04
Sadiola (38%)	1.9	2.0	2.96	3.13
Yatela (40%)	1.1	0.5	2.95	3.33
NORTH AMERICA				
Cripple Creek & Victor Joint Venture	12.4	11.3	0.57	0.59
Jerritt Canyon Joint Venture (70%)	0.9	0.9	7.91	9.41
SOUTH AMERICA				
Cerro Vanguardia (92.5%)	0.6	0.4	9.49	10.51
Morro Velho	1.0	1.0	6.71	6.63
Serra Grande (50%)	0.4	0.4	7.84	8.08
AUSTRALIA				
Boddington (33.33%)	—	2.6	—	0.92
Sunrise Dam	3.4	2.4	3.49	3.81
Union Reefs	2.7	2.6	1.36	1.36

* Moab Khotsong is a new mine in its development phase. The mine is expected to commence production in 2003.

† Operating profit excluding unrealised non-hedge derivatives.

Attributable gold production (000oz)		Total cash costs (\$/oz)		Attributable operating profit† (\$m)		Attributable EBITDA (\$m)	
2002	2001	2002	2001	2002	2001	2002	2001
264	332	184	215	20	16	22	18
880	1,004	124	122	141	147	149	154
511	494	165	178	56	42	63	49
—	—	—	—	—	—	—	—
466	366	178	223	30	—	54	18
236	240	245	248	9	4	12	6
311	286	192	203	23	10	32	16
643	622	132	154	98	69	104	75
290	273	175	147	20	25	33	37
421	252	74	103	70	25	99	43
85	87	147	164	12	9	13	10
182	204	163	131	12	21	25	34
107	52	175	149	10	5	15	7
225	214	187	187	6	10	43	32
237	282	249	223	(3)	8	19	26
179	136	104	133	27	14	44	26
205	209	131	127	29	28	41	40
94	96	100	107	17	13	22	19
2	78	—	190	—	5	—	7
382	295	177	153	33	21	51	33
118	114	224	230	3	1	6	5

Marketing

During 2002, AngloGold spent some \$17m on gold marketing initiatives, of which 73% was spent through the World Gold Council (WGC). This organisation underwent a major restructuring during the year and has allocated increased resources to support the market for gold investment purposes.

Independently of its support for the WGC, the company is active in a number of other marketing projects in support of gold, and AngloGold remains the only gold company in the world that has committed this level of resources to marketing the metal it produces.

Among existing downstream initiatives, the company continues as a partner in GoldAvenue, an Internet collaboration between AngloGold, JP Morgan Chase and Pamp MKS of Geneva. During 2002, GoldAvenue published two new gold jewellery catalogues focused on uniquely designed, high-value gold jewellery aimed at the US market. Both sales and market penetration improved, with further growth anticipated during the year ahead. This business is being developed in association with Vivre, a luxury goods catalogue business operation in which GoldAvenue has taken an equity interest. AngloGold has provided additional support to this venture through product development, sourcing and product selection.

AngloGold holds a 25% stake in OroAfrica, the largest manufacturer of gold jewellery in South Africa, as an investment in the downstream gold value chain. AngloGold and OroAfrica have co-operated in a number of projects including OroAfrica's development and launch of an African gold jewellery brand. An important strategic step has been the establishment of a Jewellery Design Centre at OroAfrica at a cost of \$250,000. The purpose of the centre is to generate new gold jewellery designs, and to improve product standards through technology, design and innovation.

In the area of design innovation, AngloGold's current Riches of Africa Gold Jewellery Design Competition was established in 1998 to showcase South African jewellery designers, to enhance jewellery manufacturing technical skills and to support the local gold jewellery industry. Training workshops for competition entrants are held each year,

while the award-winning works are exhibited and used in fashion shows and other events both locally and abroad.

A gold jewellery design competition in Brazil was launched by AngloGold in 2002, and is the first such competition in that country. The competition generated unprecedented interest, with a high quality of design and craftsmanship. Some 43 finalists contributed towards a collection of 52 pieces of innovative, high quality gold jewellery. Some of these pieces have been acquired for sale in the United States through GoldAvenue.

The Gold of Africa Museum, inaugurated by AngloGold in 2001 with the permanent endowment of the Barbier Mueller collection of West African gold objects purchased by the company in 1998, enjoyed its first full year of operation and has proved to be an attractive museum venue in Cape Town. The museum also serves as a facility for training in the jewellery industry in Cape Town.

AngloGold and Mintek, South Africa's national metallurgical research organisation, launched Project AuTEK in 2000 to research and develop industrial applications for gold. In May 2002, the project unveiled the first working prototype of a room temperature air purification unit based on a gold catalyst. The new unit is expected to be considerably cheaper to manufacture than designs based on other types of catalysts and could be used in restaurants, hospitals, hotels and office blocks.

AngloGold remains a key sponsor of the Atteridgeville Jewellery Project, established in 2000 by the Vukani-Ubuntu Community Development Project to create opportunities in the jewellery industry in South Africa for the previously disadvantaged through training and development. A new project initiated during the year by Vukani-Ubuntu and funded by AngloGold was the production and marketing of the "Kwaito" jewellery range, strongly associated with South African Kwaito music through the slogan

"Rhythm you can wear". The focus is on affordable gold jewellery that is ready to wear and that can be mass produced by the Atteridgeville project.

AngloGold undertook two new ventures with gold in the fashion industry abroad. The first was the Afridesia project, involving the sponsorship and creation of a South African clothing and gold jewellery collection at the 2002 New York Fashion Week. This project created a platform for South African designers and craftspeople at this very important forum. It also showed the value of cross fertilisation with the fashion industry for gold jewellery design. In the second important overseas project, AngloGold co-sponsored and participated in the International Herald Tribune Luxury Conference in Paris in December 2002. This participation provided AngloGold with the opportunity to access fashion industry leaders and luxury brand name retailers, and to present a case for the introduction of new gold jewellery branded products to these businesses. Both of these initiatives were well received and have given rise to further opportunities to be pursued in 2003.

An important feature in many of AngloGold's marketing projects has been the beneficiation of gold, particularly in South Africa. AngloGold's commitment to adding value to gold extends beyond mining and contributes towards the upliftment of people and the sustainability of communities.

The challenge for marketing gold today is bigger than it has ever been, given the sharp fall-off in physical demand for gold in the major developing markets resulting from the rise in price and volatility. This market has now been stagnant for well on a decade as gold jewellery has had to compete with other luxury consumer goods. AngloGold will continue its work with the WGC but will continue also to work independently in other areas of the gold market where it can exercise strategic influence.

The Afridesia project, involving the sponsorship and creation of a South African clothing and gold jewellery collection at the 2002 New York Fashion Week, created a platform for South African designers and craftspeople at this important forum.



Exploration

AngloGold's global exploration strategy seeks both to extend the life of existing operations (through brownfields exploration) and to establish new mines (through greenfields exploration). The aim is to provide double-digit returns on investment.

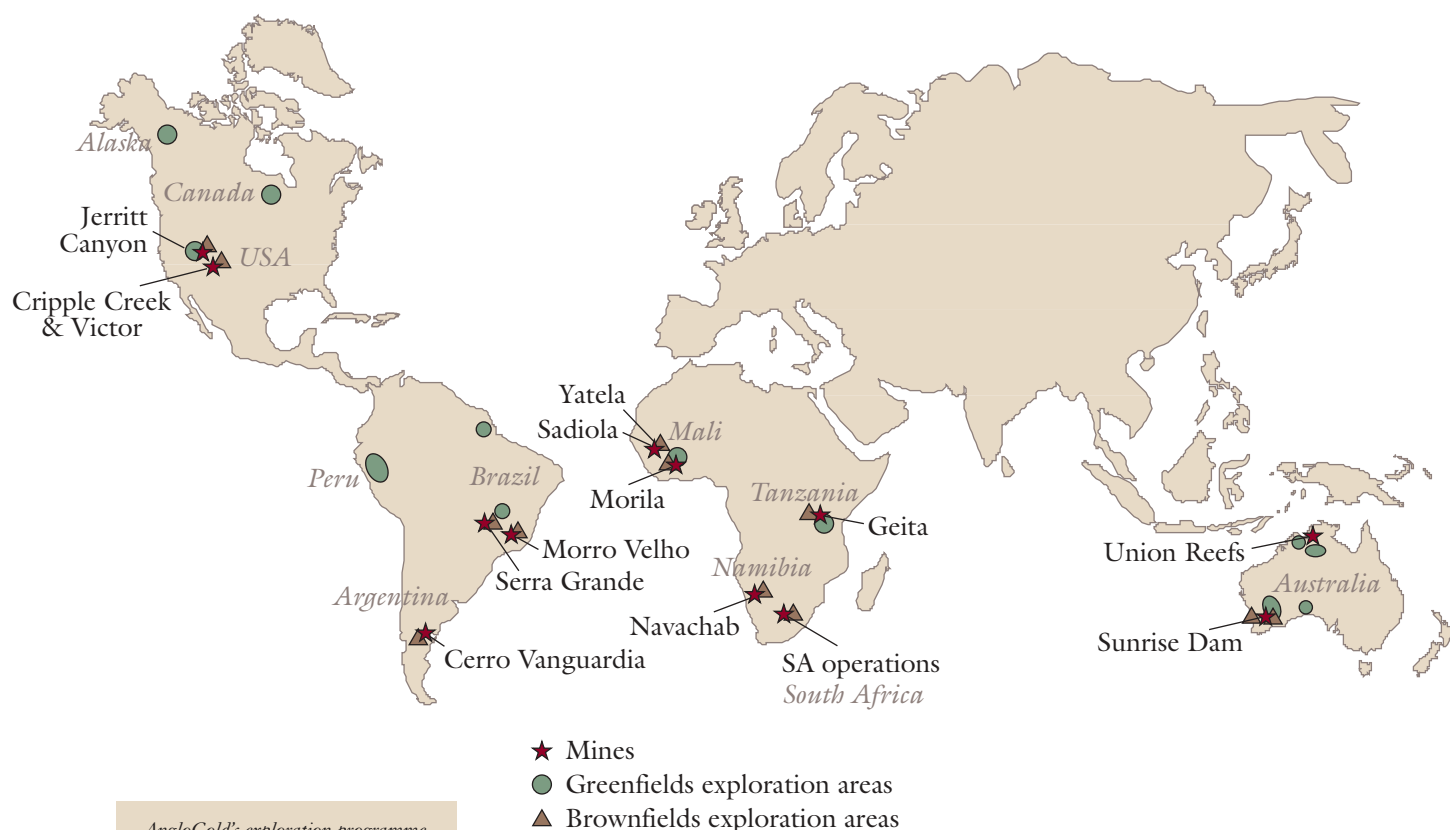
Exploration

During 2002, the exploration focus continued in countries where AngloGold already has operations, namely in Argentina, Australia, Brazil, Tanzania, Mali, Namibia, South Africa and the United States. In addition, exploration was pursued in highly prospective areas in Alaska, Canada and Peru.

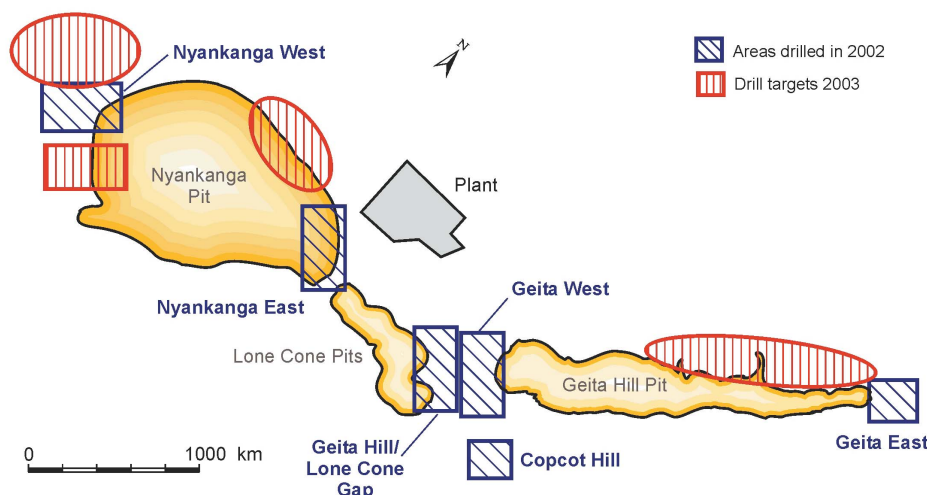
Exploration expenditure for the year amounted to \$51m, some 63% of which was spent on increasing near and in-mine resources. Exploration expenditure in 2003 will be in the region of \$61m.

EXPLORATION EXPENDITURE BY REGION (\$m)

	Forecast 2003	2002	2001
South Africa	4	1	4
East & West Africa	11	11	7
South America	17	12	11
North America	13	10	7
Australia	13	14	13
Corporate (includes target generation)	3	3	2
Total	61	51	44



AngloGold's exploration programme extends to four continents at a cost of \$51 million during 2002.



Plan showing areas drilled in vicinity of Geita in 2002 together with those planned for 2003.

SOUTH AFRICA

Drilling commenced in two surface boreholes at Goedgenoeg to the west of Tau Lekoa to delineate further Ventersdorp Contact reef (VCR) resources. Assay results are expected early in 2003. A surface borehole is also in progress at Moab Extension to confirm predicted structure and grade.

EAST AND WEST AFRICA

At Sadiola in Mali, exploration and remodelling defined additional attributable principally hard sulphide Mineral Resources of 1.8Moz before depletion. In addition, new target areas continue to be defined.

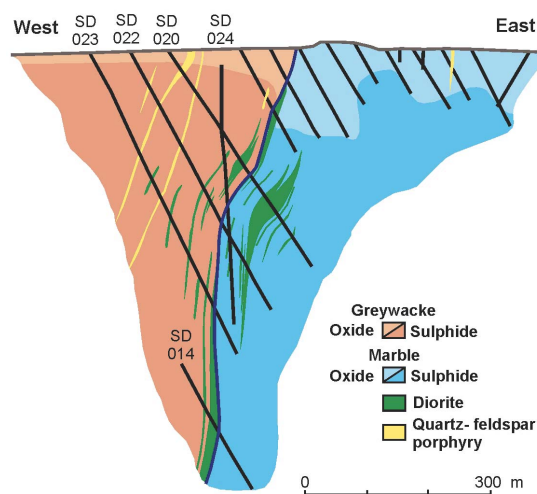
Oxide exploration focused on extensions between the FE3 and FE4 satellite pits, some 7km south-east of the main Sadiola pit. Mineralisation is open ended to the north and north-west of the FE4 pit. Some encouraging intersections include 70m at 10.7g/t from 86m; 48m at 2.80g/t from 58m and 46m at 2.99g/t gold from 58m. Drilling will continue in 2003.

The sulphide drilling programme targeting the orebody below the main Sadiola pit continued as planned. Results are largely confirming the expected grades and widths.

At the nearby Yatela mine, infill drilling of the Alamoutala satellite deposit, situated 13km south-east of the pit, was completed during the year. A new resource model for this deposit was finalised, resulting in an increase in the attributable Mineral Resource by 0.1Moz. Optimisation and detailed planning have commenced and pending the current feasibility study, mining of the deposit is scheduled to commence in July 2003.

At Morila, diamond drilling to the west of the pit intersected mineralisation up to 250m west of the current ore envelope.

In southern Mali, geochemical sampling and first phase follow-up RAB (rotary airblast) drilling were completed on the Diele, Kola and Sinsin properties located adjacent to Morila. Further RAB drilling and RC (reverse circulation) drilling is planned at the Kola and Sinsin properties in 2003 to investigate Morila type mineralisation. RAB generated gold anomalies were RC drill tested towards the end of the year on the Kalaka licence situated 50km south of Morila. Assays are pending. A further two licences, Garalo and Banzana, situated approximately 100km

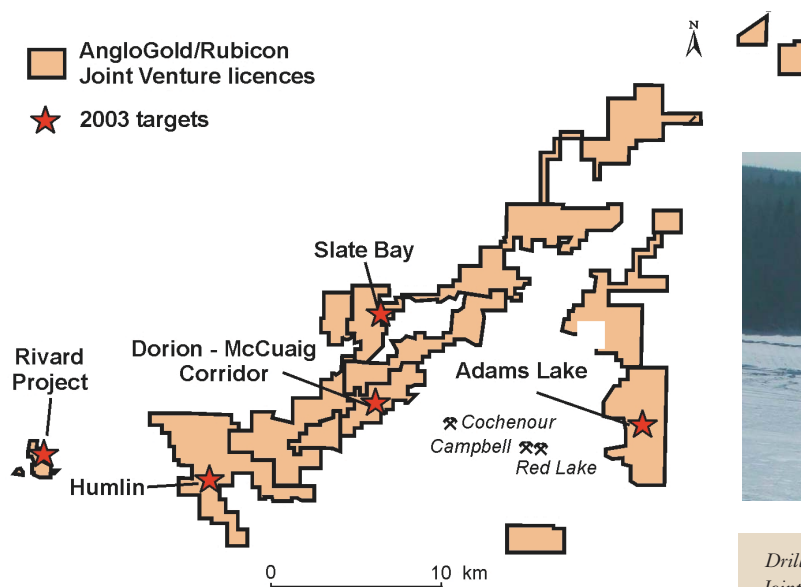


Exploration and remodelling defined additional attributable mineral resources as well as new target areas. Section through the Sadiola orebody.

south-west of Morila were granted during the year. These properties will be RAB drilled in 2003.

In Tanzania, the Geita deposit has been geologically modelled as one continuous mineralised trend from Geita Hill to Nyankanga, a strike length of some 5km. Resource definition drilling resulted in an increase in attributable reserves of 0.9Moz and resources of 0.8Moz. Drill intersections include 26m at 4.06g/t and 14m at 14.90g/t. Further drilling is planned in 2003 at Nyankanga East and West, the area between Geita Hill and Lone Cone, at Geita Hill and the north-eastern extension.

At Navachab in Namibia, drilling concentrated on footwall extensions to the pit. An extensive drilling programme is planned as part of the expansion project during 2003. Resource definition drilling and new resource modelling added 1.9Moz to the resource base at Navachab in 2002.



Drilling commenced on several targets at Red Lake Joint Venture in Canada. Follow-up work will take place in 2003.



La Rescatada is one of the three projects drilled in Peru, with initial diamond and RC drilling completed during the year.



SOUTH AMERICA

Target generation, follow up sampling and mapping in five South American greenfields project areas added several new prospects to the exploration portfolio in the region. Three prospects were drilled in Peru with first stage diamond and RC drilling completed at the La Rescatada project in southern Peru. Additional drilling is scheduled to commence in February 2003 and is designed to confirm the continuity and extent of mineralisation, culminating in resource definition drilling.

In Brazil exploration continued to focus on near-mine resource generation at Serra Grande and Morro Velho. At Córrego do Sítio, which is in the Iron Quadrangle located approximately 40km east of Morro Velho, an exploration ramp is being developed to evaluate the deeper sulphide ore potential. The ramp is scheduled to reach the ore zone in the second half of 2003. At Lamego, situated 10km north-east of Morro Velho, down-plunge drilling has confirmed the mineralisation to a vertical depth of 650m. An exploration ramp has been dewatered in preparation for underground evaluation drilling.

Exploration at Cerro Vanguardia in Argentina continued to produce new open-pit resources and underground down-plunge extensions from known orebodies. In 2002, drilling added Mineral Resources of 1Mt at 8.85g/t gold and 142g/t silver.

NORTH AMERICA

Resource development drilling continued at both Jerritt Canyon and CC&V joint ventures, in support of LOM plans. At Jerritt Canyon, exploration concentrated on targets near the current mine workings. At CC&V, reserve development drilling continued in the latter part of the year on the East and North Cresson deposits, with work to continue in 2003 to confirm newly identified mineralisation.

At Red Lake in Canada, drilling commenced on several targets in the Dorion-McCuaig, Slate Bay and Humlin areas and on the new Rivard property located at the west end of the Red Lake Belt towards the end of the year. Geophysical surveying was completed ahead of the winter drilling campaign

and results are being compiled from preliminary drilling for follow-up work in 2003.

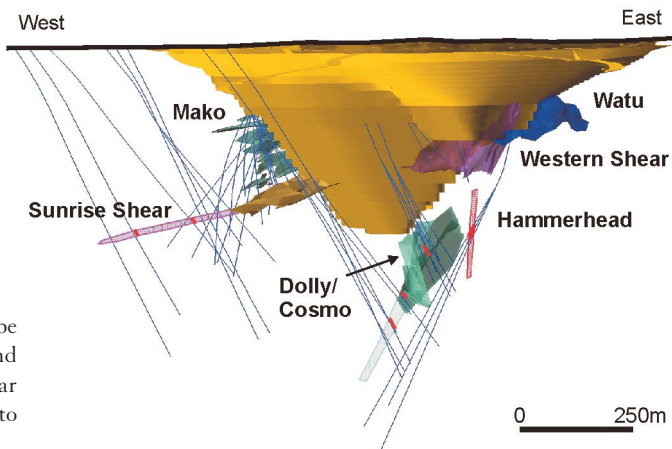
First phase drilling was completed at the Blue Desert JV in Alaska.

In Nevada, three Great Basin projects were drill-tested with a further three targets to be drill-tested during 2003.

AUSTRALIA

In Australia, exploration at Sunrise Dam continued to be successful. Work in 2002 focused on increasing the underground Mineral Resource in the Sunrise Shear zone, the Western Shear zone and Mako structures. An additional 0.6Moz was added to the Mineral Resource in 2002.

Toward the end of the year, exploration concentrated on testing extensions of the Dolly-Cosmo zone, yielding significant results from Dolly including: 19m at 4.00g/t from 934m; 2m at 15.45g/t from 728m and 24m at 5.58g/t from 374m. This drilling also intersected a new lode, Hammerhead, to the east of Cosmo. Results included 11m at 36.58g/t from 406m and 8m at 5.30g/t from 309m. Step out drilling on the Sunrise Shear zone intersected the structure up to 300m north-west of the new underground resource, with results including 4m at 8.49g/t from 502m and 7m at 3.87g/t from 635m.



At Coyote in the Tanami region, a small high-grade resource was outlined. In 2003, exploration will focus on follow-up targets in eastern and western Tanami.

*Geologists near Lake Carey at Sunrise Dam, Australia region, where exploration continues to add Mineral Resources (below).
A 3D view of the final pit shell is indicated (above).*



Mineral resources & ore reserves

AngloGold had Ore Reserves of 72.3Moz and Mineral Resources of 287.6Moz as of 31 December 2002.

Mineral Resources and Ore Reserves are reported in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code), together with the South African Code for the Reporting of Mineral Resources and Mineral Reserves (the SAMREC Code), for the South African operations.

Mineral Resources

Mineral Resources (excluding the Free State mines) calculated at a gold price of \$400/oz, increased by 5.9Moz or 2% to 287.6Moz at the end of 2002. Ongoing exploration programmes added some 3.6Moz over and above the 6.5Moz of Mineral Resources that were depleted in 2002.

Some of the largest increases in resource are:

- ✧ an increase of 3.7Moz at Tau Lekoa to 17.4Moz, due primarily to the incorporation of adjacent ground at Goedgenoeg;
- ✧ an increase of 1Moz to 12.8Moz at Moab Khotson, due mainly to revised geological modelling;
- ✧ an increase of 0.8Moz to 8.1Moz at Geita. This increase includes recent exploration successes;
- ✧ an increase at Navachab of 1.8Moz to 4.6Moz. This was largely due to changes in the Namibian Dollar/US Dollar exchange rate and the effect of this on the Mineral Resource constraints;
- ✧ an increase of 1.9Moz at Cerro Vanguardia to 3.5Moz, due partly to the increased stake acquired during 2002 and partly due to some brownfields exploration successes.

Ore Reserves

Ore Reserves, estimated using a gold price of \$325/oz at an exchange rate of R10.50 to the Dollar, show a year-on-year increase of some 12.9Moz to 72.3Moz. The higher gold price resulted in feasibility studies being conducted at several of the South African operations. This gave rise to a net increase of 10.9Moz or 22% to 47.5Moz, excluding the Free State mines.

The increase in the Group's reserves relates principally to the following:

- ✧ an increase of 4.6Moz at Mponeng mainly due to the inclusion of the Carbon Leader and VCR below 120 level;
- ✧ an increase of 4.3Moz at Moab Khotson due to the inclusion of Phase 2 which aims to exploit the Vaal Reef below 101 level;
- ✧ an increase of 0.8Moz at TauTona as a result of the inclusion of the Carbon Leader below 120 level, the area East of the Bank Dyke on 116 level and area "A" on the VCR;
- ✧ increases of 1.2Moz and 0.7Moz at Savuka and Tau Lekoa respectively due to changes in mine design leading to additional life at both operations;
- ✧ an increase of 0.8Moz at Geita due to the redesign of the Nyankanga, Geita Hill and Lone Cone pits, as well as the inclusion of Chipaka, Area 3W and Roberts;
- ✧ an increase of 1.1Moz at Cerro Vanguardia mainly as a result of AngloGold's increase in ownership to 92.5%.

The Ore Reserves are relatively insensitive to changes in gold price and exchange rates of up to 10%, positive or negative.

AngloGold will continue to pursue a strategy of increasing value-adding reserves through expansion projects, brownfields and greenfields exploration and acquisition of new assets.

Competent persons

Competent persons, designated in terms of the JORC (and SAMREC) Codes and taking corporate responsibility for the reporting of AngloGold's Mineral Resources, are:

- V A Chamberlain, MSc (Mining Engineering), BSc (Hons) (Geology), MAusIMM, 17 years' experience.
- M F O'Brien, MSc (Engineering), BSc (Hons) (Geology), Dip Data, Pr.Sci.Nat., MAusIMM, 23 years' experience.

Designated competent persons taking corporate responsibility for the reporting of Ore Reserves are:

- B W Guenther, BSc (Mining Engineering), MAusIMM, 22 years' experience.
- D L Worrall, ACSM, MAusIMM, 22 years' experience.
- J van Zyl Visser, BSc (Mineral Resource Management), PLATO, 16 years' experience.

Notes

A detailed breakdown of the Mineral Resources and Ore Reserves, together with plans of the South African operations, is available in a supplementary statistics document, provided in the annual report section of the AngloGold website (www.anglogold.com) and may be downloaded as PDF files using Adobe Acrobat Reader. This information is also obtainable from the AngloGold offices at the addresses given on page 144.

Rounding of figures in this report and in the supplementary statistics document may result in minor computational discrepancies.

ORE RESERVES (as at 31 December 2002)

		Tonnes Mt	METRIC Grade g/t	Contained gold t	Tons Mt	IMPERIAL Grade oz/t	Contained gold Moz
South Africa***	Proved	94.7	2.22	210.4	104.4	0.065	6.8
	Probable	246.3	5.14	1,267.2	271.5	0.150	40.7
	Total	341.0	4.33	1,477.5	375.9	0.126	47.5
East & West Africa*	Proved	21.5	3.50	75.1	23.7	0.102	2.4
	Probable	52.3	3.73	195.3	57.7	0.109	6.3
	Total	73.8	3.66	270.4	81.4	0.107	8.7
South America*	Proved	15.3	6.22	95.5	16.9	0.181	3.1
	Probable	12.7	4.92	62.4	14.0	0.143	2.0
	Total	28.0	5.63	157.8	30.9	0.164	5.1
North America*	Proved	57.8	1.34	77.7	63.7	0.039	2.5
	Probable	69.4	0.99	68.8	76.5	0.029	2.2
	Total	127.3	1.15	146.5	140.3	0.034	4.7
Australia*	Proved	49.0	1.42	69.7	54.0	0.042	2.2
	Probable	100.4	1.26	126.4	110.7	0.037	4.1
	Total	149.4	1.31	196.1	164.7	0.038	6.3
Totals*	Proved	238.3	2.22	528.3	262.7	0.065	17.0
	Probable	481.2	3.57	1,720.0	530.4	0.104	55.3
	Total	719.5	3.12	2,248.3	793.1	0.091	72.3

* Reserves attributable to AngloGold.

*** Excludes the Free State mines which were sold effective from 1 January 2002.

MINERAL RESOURCES* (as at 31 December 2002)

		Tonnes Mt	METRIC Grade g/t	Contained gold t	Tons Mt	IMPERIAL Grade oz/t	Contained gold Moz
South Africa***	Measured	300.3	1.84	552.1	331.0	0.054	17.8
	Indicated	647.7	4.42	2,865.1	714.0	0.129	92.1
	Inferred	463.1	7.97	3,692.3	510.5	0.233	118.7
	Total	1,411.0	5.04	7,109.5	1,555.4	0.147	228.6
East & West Africa**	Measured	37.5	2.68	100.7	41.3	0.078	3.2
	Indicated	107.6	2.81	301.9	118.6	0.082	9.7
	Inferred	144.4	1.68	242.2	159.2	0.049	7.8
	Total	289.5	2.23	644.7	319.1	0.065	20.7
South America**	Measured	32.4	4.41	143.1	35.7	0.129	4.6
	Indicated	22.1	4.68	103.4	24.4	0.137	3.3
	Inferred	42.2	6.20	261.8	46.5	0.181	8.4
	Total	96.7	5.26	508.4	106.6	0.153	16.3
North America**	Measured	85.1	1.24	105.7	93.8	0.036	3.4
	Indicated	107.3	1.12	120.1	118.3	0.033	3.9
	Inferred	69.2	1.28	88.7	76.3	0.037	2.9
	Total	261.6	1.20	314.6	288.4	0.035	10.1
Australia**	Measured	61.2	1.41	86.4	67.5	0.041	2.8
	Indicated	143.5	1.22	175.0	158.2	0.036	5.6
	Inferred	89.7	1.18	106.3	98.9	0.035	3.4
	Total	294.4	1.25	367.7	324.5	0.036	11.8
Totals**	Measured	516.5	1.91	988.0	569.3	0.056	31.8
	Indicated	1,028.2	3.47	3,565.5	1,133.4	0.101	114.6
	Inferred	808.6	5.43	4,391.3	891.3	0.158	141.2
	Total	2,353.2	3.80	8,944.8	2,594.0	0.111	287.6

* Inclusive of the ore reserve component.

** Resources attributable to AngloGold.

*** Excludes the Free State mines which were sold effective from 1 January 2002.

NB: Rounding of figures may result in computational discrepancies.

Directors and executive management

Executive directors

R M GODSELL (50)
BA, MA

Chief executive officer

Bobby Godsell was appointed to the AngloGold board as chief executive officer in April 1998 and as chairman in December 2000. He relinquished his role as chairman of AngloGold in May 2002. He has 29 years of service with companies associated with the mining industry, and has served as a non-executive director of Anglo American plc since March 1999. He is also the immediate past chairman of the World Gold Council.

J G BEST (54)
ACIS, ACIMA, MBA
Finance director

Jonathan Best was appointed finance director of AngloGold in April 1998. He has had 34 years of service with companies associated with the mining industry.

D L HODGSON (55)
BSC (MINING ENGINEERING), BSC (CIVIL ENGINEERING), BCOM, AMP (HARVARD)
Chief operating officer

Dave Hodgson was appointed to the AngloGold board in November 2001 as chief operating officer. He was previously executive officer responsible for AngloGold's South Africa region. He has more than 30 years of mining experience.

K H WILLIAMS (54)
BA
Marketing director

Kelvin Williams was appointed marketing director of AngloGold in April 1998. He has 27 years of service in the gold mining industry. He is chairman of Rand Refinery and a director of the World Gold Council.

Non-executive directors

R P EDEY (60)
FCA

Chairman

Russell Edey was appointed to the AngloGold board in April 1998 and as deputy chairman in December 2000. In May 2002 he was appointed chairman when Bobby Godsell relinquished this office. Based in the United Kingdom, he is deputy chairman of N M Rothschild Corporate Finance and a director of a number of other companies.

DR T J MOTLATSI (51)
HON D SOC SCI (LESOTHO)
Deputy chairman

James Motlatsi was appointed to the AngloGold board in April 1998 and as deputy chairman in May 2002 upon Russell Edey being appointed chairman. He has been associated with the South African mining industry since 1970, and is the immediate past president of the National Union of Mineworkers (NUM). He is also chief executive officer of TEBA Limited.

F B ARISMAN (58)
MSC (FINANCE)

Frank Arisman was appointed to the AngloGold board in April 1998. He resides in New York and is managing director of J P Morgan Chase, a company he joined in 1972.

MRS E LE R BRADLEY (64)
BSC, MSC

Elisabeth Bradley was appointed to the AngloGold board in April 1998. She is executive chairman of Wesco Investments Limited, chairman of Toyota South Africa (Proprietary) Limited and a director of a number of other companies. She is also deputy chairman of the South African Institute of International Affairs.

C B BRAYSHAW (67)
CA(SA), FCA

Colin Brayshaw was appointed to the AngloGold board in April 1998. He is a retired managing partner and chairman of Deloitte & Touche and is a non-executive director of a number of other companies including Anglo Platinum, Datatec and Johnnic Holdings.

DR V K FUNG (57)
PHD (BUSINESS ECONOMICS), MSC
(ELECTRICAL ENGINEERING)

Victor Fung was appointed to the AngloGold board in April 1998. Based in Hong Kong, he is chairman of the Li & Fung group of companies, Hong Kong, the Hong Kong Airport Authority and the Hong Kong University Council.

Dr Fung has advised that he will not be making himself available for re-election when he retires by rotation from the board at the company's forthcoming annual general meeting.

A W LEA (54)
BA (HONS)

Tony Lea was appointed to the AngloGold board in July 2001. He is finance director of Anglo American plc.

W A NAIRN (58)
BSC (MINING ENGINEERING)

Bill Nairn has been a member of the AngloGold board since January 2000. He was re-appointed to the board in May 2001, having previously been alternate director to Tony Trahar. He is group technical director of Anglo American plc.

J OGILVIE THOMPSON (69)
MA

Julian Ogilvie Thompson was appointed to the AngloGold board in April 1998. He is a non-executive director of Anglo American Corporation. He is a non-executive director of De Beers Consolidated Mines and a director of a number of other companies.

N F OPPENHEIMER (57)
MA

Nicky Oppenheimer was appointed to the AngloGold board in April 1998. He is a former non-executive chairman of the company. He is chairman of De Beers Consolidated Mines, a non-executive director of Anglo American plc and a director of a number of other companies.

A J TRAHAR (53)
BCOM, CA(SA)

Tony Trahar was appointed to the AngloGold board in October 2000. He is chief executive officer of Anglo American plc.

Alternate directors

D D BARBER (50)
FCA, AMP (HARVARD)

David Barber was appointed alternate director to Julian Ogilvie Thompson in April 2002. He is finance director of Anglo American Corporation.

A H CALVER (55)
BSC (HONS) ENGINEERING, MDP
(UNISA), PMD (HARVARD)

Harry Calver was appointed alternate director to Bill Nairn in May 2001. He is deputy technical director (engineering) of Anglo American Corporation.

P G WHITCUTT (37)
BCOM (HONS), CA(SA), MBA

Peter Whitcutt was appointed alternate director to Tony Lea in October 2001. He is executive vice-president (finance) of Anglo American plc.

Members of the executive committee

R M GODSELL (50)
Chief executive officer

J G BEST (54)
Finance director

D L HODGSON (55)
Chief operating officer

K H WILLIAMS (54)
Marketing director

Executive officers

R CARVALHO SILVA (51)
BACC, BCORP ADMIN
South America region
Roberto Carvalho Silva joined the Anglo American group in Brazil in 1973 and was appointed president and CEO of AngloGold South America in January 1999. He became an executive officer in February 2000.

R N DUFFY (39)
BCOM, MBA

Business planning
Richard Duffy joined Anglo American Corporation 16 years ago. He became an executive officer of AngloGold in 1998 and was given the business planning portfolio in November 2000.

J J KOMADINA (46)
BSC (METALLURGICAL ENGINEERING),
MBA, AMP (WHARTON)

North America region
Jim Komadina has 25 years of diverse mining experience and was appointed president and CEO of AngloGold North America in 1999. He became an executive officer in February 2000.

S J LENAHAAN (47)
BSOC SC, MSC

Corporate affairs

Steve Lenahan has been working in the mining industry since 1978 when he started his career at De Beers. He was appointed investor relations executive in 1998 and assumed responsibility for corporate affairs in early 2001.

R W MICSACK (48)
BS, MLA, JD

Law and Environment

Bob Micsack served as vice president, general counsel and chief environmental officer of AngloGold North America before he was appointed an AngloGold executive officer with the environment as his portfolio in August 2000. He assumed responsibility for AngloGold's corporate legal affairs in September 2002.

N F NICOLAU (43)
NHD (METALLIFEROUS MINING), MBA

South Africa region

Neville Nicolau became the executive officer responsible for AngloGold's South Africa region in November 2001. He has 24 years of mining experience.

N W UNWIN (50)
BA

Human resources and information technology

Nigel Unwin has had many years of experience in the field of human resources. He has been an executive officer since 1999. He relinquished his executive officer responsibilities for AngloGold's Australia region during 2002.

Managing secretary

Ms Y Z SIMELANE (37)
BA LLB, FILPA, MAP

Yedwa Simelane joined AngloGold in November 2000 from the Mineworkers' Provident Fund where she was the senior manager of the Fund.

Directors' approval

The annual financial statements and group annual financial statements for the year ended 31 December 2002 were approved by the board of directors on 3 March 2003 and are signed on its behalf by:

Directors

R P Edey *Chairman*

R M Godsell *Chief Executive Officer*

J G Best *Finance Director*

C B Brayshaw *Chairman, Audit Committee*

Managing Secretary

Ms Y Z Simelane

Secretary's certificate

In terms of Section 268G(d) of the Companies Act, 1973, I certify that the company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Act, and that all such returns are true, correct and up to date.

Ms Y Z Simelane

Managing Secretary

Johannesburg

3 March 2003

Report of the independent auditors on the annual financial statements

We have audited the annual financial statements and group annual financial statements of AngloGold Limited set out on pages 56 to 131 for the year ended 31 December 2002. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual financial statements are free of material mis-statement.

AN AUDIT INCLUDES

- examining, on a test basis, evidence supporting the amounts and disclosures in the annual financial statements;
- assessing the accounting principles used and significant estimates made by management; and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion the annual financial statements and group annual financial statements fairly present, in all material respects, the financial position of the company and the group at 31 December 2002, and the results of operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practices, International Accounting Standards, and in the manner required by the Companies Act in South Africa.

ERNST & YOUNG

Registered Accountants and Auditors
Chartered Accountants (SA)

Johannesburg
3 March 2003

Corporate governance

Introduction

The board of directors of AngloGold Limited welcomes the King Report on Corporate Governance for South Africa 2002 (King II) released on 26 March 2002.

Although a great deal of the company's practices are already in line with the principles set out in King II, action plans have been drawn up to address specific areas where the company's governance position needs to be aligned with the Report's recommendations.

The company is registered with the Securities and Exchange Commission (SEC) in the United States of America and its ordinary shares are quoted on the New York Stock Exchange (NYSE) in the form of American Depositary Shares, in terms of a sponsored American Depositary Receipt Programme administered by The Bank of New York. Accordingly, AngloGold is bound by the Sarbanes-Oxley Act of 2002 and is instituting a policy and procedures for implementing the requirements of that Act and those of the NYSE.

Further reinforcing its resolve to continue pursuing a policy of global best practice in business management and corporate governance, the company achieved the following milestones during the year under review:

✧ The separation of the combined role of chairman and chief executive officer with the appointment of a non-executive director as chairman.

✧ AngloGold's annual report 2001 being adjudged the "Best Overall Annual Report" at the premier South African Annual Report Awards ceremony, sponsored, amongst others, by the JSE Securities Exchange South Africa (JSE).

✧ The adoption of a mission and values statement in line with the present and longer-term strategic direction of the AngloGold group. The full text of the statement is to be found on the inside front cover of this report.

✧ The adoption of an entirely new set of Memorandum and Articles of Association to take cognisance of numerous amendments to companies' legislation in South Africa over many years, changes to the Listings Requirements of the JSE, the impact of STRATE (Share Transactions Totally Electronic), the requirements of King II and changes in international corporate administrative practices.

✧ The publication of the following documents:

- An HIV/AIDS Report 2001/2002 which details the company's comprehensive response to AIDS in the workplace. This publication has been augmented with a subsequent announcement that AngloGold has extended its antiretroviral therapy implementation project to include all eligible employees;
- Towards Sustainability – A Social Investment Report 2001/2002. The report sets out the company's obligations and role as a corporate citizen and reviews the health and safety of employees, the management of environmental strategy and programmes for social investment.

The board of directors

The company has a unitary board structure which currently comprises four executive directors and 11 non-executive directors three of whom have alternates. The directors are identified on pages 54 and 55 of this report.

The directors are committed to the principles of corporate discipline, transparency, independence, accountability, responsibility, fairness and social responsibility.

Effective control of management is exercised through the executive directors. They are held accountable by means of regular reports to the board and are measured against agreed performance criteria and objectives relative to the current business climate and the prospects in each business unit. The non-executive directors derive no benefits other than their fee which is fixed by the shareholders in general meeting. The non-executive directors are high-calibre individuals and make a significant contribution to the board's deliberations and decisions. All directors have the requisite knowledge, experience and ability required to properly carry out their duties in meeting the present and future requirements of the company. All participate actively in the proceedings at meetings whether present personally or by teleconference or video conference facilities.

The directors have access to the advice and services of a managing secretary, as well as a company secretary, who are both responsible to the board for ensuring compliance with procedures and regulations of a statutory nature, as well as playing an active role in the company's corporate governance process. Directors are entitled to seek independent professional advice concerning the affairs of the group at the group's expense, should they believe that course of action would be in the best interests of the group.

There are no contracts of service between the directors and the company or any of its subsidiaries that are terminable at periods of notice exceeding one year and requiring the payment of compensation. All directors are subject to retirement by rotation and re-election by shareholders at least once every three years.

In addition, all directors are subject to re-election by shareholders at the first annual general meeting following their appointment. The appointment of new directors is approved by the board as a whole. The names of the directors submitted for re-election are accompanied by sufficient biographical details in the notice of the forthcoming annual general meeting to enable shareholders to make an informed decision in respect of their re-election.

The board retains full and effective control over the group, meeting four times a year with additional meetings being arranged when necessary, to review strategy, planning, operational and financial performance, acquisitions and disposals, major capital expenditure, stakeholder communications and other material matters reserved for its decision. The board is also responsible for monitoring the activities of executive management within the group. Board meetings are held in South Africa and internationally. In addition, there is provision in the company's Articles of Association for decisions to be taken between meetings by way of directors' written resolutions.

An agenda and supporting papers are distributed to all directors prior to each board meeting. Appropriate explanations

and motivations are provided for items of business requiring decision at the meeting. This ensures that relevant facts and circumstances are brought to the attention of directors. In terms of good governance, the directors can conduct unrestricted inspection of all company property, information and records.

Particulars regarding directors' remuneration and share options, as well as their interests in the issued ordinary share capital of the company, are set out in full on pages 71, 72 and 73 of this report.

DETAILS OF ATTENDANCE BY DIRECTORS AT THE SEVEN BOARD MEETINGS HELD DURING 2002 ARE SET OUT BELOW:

	18 January*	30 January	29 April	7 May*	20 June*	30 July	30 October
Non-executive							
R P Edey (Chairman) ¹	✓	✓	✓	✓	✓	✓	✓
Dr T J Motlatsi	✓	A	✓	✓	✓	✓	✓
(Deputy chairman) ²							
F B Arisman	✓	✓	✓	✓	✓	✓	✓
Mrs E le R Bradley	A	✓	✓	✓	✓	✓	✓
C B Brayshaw	✓	✓	✓	✓	A	✓	✓
Dr V K Fung	A	A	A	A	A	A	✓
A W Lea	A	✓	✓	✓	✓	A	✓
(Alternate P G Whitcutt)	✓	✓	✓	✓	†	A	†
W A Nairn	✓	✓	✓	✓	✓	✓	✓
(Alternate A H Calver)	†	†	†	†	†	†	†
J Ogilvie Thompson	A	✓	✓	✓	A	✓	✓
(Alternate D D Barber) ⁴	—	—	✓	✓	A	†	†
N F Oppenheimer	A	A	A	✓	A	✓	✓
A J Trahar	A	✓	✓	✓	✓	✓	✓
Executive							
R M Godsell ³	✓	✓	✓	✓	✓	✓	✓
J G Best	✓	✓	✓	✓	✓	✓	✓
D L Hodgson	A	✓	✓	A	A	✓	✓
K H Williams	✓	✓	✓	✓	✓	✓	✓

All meetings were held in Johannesburg with the exception of the meeting on 7 May which took place in London.

* unscheduled meetings

✓ includes attendance through teleconference or video conference facilities

A absent with apologies

† Not required to be present

¹ appointed Chairman 1 May 2002

² appointed Deputy chairman 1 May 2002

³ relinquished Chairmanship 30 April 2002

⁴ appointed 29 April 2002

A register of directors and officers is available for inspection at the company's registered office in Johannesburg, South Africa.

Board committees

The board has also established a number of standing committees to enable it to properly discharge its duties and responsibilities and to effectively fulfil its decision-making process. Each committee acts within written terms of reference under which specific functions of the board are delegated with defined purposes, membership requirements, duties and reporting procedures. Minutes of the meetings of these committees are circulated to members of the committees and the board. Remuneration of non-executive directors for their services on the committees concerned is determined by the board. Currently, this comprises in the case of each committee: Chairman R50,000 per annum; Members R30,000 per annum each. The committees are subject to regular evaluation by the board with respect to performance and effectiveness. Chairmen of the board committees, or their representatives, are required to attend the annual general meetings to answer any questions raised by shareholders.

The following information reflects the composition and activities of these committees:

EXECUTIVE COMMITTEE

This Committee, comprising the four executive directors, meets on a regular basis under the chairmanship of the chief executive officer and is mandated to assist in reviewing operations and performance by the group, developing strategy and policy proposals for consideration by the board and in implementing its directives.

An Operations Sub-committee assists in the execution of certain duties and responsibilities of the Executive Committee. The objective of this Sub-committee is to oversee the implementation of the company's strategic objectives and review operational performance in detail.

Members of the Sub-committee are appointed by the Executive Committee and include the executive officers responsible for the various regional operations, together with the executive officers responsible for human resources, corporate affairs, business planning and any senior managers of the company as determined by the Executive Committee.

The names of the executive officers appear on page 55 of this report.

The Sub-committee meets under the chairmanship of the chief operating officer on a regular basis.

AUDIT COMMITTEE

C B Brayshaw (Chairman), Mrs E le R Bradley, R P Edey and P G Whitcutt

The primary responsibility of the Audit Committee is to assist the board of AngloGold in carrying out its duties relating to accounting policies, internal control, financial reporting practices and identification of exposure to significant risks.

The Committee is comprised exclusively of non-executive directors and meets at least five times a year.

To assist the Audit Committee in discharging its responsibilities, internal audits are performed at all of the group's

operating units and function under the control of, and report to, the group's internal audit manager. The internal audits are performed by teams of appropriate, qualified and experienced employees. The primary mandate of the group's internal auditors is to provide an independent, objective assurance and consulting activity designed to add value and improve the organisation's operations. This is done by a systematic, disciplined approach to review, evaluate and improve the effectiveness of risk management, internal control and governance processes. This process would bring material deficiencies, instances of non-compliance, high-risk exposure and development needs to the attention of the group internal audit manager and operational management for resolution. The board has obtained assurance from management, the internal auditors and the external auditors that there have been no significant breakdowns in the internal control systems during the year.

The group internal audit manager reports on an administrative basis to the finance director and functionally to the Audit Committee. The company's Audit Committee has access to all records of the internal audit team. The group's internal audit manager and the external audit partner have unrestricted access to the chairman of the Committee and, where necessary, to the chairman of the board and chief executive officer. All important findings arising from audit procedures are brought to the attention of the Committee and, if necessary, to the board.

The Committee met six times during 2002, with the external audit partner, the group's internal audit manager and the finance director, to review the audit plans of the internal and external auditors, to ascertain the extent to which the scope of the audit can be relied upon to detect weaknesses in internal controls and to review the quarterly and half-yearly financial results, the preliminary announcement of the annual results and the annual financial statements, as well as all statutory submissions of a financial nature, prior to approval by the board. All Committee members attended these meetings personally, or were included in the proceedings through teleconferencing facilities, except as indicated in the table below:

Date of meeting	Apologies tendered
12 February	R P Edey
25 October	P G Whitcutt

A sub-committee met on 24 June 2002 to review the company's annual report on Form 20-F prior to approval by the board and subsequent submission to the SEC in Washington.

EMPLOYMENT EQUITY AND DEVELOPMENT COMMITTEE

(Previously the Employment Equity Committee)

Dr T J Motlatsi (Chairman), F B Arisman, R M Godsell, D L Hodgson and W A Nairn

Mr D L Hodgson was appointed an additional member of the Committee with effect from 26 July 2002.

As the change of name implies, the objective of this Committee was changed during 2002 in order to place greater emphasis on the extensive opportunities offered to all employees to achieve their optimal levels of career development in the

course of their employment with the company, recognising the diversity of the society within which the group conducts its business.

The Committee, comprising three non-executive directors, the chief executive officer and the chief operating officer, meets four times a year. The Committee met on four occasions during 2002. All members attended these meetings personally, or were included in the proceedings through teleconferencing facilities, except as indicated in the table below:

Date of meeting	Apologies tendered
29 January	Dr T J Motlatsi W A Nairn
25 April	W A Nairn
29 October	W A Nairn

INVESTMENT COMMITTEE

R P Edey (Chairman), J G Best, Mrs E le R Bradley, A W Lea, W A Nairn and K H Williams

Composed of four non-executive directors, as well as the finance and marketing directors, this Committee meets as and when required for the purpose of assessing capital projects and ensuring that investments, disinvestments and financing proposals are in accordance with the company's primary objective of creating wealth for its shareholders on a sustainable long-term basis.

Three meetings were held during 2002. All the Committee members attended these meetings personally, or were included in the proceedings through teleconferencing facilities, except as indicated in the table below:

Date of meeting	Apologies tendered
19 June	W A Nairn K H Williams
29 July	A W Lea

MARKET DEVELOPMENT COMMITTEE

Mrs E le R Bradley (Chairman), F B Arisman, Dr V K Fung, R M Godsell, Dr T J Motlatsi and K H Williams

The primary objective of this Committee is to extend the influence of AngloGold as a major global gold company, in the development of a broader gold business both nationally and internationally.

This Committee, which now meets a minimum of twice a year, is composed of four non-executive directors, the chief executive officer and the marketing director. The Committee held three meetings during the course of 2002. All Committee members attended the meetings personally, or were included in the proceedings through teleconferencing facilities, except as indicated in the table below:

Date of meeting	Apologies tendered
29 January	Dr V K Fung Dr T J Motlatsi
26 April	Dr T J Motlatsi
29 July	Dr V K Fung R M Godsell

REMUNERATION COMMITTEE

R P Edey (Chairman), N F Oppenheimer, J Ogilvie Thompson and A J Trahar

The Remuneration Committee, which comprises exclusively non-executive directors, is primarily responsible for approving the remuneration policies of the company and the terms and conditions of employment of executive directors and officers, including the determination of salaries, performance-based bonuses and the administration of the company's Share Incentive Scheme.

The Committee meets as and when required, with a minimum of one meeting per annum. Four meetings of the Committee were held during 2002. All of the members of the Committee attended these meetings personally, or were included in the proceedings through teleconferencing facilities, except as indicated in the table below:

Date of meeting	Apologies tendered
30 January	N F Oppenheimer
29 April	N F Oppenheimer
30 October	N F Oppenheimer A J Trahar

SAFETY, HEALTH AND SUSTAINABLE DEVELOPMENT COMMITTEE

(Previously the Safety, Health and Environment (SHE) Committee)

W A Nairn (Chairman), R M Godsell and Dr T J Motlatsi

The Committee's name was changed during 2002 to reflect the broadening of its objectives to include the social, economic, environmental and health impacts of the company's operations on both local and global communities. One of the primary objectives of this Committee is the elimination of all accidents of a mining nature. The Committee conducts on-site inspections in regard to matters of serious concern.

The Committee, which comprises two non-executive directors and the chief executive officer, met on four occasions during 2002 with full attendance by Committee members.

Other committees

TREASURY COMMITTEE

The Committee meets monthly and more often when necessary, to discuss market conditions, treasury operations and future hedging strategies. The Committee operates within clearly defined parameters set by the Executive Committee.

The members of this Committee are:

C B Brayshaw (Chairman) – *Non-executive director*
J G Best – *Executive director – finance*
S Cassim – *East and West Africa region – financial manager*
R N Duffy – *Executive officer – business planning*
Ms D Earp – *Manager – corporate accounting*
R P H Hayes – *Treasury manager*
Ms H H Hickey – *Group internal audit manager*
Ms C A Hoad – *Risk manager*
M P Lynam – *Treasurer*
K H Williams – *Executive director – marketing*

FINANCE COMMITTEE

This Committee, which meets on a weekly basis to review matters essentially of a financial and administrative nature, comprises:

J G Best (Chairman) – *Executive director – finance*
R C Croll – *Manager – mining valuations*
P J G Dennison – *Manager – mergers and acquisitions*
R N Duffy – *Executive officer – business planning*
Ms D Earp – *Manager – corporate accounting*
Ms H H Hickey – *Group internal audit manager*
M P Lynam – *Treasurer*
O C Murphy – *Corporate taxation manager*

Either the managing secretary or the company secretary attends meetings of the Committee.

Annual financial statements

The directors are required by the South African Companies Act, 1973, to maintain adequate accounting records and are responsible for the preparation of the annual financial statements which fairly present the state of affairs of the company and the AngloGold group at the end of the financial year, and the results of operations and cash flow for the year, in conformity with generally accepted accounting practice.

In preparing the annual financial statements reflected in US Dollars and SA Rands on pages 56 to 131, the group has complied with South African Statements of Generally Accepted Accounting Practice and International Accounting Standards (IAS) and has used appropriate accounting policies supported by reasonable and prudent judgements and estimates. The directors are of the opinion that these financial statements fairly present the financial position of the company and the group at 31 December 2002, and the results of their operations and cash flow information for the year then ended.

The directors have reviewed the group's business plan and cash flow forecast for the year to 31 December 2003. On the basis of this review, and in the light of the current financial position and existing borrowing facilities, the directors are satisfied that AngloGold is a going concern and have continued to adopt the going-concern basis in preparing the financial statements.

The external auditors, Ernst & Young, are responsible for independently auditing and reporting on the financial statements in conformity with Generally Accepted Auditing Standards. Their unqualified report on these financial statements appears on page 56.

To comply with requirements for reporting by non-US companies registered with the SEC, the company has prepared a set of financial statements (Form 20-F) in accordance with US Generally Accepted Accounting Principles (US GAAP) which will be available from The Bank of New York to holders of the company's securities listed in the form of American Depositary Shares on the NYSE. Copies of the Form 20-F will also be available to stakeholders and other interested parties upon request to the company's corporate office or its contacts as listed on page 144. In compliance with the requirements of the NYSE, a condensed consolidated income statement, balance sheet, statement of cash flows and brief financial notes based on US GAAP are included on pages 132 to 135 in this report. A condensed reconciliation between IAS and US GAAP is supplied as supplementary information (page 136).

Risk management and internal control

The board has ultimate responsibility for the total risk management process within the group. Management is accountable to the board and has established a group-wide system of internal control to manage significant group risk. This system assists the board in discharging its responsibility for ensuring that the wide range of risks, associated with the group's global operations, are effectively managed in support of the creation and preservation of shareholder wealth.

During the year the King Report on Corporate Governance for South Africa 2002 was published and the Congress of the United States of America introduced the Sarbanes-Oxley Act of 2002. Corporate governance is viewed as a strategic response to pursuing opportunities in a manner that is balanced, by taking prudent risks, appropriately mitigated in exchange for measurable rewards. A full review of the risk, control and disclosure processes was undertaken, to ensure that all the additional requirements are incorporated into the system in the future. The systems are in place and the focus is on formalising them.

The management of risk encompasses all significant business risks, including operational risk, which could undermine the achievement of business objectives. The board has approved the level of acceptable risk and required that operations manage and report in terms thereof. Issues and circumstances, which could give rise to material adverse reputational considerations, are also considered to be unacceptable risk.

There is clear accountability for risk management. The requisite risk and control capability is assured through board control and appropriate management selection and skills development. Managers are supported in giving effect to their risk responsibilities through sound policies and guidelines on control management. Continual monitoring of risk and control processes, across significant risk areas, provides the basis for regular and exception reporting to the audit and executive committees. In the event of failure or disasters, continuity plans are in place with regard to critical processes.

For key risk areas, group risk owners have been appointed and board policies issued. The risk assessment and reporting criteria are designed to provide the board with a consistent, group-wide perspective of the key risks. The system of internal control, which is embedded in all key operations, provides reasonable assurance, rather than absolute assurance, that the group's business objectives will be achieved within the risk tolerance levels defined by the board.

Regular management reports, which provide a balanced assessment of key risks, are an important component of board assurance. Additional sources include assertions by divisional heads as well as board committees established to focus on specific risks such as safety, health and environment and capital investment. The board also received assurance from the Audit Committee which derives its information, in part, from regular internal and external audit reports on risk and internal control throughout the group.

The company has a sound system of internal control, based on the group's policies and guidelines, in all material associates and joint ventures. Where this is not possible the directors, who represent AngloGold's interests on the boards of these entities, seek assurance that significant risks are being managed.

In conducting its annual review of the effectiveness of risk management in terms of the Turnbull requirements of the Combined Code – Principles of Good Corporate Governance and Code of Best Practice in the United Kingdom, the board considers the key findings from the ongoing monitoring and reporting process, management assertions and independent assurance reports. The board also takes account of material changes and trends in the risk profile and considers whether the control system, including reporting, adequately supports the board in achieving its risk management objectives. In addition, business unit heads and corporate risk owners are required to sign off abbreviated certificates confirming their understanding of their responsibility for internal controls. They are also required to certify that their disclosure in relation to their internal controls is transparent and that there are no untrue statements or omissions in their reporting process.

In terms of the Sarbanes-Oxley Act, the chief executive officer and chief financial officer are required to complete a group certificate stating that the financial statements and reports are not misleading and fairly present the financial condition, results of operations and cash flows in all material respects. The design and effectiveness of the internal controls, including disclosure controls, are also included in the declaration. As part of the process, a declaration is also made that all significant deficiencies and material weaknesses, fraud involving management or employees that play a significant role in internal control, and significant changes that could impact on the internal control environment, are disclosed to the Audit Committee and the board.

During the course of the year the board considered the group's responsiveness to changes within its business environment, and systems of control. The board is satisfied that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the group.

Sustainable development

Matters under this heading are given extensive coverage on a regional basis in the Review of Operations between pages 18 and 45.

Company secretarial function

Appointment and removal of the managing secretary and company secretary are matters for the board.

Both these officials are required to provide the directors of the company, collectively and individually, with detailed guidance as to their duties, responsibilities and powers. They are also required to ensure that the directors are aware of all laws, legislation, regulations and matters of ethics and good governance relevant to, or affecting the company.

The managing secretary and company secretary are also responsible for compliance with all the statutory requirements in regard to the administration of the Share Incentive Scheme. They are kept advised about all dealings by directors and officers in shares of the company and such are reported at board meetings.

The managing secretary and company secretary are also required to ensure that minutes of all shareholders' meetings, directors' meetings and the meetings of the various committees of the board of directors are properly recorded in accordance with the Companies Act. These minutes are circulated to all members of the board.

Insider trading

No employee may deal directly or indirectly in AngloGold ordinary shares on the basis of unpublished price-sensitive information regarding its business or affairs. No director or officer may trade in warrants and other derivative instruments of the company at any time. Similarly, no director or officer may trade in shares of the company during a closed period determined by the board. A list of persons regarded as officers for this purpose has been approved by the board and is revised from time to time. Closed periods are operated prior to the publication of the quarterly, half-yearly and year-end results. Where appropriate, a closed period is also operated during periods where major transactions are being negotiated and a public announcement is imminent.

Employee participation

The company has in place a variety of strategies and structures, which are designed to promote employee participation. These strategies and structures are further developed and adapted from time to time to meet variations in operational requirements and to accommodate changing circumstances. Management and employee representatives meet in formal and informal forums at company and operational levels to share information and to address matters of mutual interest.

Communication

AngloGold subscribes to a policy of full, accurate and consistent communication in respect of both its financial and operating affairs.

The company regularly enters into dialogue with institutional and private investors on the basis of the guidelines of promptness, relevance, transparency and substance over form, having due regard to statutory, regulatory and other directives prohibiting the dissemination of unpublished and price-sensitive information by the company and its directors and officers.

In addition to the facilities offered by the corporate secretarial department and the company's share registrars, AngloGold has

established an investor relations and communications programme in South Africa, Europe, Asia, the United States and Australia, to maintain contact with members of the investing communities and the media around the world.

The company encourages shareholders to attend its general meetings, which provide opportunities for shareholders to ask questions of the board, including the chairmen of the various standing committees of the board, or their representatives.

International media and investor briefings, which include telephonic and web-based conference calls, are held when the company's results are announced at quarterly intervals and when events require disclosure and discussion. The company also has a website containing up-to-date information.

Equally high value is placed on the process of internal communication to all employees at the company's corporate office and operating units.

At the annual general meeting held on 30 April 2002, shareholders present were given the following presentations:

- a review of the company's performance in the previous financial year and the strategic objectives for the near to mid-term future;
- an examination of the gold market and the company's gold hedging strategy; and
- an overview of the company's mining and operations worldwide, as well as a brief review of the operational outlook for 2002.

Copies of these presentations were posted onto the company's website. In addition, shareholders were informed at the meeting of the results of voting, in person and by proxy, in respect of all ordinary and special resolutions proposed under special business at the meeting.

Principles of business conduct

The company is committed to the highest standards of integrity and ethical conduct in dealings with all its stakeholders.

Principles of corporate business conduct, which outline the ethical and professional management practices that AngloGold upholds, have been adopted by the board. Individuals and entities doing business with AngloGold are expected to observe the same level of commitment to group integrity. The dissemination of these principles of business conduct to all levels of employees is receiving the attention of management.

Sponsor

UBS Warburg acts as sponsor to the company in compliance with the Listings Requirements of the JSE.

Remuneration report

Policy

AngloGold has operations in East, West and Southern Africa, the United States of America, Australia, Brazil and Argentina. As part of AngloGold's intention to maintain its position as a global gold company it has a Remuneration Policy which seeks to:

- attract, reward and retain executives of the highest calibre;
- align the behaviour and performance of executives with the company's strategic goals and to act in the overall interests of shareholders;
- ensure the appropriate mix of short-, medium- and long-term rewards and incentives, with the latter being closely linked to structured company performance targets and strategic objectives;
- ensure that regional management is competitively rewarded within a global remuneration policy, which recognises both local and global markets.

This policy and its application is reviewed at least quarterly by a Remuneration Committee comprising four non-executive directors, under the chairmanship of the Chairman of AngloGold, Mr R P Edey. The other members of the Remuneration Committee are Mr J Ogilvie Thompson, Mr N F Oppenheimer and Mr A J Trahar.

Executive remuneration

The following elements constitute executive remuneration:

- Salary
- Annual performance bonus
- Participation in the Share Option Scheme
- Benefits, including pension, disability and death cover and healthcare.

SALARY

All salaries are reviewed annually, with the salaries of executive directors being set with reference to external market surveys, in particular South African survey information where all of the executive directors are based.

ANNUAL PERFORMANCE BONUS

All executive directors participate in an Annual Performance Bonus Scheme which is based on a combination of company and individual performance targets, with the company performance element comprising 70% and individual performance 30% of the bonus payable. Maximum bonus, for the full achievement of company targets, set in advance by the board, and individual performance targets agreed to by each executive director at the beginning of the review period, is expressed as a percentage of salary, with the chief executive officer's performance bonus set at a maximum of 70% of salary and the other three executive directors at 50% of salary.

Company performance measures include earnings per share, return on capital and cost control. The company's overall safety performance is also taken into account after review of the above targets. The Committee retains the right to alter bonuses in the light of exceptional individual performance.

SHARE OPTION SCHEME

The Scheme provides for executive directors to be granted options annually, subject to the approval of the Remuneration Committee. The annual value of shares over which options are currently granted is up to a maximum equivalent to annual salary for any executive director. Each tranche of options can only be exercised if earnings per share increase by 5% plus US inflation per year over a three-year period. Options must be exercised within 10 years of being issued.

Until 31 December 2001, the Scheme allowed for options to be granted in three tranches over a five-year period, subject to a maximum of 200,000 in respect of the chief executive officer and 100,000 for other executive directors. The number of options held by each executive director is reflected in the directors' report on page 72.

PENSIONS

All executive directors are members of the AngloGold Pension Fund, a defined benefit fund which guarantees a pension on retirement equivalent to 2% of final salary per year of service. Death and disability cover is reflective of best practice amongst comparable employers in South Africa.

OTHER BENEFITS

Executive directors are members of the AngloGold Medical Scheme, which covers the director and his immediate family.

They are also reimbursed for reasonable business expenses which they incur.

DIRECTORS' SERVICE CONTRACTS

Service contracts of executive directors are reviewed annually. The contractual notice period in respect of Mr R M Godsell, as chief executive officer, is 12 months, and for the other three executive directors, six months. The contracts also deal with compensation if employment is terminated or a material change in role, responsibilities or remuneration, with compensation in these circumstances pegged at twice the notice period.

DIRECTORS' EMOLUMENTS

The salaries and benefits of executive directors, who receive no fees as members of the AngloGold board, and the fees paid to non-executive directors, are shown in the directors' report on page 71.

Directors' report

Nature of business

AngloGold Limited conducts mining operations in Africa, North and South America and Australia and undertakes exploration activities worldwide. In addition, the company is involved in the manufacturing, marketing and selling of gold products, as well as the development of markets for gold.

Sub-division of ordinary shares

Pursuant to the sub-division of the company's ordinary shares with effect from the close of business on 24 December 2002, all references to the authorised and issued share capital of the company in this report have been restated to take cognisance of the sub-division.

Events subsequent to the balance sheet

On 27 February 2003 it was announced that, pursuant to an unsolicited offer from Queenstake Resources USA Inc (Queenstake), the company had entered into a purchase and sale agreement for the disposal of its 70% stake in the Jerritt Canyon Joint Venture in North America. The consideration payable by Queenstake to the Joint Venture partners will comprise: \$8m on closure of the transaction which is expected to be no later than 31 March 2003, \$6m in deferred payments and certain additional royalty payments. In terms of the agreement Queenstake has undertaken to accept full closure and reclamation and other liabilities.

Holding company

The company's holding and ultimate holding companies are respectively:

- ✧ Anglo South Africa Capital (Proprietary) Limited
- ✧ Anglo American plc (registered in the United Kingdom)

The effective shareholding of Anglo American plc in the issued share capital of the company at the undermentioned dates was as follows:

	24 February 2003	31 December 2002	31 December 2001
Ordinary shares held			
Number	114,457,368	114,457,368	114,457,368
Percentage	51.40	51.41	53.17

Share capital

At a general meeting on 5 December 2002, shareholders approved, inter alia, a special resolution for the sub-division of the company's authorised and issued ordinary share capital on a 2 for 1 basis with effect from the close of business on 24 December 2002. The special resolution was registered on 10 December 2002.

Apart from the sub-division of the ordinary share capital, there was no other change to the authorised share capital of the company during 2002. The authorised ordinary share capital of AngloGold is R100m in 400m shares of 25 cents each.

The following are the movements in the issued and unissued ordinary share capital from the beginning of the accounting period to the date of this report:

ISSUED				
	2002		2001	
	Number of shares	Rand	Number of shares	Rand
At 1 January	215,268,116	53,817,029	214,042,174	53,510,544
Issues during year				
Issue of shares in terms of				
– Normandy top-up facility*	127,156	31,789	16,474	4,118
– Normandy share-swap*	6,403,236	1,600,809	466,366	116,592
– AngloGold odd-lot offer**	278,196	69,549	–	–
Exercise of options by participants in the				
– AngloGold Share Incentive Scheme	478,720	119,680	718,000	179,500
– Acacia Employee Option Plan	66,598	16,650	25,102	6,275
At 31 December	222,622,022	55,655,506	215,268,116	53,817,029
Issues subsequent to year end				
Exercise of options by participants in the				
– AngloGold Share Incentive Scheme	76,732	19,183		
– Acacia Employee Option Plan	2,100	525		
At 24 February 2003	222,700,854	55,675,214		

* Arising from the offer by AngloGold to shareholders of Normandy Mining Limited, a gold mining company registered in Australia, to acquire the entire issued share capital of Normandy. As acceptances in respect of this offer constituted only 7.11% of Normandy's issued share capital, with no possibility of AngloGold obtaining majority control of Normandy, the offer closed on 18 January 2002. The company's holding of Normandy shares was disposed of in January 2002 and the proceeds applied towards repaying debt owed by the AngloGold group.

** A summary of the results of the odd-lot offer by the company to holders of less than 50 ordinary shares (pre sub-division), as published on 24 December 2002, appears below:

RESULTS OF ODD-LOT OFFER

	Number of shareholders	Number of shares	Value Rand
Holders electing/deemed to have elected to sell ordinary shares at R246.66 per share (offer price)	11,213	217,338	53,608,591
Holders electing to purchase ordinary shares at R234.325 per share (a 5% discount to offer price)	4,643†	495,534	116,116,004
Total ordinary shares issued		278,196	62,507,413

† Includes nominee companies and brokers acting on behalf of beneficial shareholders.

Prior to the odd-lot offer to shareholders, the company had a total of 31,013 shareholders and at 31 January 2003 this number had reduced to 16,284. A total of 2,098 shareholders, holding in aggregate 50,794 ordinary shares, elected to retain their odd-lot holdings of less than 100 shares (post sub-division).

UNISSUED

	2002 Number of shares	2001 Number of shares
At 1 January	184,731,884	185,957,826
Issues during year	7,353,906	1,225,942
Maximum number of shares available for allocation for purposes of the Share Incentive Scheme	6,122,106	5,919,873
Unissued shares under the control of the directors at 31 December	171,255,872	178,812,011
Issues subsequent to year end	78,832	
Additional number of shares available for allocation for purposes of the Share Incentive Scheme	2,167	
Balance of unissued shares under the control of the directors at 24 February 2003	171,174,873	

All the issued A and B preference shares are held by a wholly-owned subsidiary and further details of the authorised, issued and unissued shares, as well as the share premium, are given in note 24 to the group's financial statements.

At the annual general meeting to be held on 30 April 2003, shareholders will be asked to consider an ordinary resolution placing the number of unissued ordinary shares, exclusive of the number of shares reserved for purposes of the share incentive schemes as at that date, under the control of the directors until the next annual general meeting.

In terms of the Listings Requirements of the JSE Securities Exchange South Africa (JSE), shareholders may, subject to certain conditions, authorise the directors to issue the shares held under their control for cash other than by means of a rights offer to shareholders. In order that the directors of the company may be placed in a position to take advantage of favourable circumstances which may arise for the issue of such shares for cash without restriction for the benefit of the company, shareholders will be asked to consider an ordinary resolution to this effect at the forthcoming annual general meeting.

The company has not exercised the general approval to buy back shares from its issued ordinary share capital granted at the annual general meeting held on 30 April 2002. At the next annual general meeting shareholders will be asked to renew the general authority for the acquisition by the company, or a subsidiary of the company, of its own shares.

As AngloGold is not incorporated in Australia, the acquisition of its shares by another company or person is not subject to the takeovers and substantial holding provisions of Chapter 6 of the Australian Corporations Act. However, AngloGold is required to comply with those provisions in the case of a bid for an Australian company.

American Depositary Shares

At 31 December 2002, the company had in issue through The Bank of New York as Depositary, and listed on the New York Stock Exchange (NYSE), 39,879,957 (2001: 30,104,646) American Depositary Shares (ADSs). Each ADS is equal to one ordinary share.

At 24 February 2003, there were 41,861,108 ADSs in issue and listed on the NYSE.

Share Incentive Schemes

As approved by shareholders, AngloGold operates two share incentive schemes (as detailed below), for the purpose of providing an incentive to executive directors, executive officers and managers of the company and its subsidiaries to identify themselves more closely with the fortunes of the group and its continued growth, and also to promote the retention of such employees by giving them an opportunity to acquire shares in the company. Employees participate in the schemes to the extent that they are granted options.

The maximum number of ordinary shares that may be allocated for the purposes of the schemes, equivalent to 2.75% of the total number of ordinary shares in issue at that date, is:

	24 February 2003	31 December 2002	31 December 2001
	6,124,273	6,122,106	5,919,873

The maximum aggregate number of shares which may be acquired by any one participant is 300,000.

All options which have not been exercised within ten years from the date on which they were granted automatically lapse, unless otherwise stated.

Non-executive directors are not eligible for participation in the share incentive schemes.

ANGLOGOLD SHARE INCENTIVE SCHEME

This share incentive scheme provides for the granting of options, based on two separate criteria:

Time related

Time related options were approved by shareholders at the general meeting held on 4 June 1998, and amended by shareholders at the annual general meeting held on 30 April 2002.

Time related options granted, may be exercised as follows:

Percentage	Period after date of grant of options
20	2 years
40	3 years
60	4 years
100	5 years

No further options will be granted under this plan which will terminate on 1 February 2012, being the date on which the last options may be exercised or will expire.

The movement in respect of time related options during the period 1 January 2002 to 24 February 2003 was as follows:

	Options	
	Number	Average exercise price per ordinary share
At 1 January 2002	2,565,600	R121.14
Movements during year		
– Granted*	108,000	R190.21
– Exercised	478,720	R118.79
– Lapsed – terminations	35,600	R145.55
At 31 December 2002	2,159,280	R124.72
Subsequent to year end		
– Exercised	76,732	R121.71
– Lapsed – terminations	20,000	R137.73
At 24 February 2003	2,062,548	R124.70

* Includes 64,000 options granted in 2001 at an average price of R159.36, recorded in 2002. (Prior year adjustment).

Performance related

Performance related options were approved by shareholders at the annual general meeting held on 30 April 2002.

Performance related options granted, may be exercised in full, three years after date of grant, provided that the conditions on which the options were granted, namely the performance of the company, as determined by the directors, are met.

The movement in respect of performance related options during the period 1 January 2002 to 24 February 2003 was as follows:

	Options	
	Number	Average exercise price per ordinary share
At 1 January 2002	—	—
Movements during year		
– Granted	1,182,500	R299.50
– Exercised	—	—
– Lapsed – terminations	3,400	R299.50
At 31 December 2002	1,179,100	R299.50
Subsequent to year end		
– Exercised	—	—
– Lapsed – terminations	24,600	R299.50
At 24 February 2003	1,154,500	R299.50

The following are summaries of particulars required to be disclosed in terms of the AngloGold Share Incentive Scheme and stock exchange regulations:

	Options		
	Ordinary shares issued	Number	Average exercise price per ordinary share
At 1 January 2002	1,060,600	2,565,600	R121.14
Movements during year			
– Granted*		1,290,500	R290.35
– Exercised	478,720	478,720	R118.79
– Lapsed – terminations		39,000	R158.97
At 31 December 2002	1,539,320	3,338,380	R186.45
Subsequent to year end			
– Exercised	76,732	76,732	R121.71
– Lapsed – terminations	—	44,600	R226.96
At 24 February 2003	1,616,052	3,217,048	R187.43

* Includes prior year adjustment.

Analysis of options in issue at 24 February 2003:

Holding	Holders	Number	Value – R000
1 – 100	—	—	—
101 – 500	—	—	—
501 – 1,000	233	214,000	64,093
1,001 – 5,000	285	499,700	139,938
5,001 – 10,000	127	951,100	162,567
10,001 – 100,000	57	1,357,948	212,325
Over 100,000	1	194,300	24,055
Total	703	3,217,048	602,978

ACACIA EMPLOYEE OPTION PLAN

The company's wholly-owned subsidiary, AngloGold Australia Limited (originally Acacia Resources Limited) operates the Acacia Employee Option Plan for certain of its employees. In terms of this plan, on exercising of options, a ratio of 7 AngloGold ordinary shares for every 100 options held is applicable. The issue price of the AngloGold shares is calculated using the A\$/R exchange rate ruling on the date of allotment. No further options will be granted under this plan which will terminate on 28 April 2004, being the date on which the last option may be exercised or will expire.

The movement in respect of options during the period 1 January 2002 to 24 February 2003 was as follows:

	Number of options	Equivalent AngloGold ordinary shares	Ordinary shares issued	Average issue price of AngloGold ordinary shares
At 1 January 2002	1,041,400	72,898	25,102	R122.83
Movements during year				
– Issued	–	–		
– Exercised	951,400	66,598	66,598	R175.41
– Lapsed	–	–		
At 31 December 2002	90,000	6,300	91,700	R161.02
Subsequent to year end				
– Exercised	30,000	2,100	2,100	R146.94
At 24 February 2003	60,000	4,200	93,800	R160.71

Financial results

The financial statements set out fully the financial position, results of operations and cash flows of the group and the company for the financial year ended 31 December 2002. A synopsis of the financial results for the year is set out in the Financial Review on pages 14 to 16.

Review of operations

The performance of the various regions are comprehensively reviewed on pages 18 to 45.

Dividends

DIVIDEND POLICY

The company's dividend policy is to declare an interim and a final dividend in respect of each financial year and to pay out a high proportion of its earnings after providing for long-term growth. This policy is reviewed by the board from time to time in the light of the group's cash requirements and financial position.

DIVIDENDS PAID SINCE 1 JANUARY 2002

	Final dividend number 91	Interim dividend number 92	Final dividend number 93
Declaration date	30 January 2002	30 July 2002	30 January 2003
Last date to trade ordinary shares cum dividend	15 February 2002	16 August 2002	14 February 2003
Record date	22 February 2002	23 August 2002	21 February 2003
Amount per ordinary share			
– South African currency (cents)	550	675	675
– United Kingdom currency (pence)	34.19	42.25	48.43
Amount per CDI* – Australian currency (cents)	18.88	24.34	27.00
Payment date	4 March 2002	30 August 2002	28 February 2003
Amount per ADS** – United States currency (cents)	49.06	63.81	82.12
Payment date	14 March 2002	10 September 2002	10 March 2003

* Each CDI (CHESS Depository Interest) is equal to one-fifth of one ordinary share.

** Each ADS (American Depositary Share) is equal to one ordinary share.

Shareholders who have dematerialised their ordinary shares receive payment of their dividends electronically, as provided for by STRATE. For those shareholders who have not yet dematerialised their shares, or who may intend retaining their shareholding in the company in certificated form, the company operates an electronic funds transmission service, whereby dividends may be electronically transferred to shareholders' bank accounts. These shareholders are encouraged to mandate this method of payment for all future dividends.

Borrowing powers

The company's borrowing powers are unlimited. At 31 December 2002, the group's borrowings totalled \$926m, R7,938m (2001: \$987m, R11,811m).

Fixed assets

With effect from 1 January 2002 the company disposed of its Free State assets to Harmony Gold Mining Company Limited and African Rainbow Minerals (Proprietary) Limited, for a consideration of R2.2bn (excluding the refund for recoupments taxation of R688m). In terms of the agreement of sale the company received a cash payment of R1.8bn on 23 April 2002, together with interest thereon at the call rate calculated from 1 January 2002 to 22 April 2002. The balance of the consideration, R400m, is payable in cash on 1 January 2005.

Investments

In July 2002 the company acquired an additional 46.25% of the equity, as well as the total loan assignment, of Cerro Vanguardia SA, a company conducting gold mining operations in Argentina, from Pérez Companc International SA for a gross consideration of \$105m, thereby increasing its interest in Cerro Vanguardia to 92.5%.

The company disposed of its wholly-owned subsidiary, Stone and Allied Industries (O.F.S.) Limited, to a joint venture of that company's existing management and a group of black entrepreneurs, with effect from 1 October 2002, for a consideration of R5m, comprising R1.4m in respect of the equity interest, of which R450,000 is payable on the fulfilment of certain conditions precedent, and a loan claim of R3.6m. The balance of the consideration relative to the disposal of the equity interest, R950,000, and the loan claim are payable, together with interest thereon, in five equal annual instalments commencing on 1 October 2003. The agreement of sale provides for a 10% interest in Stone and Allied Industries (O.F.S.) Limited to be held by Masakhisane Investment Limited, a wholly-owned subsidiary established by AngloGold in terms of its Small and Medium Enterprises Development Initiative, which company will render technical and administrative assistance to the purchasers until the total amount of the consideration has been settled.

Particulars of the group's principal subsidiaries and joint venture interests are reflected on page 131.

Material resolutions

Details of special resolutions and other resolutions of a significant nature passed by the company and its subsidiaries during the year under review, requiring disclosure in terms of the Listings Requirements of the JSE, are as follows:

	Nature of resolution	Effective date
AngloGold Limited	<i>Passed at the annual general meeting held on 30 April 2002:</i>	
	General approval for the acquisition by the company, or a subsidiary of the company, of its own shares	8 May 2002
	Amendment to the company's articles of association substituting a more simplified version of the existing Article 70, pertaining to the determination of directors' remuneration by means of an ordinary resolution of shareholders in general meeting	8 May 2002
	<i>Passed at a general meeting held on 5 December 2002:</i>	
	Adoption of a new memorandum and articles of association	10 December 2002
	Sub-division of the company's ordinary shares on a 2 for 1 basis	10 December 2002
	A specific approval for the acquisition by the company of any excess ordinary shares arising in terms of the company's odd-lot offer to shareholders	10 December 2002
Subsidiaries		
Chellaston Limited*	Acquisition of a 46.25% interest in the equity of Cerro Vanguardia SA	26 July 2002
Walsdon Limited*	Change of name to AngloGold International Holdings Limited	6 December 2002
AngloGold Investments (Senegal) Limited*	Change of name to AngloGold (Gibraltar) Holdings Limited	6 December 2002
AngloGold International Holdings Société Anonyme**	Change of name from AngloGold International Holdings Limited	10 December 2002

* Incorporated in the British Virgin Islands

** Incorporated in Luxembourg

Annual general meeting

At the 58th annual general meeting held on 30 April 2002, shareholders passed ordinary resolutions relating to:

- ✧ the adoption of the annual report for the year ended 31 December 2001;
- ✧ the re-election of Mr J G Best, Mrs E le R Bradley, Mr C B Brayshaw, Mr D L Hodgson, Mr A W Lea, Mr W A Nairn and Mr K H Williams as directors of the company;
- ✧ the renewal of the general authority placing the unissued ordinary shares of the company under the control of the directors;
- ✧ the granting of a general authority to issue ordinary shares in the capital of the company for cash, subject to certain limitations in terms of the Listings Requirements of the JSE;
- ✧ increases in annual directors' remuneration, with effect from 1 May 2002, as follows:
 - Directors: from R50,000 to R100,000
 - Chairman: from R80,000 to R200,000
 - Deputy Chairman: from R80,000 to R150,000
 - A travel allowance of \$2,000 per meeting payable to each director, including the chairman and deputy chairman, who travel internationally to attend board meetings of the company;
- ✧ an amendment to the rules of the share incentive scheme to provide for the exercise of options to be based on a condition, related to the performance of the company, to be determined by the directors and which will be objective and specified.

Details concerning the special resolutions passed by shareholders at this meeting are disclosed on page 69.

Notice of the 59th annual general meeting, which is to be held in Johannesburg at 11:00 on Wednesday, 30 April 2003, is enclosed as a separate document with the annual report. Additional copies of the notice of meeting may be obtained from the company's corporate contacts and the share registrars or may be accessed from the company's website.

General meeting

A general meeting of shareholders was held on 5 December 2002 at which the undermentioned ordinary resolutions were passed:

- ✧ approval of an odd-lot offer to ordinary shareholders of the company;
- ✧ the granting of an authority to a director of the company to implement all resolutions passed at the meeting.

Details concerning the special resolutions passed by shareholders at this meeting are disclosed on page 69.

Memorandum and Articles of Association

A new memorandum and articles of association were adopted by shareholders in terms of a special resolution passed at the general meeting held on 5 December 2002. The special resolution was registered on 10 December 2002. These documents which better reflect the existing regulatory environment and serve the company's requirements, replace the memorandum of association that had been in existence since the company's incorporation under its former name of Vaal Reefs Exploration and Mining Company Limited in 1944 and the set of articles of association adopted in 1977.

Directorate and secretary

The only change in the composition of the board of directors from the beginning of the accounting period to the date of this report was the appointment of Mr D D Barber as alternate director to Mr J Ogilvie Thompson with effect from 29 April 2002.

The directors retiring by rotation at the forthcoming annual general meeting in terms of the articles of association are Mr F B Arisman, Mr R P Edey, Dr V K Fung, Mr R M Godsell and Dr T J Motlatsi. Dr Fung has advised that he wishes to retire from the board and, therefore, has not made himself available for re-election. However, Mr Arisman, Mr Edey, Mr Godsell and Dr Motlatsi, being eligible, offer themselves for re-election.

The names of the directors and alternate directors of the company in office at the date of this report are listed on page 143. Biographies of the board of directors appear on pages 54 and 55.

There has been no change in the offices of managing secretary and company secretary whose names and business and postal addresses are set out on page 143.

Directors' emoluments

The following tables record the emoluments paid to each director:
All figures have been stated to the nearest R000.

	Salary	Bonuses and performance related payments	Pension scheme contributions	Pre-tax gains on share options exercised	Other benefits	Total
EXECUTIVE DIRECTORS' REMUNERATION 2002						
R M Godsell (Chief Executive Officer)	4,217	1,295	496	—	283	6,291
J G Best	2,476	928	300	2,130	32	5,866
D L Hodgson	2,475	678	300	2,972	100	6,525
K H Williams	2,673	898	333	2,154	150	6,208
Total	11,841	3,799	1,429	7,256	565	24,890

EXECUTIVE DIRECTORS' REMUNERATION 2001*

R M Godsell (Chief Executive Officer)	3,323	634	378	—	50	4,385
J G Best	2,122	506	252	1,575	182	4,637
D L Hodgson (appointed 1 November 2001)	387	109	54	1,061	9	1,620
K H Williams	2,268	571	276	1,053	47	4,215
Total	8,100	1,820	960	3,689	288	14,857

* Includes pre-tax gains on options exercised in 2001, not previously reflected in remuneration table.

NON-EXECUTIVE DIRECTORS' REMUNERATION

	2002				2001		
	Directors' fees	Committee fees	Travel allowance*	Total	Directors' fees	Committee fees	Total
R P Edey (Chairman)	160	126	41	327	80	110	190
Dr T J Motlatsi (Deputy Chairman)	117	107	21	245	50	100	150
F B Arisman	83	60	41	184	50	60	110
Mrs E le R Bradley	83	107	—	190	50	94	144
C B Brayshaw	83	47	—	130	50	40	90
Dr V K Fung	83	30	20	133	50	36	86
A W Lea	83	28	—	111	21	—	21
W A Nairn	83	104	—	187	31	64	95
J Ogilvie Thompson	83	30	—	113	50	30	80
N F Oppenheimer	83	30	—	113	48	30	78
A J Trahar	83	30	—	113	50	13	63
Total	1,024	699	123	1,846	530	577	1,107
Alternates							
P G Whitcutt	—	30	—	30	—	6	6
Total	—	30	—	30	—	6	6

Fees paid to former non-executive directors and former alternate directors

Dr J W Campbell	—	—	—	—	29	18	47
D M J Ncube	—	60**	—	60	29	40	69
M W King	—	—	—	—	19	17	36
R P Garnett	—	—	—	—	—	17	17
Total	—	60	—	60	77	92	169
Grand total	1,024	789	123	1,936	607	675	1,282

* Introduced with effect from 1 May 2002.

** Prior years' adjustment.

Executive directors have elected not to receive payment of directors' fees and committee fees.

Share incentive scheme

Options to subscribe for ordinary shares in the company granted to, and exercised by, executive directors, executive officers and managers during the year to 31 December 2002, and subsequent to year end, are included in the table below:

	RM Godsell	JG Best	DL Hodgson	KH Williams	Total	Executive officers	Managers	Total 2002	Total 2001
Granted as at 1 January 2002									
Number	178,300	74,800	58,000	83,600	394,700	167,200*	2,003,700*	2,565,600	2,977,400
Average exercise price per share – R	108.04	113.30	109.59	104.96	108.61	121.35	123.59	121.14	118.58
Granted during year									
Number	16,000	10,500	40,500**	10,500	77,500	90,400†	1,122,600#	1,290,500	493,000
Average exercise price per share – R	299.50	299.50	195.50	299.50	245.15	247.22	296.95	290.35	121.54
Exercised during year									
Number	–	11,200	14,800	12,000	38,000	32,000	408,720	478,720	718,000
Average exercise price per share – R	–	104.00	104.00	104.00	104.00	107.54	121.05	118.79	109.92
Average market price per share at date of exercise – R	–	294.18	304.78	283.53	294.94	254.12	269.82	270.76	174.05
Pre-tax gain at date of exercise									
– R value	–	2,130,000	2,971,504	2,154,400	7,255,904	4,690,576	60,806,607	72,753,087	46,049,078
– Average R per share	–	190.18	200.78	179.53	190.94	146.58	148.77	151.97	64.13
Lapsed during year									
Number	–	–	–	–	–	–	39,000	39,000	186,800
Average exercise price per share – R	–	–	–	–	–	–	158.97	158.97	124.40
Held as at 31 December 2002									
Number	194,300	74,100	83,700	82,100	434,200	225,600	2,678,580	3,338,380	2,565,600
Average exercise price per share – R	123.80	141.10	152.15	129.98	133.39	173.74	196.12	186.45	121.15
Subsequent to year end									
Exercised									
Number	–	–	–	–	–	8,000	68,732	76,732	
Average exercise price per share – R	–	–	–	–	–	121.36	121.75	121.71	
Average market price per share at date of exercise – R	–	–	–	–	–	272.50	308.96	305.16	
Pre-tax gain at date of exercise									
– R value	–	–	–	–	–	1,209,100	12,867,335	14,076,435	
– Average R per share	–	–	–	–	–	151.14	187.21	183.45	
Lapsed									
Number	–	–	–	–	–	–	44,600	44,600	
Average exercise price per share – R	–	–	–	–	–	–	226.96	226.96	
Held as at 24 February 2003									
Number	194,300	74,100	83,700	82,100	434,200	217,600	2,565,248	3,217,048	
Average exercise price per share – R	123.80	141.10	152.15	129.98	133.39	175.67	197.58	187.43	
Latest expiry date	2 May 2012	2 May 2012	2 May 2012	2 May 2012		2 May 2012	2 May 2012		

Prior year adjustments:

* 20,000 options granted at an average price of R114.20 adjusted for category change.

** 30,000 options granted at an average price of R159.10.

† 16,000 options granted at an average price of R159.10.

18,000 options granted at an average price of R160.01.

Directors' interests in shares

The interests of the directors and alternate directors in the ordinary shares of the company at 31 December 2002, which did not individually exceed 1% of the company's issued ordinary share capital, were:

	31 December 2002			31 December 2001		
	Beneficial Direct	Indirect	Non- beneficial	Beneficial Direct	Indirect	Non- beneficial
EXECUTIVE DIRECTORS						
R M Godsell	460	—	—	460	—	—
K H Williams	—	920	—	—	920	—
Total	460	920	—	460	920	—
NON-EXECUTIVE DIRECTORS						
F B Arisman	—	2,000	—	—	2,000*	—
Mrs E le R Bradley	—	28,200	10,000	—	5,200*	11,000
R P Edey	—	1,000	—	—	1,000	—
J Ogilvie Thompson	—	—	478	—	—	478
N F Oppenheimer	—	—	6,426	—	—	9,026
Total	—	31,200	16,904	—	8,200*	20,504
ALTERNATES						
A H Calver	—	—	—	46	—	—
P G Whitcutt	—	—	—	46	—	—
Total	—	—	—	92	—	—
Grand total	460	32,120	16,904	552*	9,120*	20,504

* Restated

There have been no changes in the above interests since 31 December 2002.

A register detailing directors' and officers' interests in contracts is available for inspection at the company's registered and corporate office.

Group income statement

for the year ended 31 December 2002

2001	2002	Figures in million	Notes	2002	2001
SA Rands				US Dollars	
18,309	19,267	Revenue	3	1,847	2,121
17,590	18,372	Gold income	2, 3	1,761	2,041
(12,973)	(12,550)	Cost of sales	4	(1,203)	(1,519)
4,617	5,822			558	522
(96)	962	Non-hedge derivatives		92	(5)
4,521	6,784	Operating profit*		650	517
(194)	(258)	Corporate administration and other expenses		(25)	(22)
(133)	(179)	Market development costs		(17)	(16)
(228)	(296)	Exploration costs	5	(28)	(26)
225	446	Investment income	6	43	26
(48)	(164)	Other net expenses	7	(16)	(7)
(608)	(464)	Finance costs	8	(44)	(72)
–	(102)	Abnormal item – settlement of claim		(10)	–
3,535	5,767	Profit before exceptional items	9	553	400
(259)	(293)	Amortisation of goodwill	15/16	(28)	(29)
(32)	(145)	Loss on disposal of mines	31	(13)	(4)
(11)	2	Other		–	(3)
3,233	5,331	Profit on ordinary activities before taxation		512	364
(983)	(1,730)	Taxation	11	(165)	(111)
2,250	3,601	Profit on ordinary activities after taxation		347	253
(70)	(157)	Minority interest		(15)	(8)
2,180	3,444	Net profit		332	245
4,647	6,683	* Operating profit excluding unrealised non-hedge derivatives	2	638	527
2,476	3,920	Headline earnings	12	376	281
2,536	3,854	Headline earnings before unrealised non-hedge derivatives	12	368	286
		Earnings per ordinary share (cents)	12		
1,017	1,552	Basic		150	114
1,015	1,545	Diluted		149	114
1,156	1,767	Headline		169	131
1,184	1,737	Headline before unrealised non-hedge derivatives		166	133
900	1,350	Dividends declared per ordinary share (cents)	13	146	87
1.3	1.3	Dividend cover based on headline earnings before unrealised non-hedge derivatives		1.1	1.5

Group balance sheet

at 31 December 2002

2001	2002	Figures in million	Notes	2002	2001
SA Rands				US Dollars	
		ASSETS			
		Non-current assets			
24,606	19,555	Mining assets	14	2,280	2,057
4,652	3,210	Goodwill	15	374	389
151	165	Investments in associates	16	19	13
275	197	Other investments	17	23	23
460	275	AngloGold Environmental Rehabilitation Trust	19	32	38
1,372	549	Derivatives	35	64	115
204	466	Long-term loans	20	55	17
31,720	24,417			2,847	2,652
		Current assets			
1,534	1,996	Derivatives	35	233	128
1,867	2,190	Trade and other receivables	21	255	156
1,948	1,848	Inventories	22	216	163
109	3	Current portion of long-term loans	20	–	9
2,284	3,544	Cash and cash equivalents	23	413	191
7,742	9,581			1,117	647
39,462	33,998	Total assets		3,964	3,299
		EQUITY AND LIABILITIES			
13,357	12,375	Shareholders' equity*		1,443	1,117
355	347	Minority interests		40	30
13,712	12,722			1,483	1,147
		Non-current liabilities			
4,192	7,219	Borrowings	25	842	350
2,573	2,008	Provisions	26	234	215
3,423	3,445	Deferred taxation	27	402	286
1,917	2,028	Derivatives	35	236	160
12,105	14,700			1,714	1,011
		Current liabilities			
2,984	2,588	Derivatives	35	302	250
2,464	2,145	Trade and other payables	28	250	206
7,619	719	Current portion of borrowings	25	84	637
578	1,124	Taxation		131	48
13,645	6,576			767	1,141
39,462	33,998	Total equity and liabilities		3,964	3,299

* Shareholders' equity is analysed in the statement of changes in shareholders' equity (see page 77).

Group cash flow statement

for the year ended 31 December 2002

2001	2002	Figures in million	Notes	2002	2001
SA Rands				US Dollars	
18,333	19,020	Cash flows from operating activities			
(12,861)	(10,765)	Cash receipts from customers		1,808	2,153
		Cash paid to suppliers and employees		(1,050)	(1,480)
5,472	8,255	Cash generated from operations	30	758	673
176	331	Interest received		32	20
(85)	(169)	Environmental contributions and expenditure		(16)	(10)
11	19	Dividends received from associates	16	2	1
(613)	(410)	Finance costs		(40)	(73)
(897)	(1,376)	Mining and normal taxation paid		(131)	(111)
4,064	6,650	Net cash inflow from operating activities		605	500
		Cash flows from investing activities			
(1,886)	(1,844)	Capital expenditure	14	(176)	(219)
(681)	(998)	– to expand operations		(95)	(79)
63	11	– to maintain operations		1	6
878	1,544	Proceeds from disposal of mining assets		140	109
878	1,813	Net proceed from disposal of mines	31	164	109
–	(269)	Proceeds		(24)	–
(11)	–	Contractual obligations			
(24)	(355)	Associate acquired	16	–	(1)
4	1,829	Investments acquired		(34)	(3)
–	(979)	Proceeds from sale of investments		158	–
(37)	(51)	Acquisition of shares	31	(97)	–
367	175	Loans advanced		(5)	(4)
		Repayment of loans advanced		17	43
(1,327)	(668)	Net cash outflow from investing activities		(91)	(148)
		Cash flows from financing activities			
85	156	Proceeds from issue of share capital		18	7
–	(116)	Share issue expenses		(11)	–
2,381	8,599	Proceeds from borrowings		798	276
(3,567)	(9,789)	Repayment of borrowings		(912)	(414)
(1,447)	(2,821)	Dividends paid		(260)	(167)
(2,548)	(3,971)	Net cash outflow from financing activities		(367)	(298)
189	2,011	Net increase in cash and cash equivalents		147	54
618	(751)	Translation		75	(58)
1,477	2,284	Cash and cash equivalents at beginning of year		191	195
2,284	3,544	Cash and cash equivalents at end of year	23	413	191

Group statement of changes in shareholders' equity

for the year ended 31 December 2002

Figures in million	Ordinary share capital	Share premium	Non-distributable reserves*	Foreign currency translation	Other comprehensive income**	Retained earnings	Shareholders' equity
US Dollars							
Balance at 31 December 2000	7	1,043	20	43	—	340	1,453
Effect of adoption of IAS 39					49	(25)	24
Net profit						245	245
Dividends (note 13)						(167)	(167)
Ordinary shares issued		22					22
Net gain on cash flow hedges removed from equity and reported in income					(1)		(1)
Net loss on cash flow hedges					(283)		(283)
Deferred taxation on cash flow hedges					112		112
Transfer from non-distributable reserves			(1)			1	—
Translation	(3)	(388)	(7)	207	35	(132)	(288)
Balance at 31 December 2001	4	677	12	250	(88)	262	1,117
Net profit						332	332
Dividends (note 13)						(251)	(251)
Ordinary shares issued	—	140					140
Net loss on cash flow hedges removed from equity and reported in income					61		61
Net loss on cash flow hedges					(105)		(105)
Deferred taxation on cash flow hedges					(29)		(29)
Net gain on available-for-sale financial assets					7		7
Acquisition of shares					(3)		(3)
Transfer from non-distributable reserves			(1)			1	—
Translation	3	296	5	(207)	(28)	105	174
Balance at 31 December 2002	7	1,113	16	43	(185)	449	1,443
Note	24	24					
SA Rands							
Balance at 31 December 2000	54	7,897	149	325	—	2,579	11,004
Effect of adoption of IAS 39					373	(186)	187
Net profit						2,180	2,180
Dividends (note 13)						(1,447)	(1,447)
Ordinary shares issued		189					189
Net gain on cash flow hedges removed from equity and reported in income					(8)		(8)
Net loss on cash flow hedges					(2,438)		(2,438)
Deferred taxation on cash flow hedges					968		968
Transfer from non-distributable reserves			(6)			6	—
Translation				2,674	48		2,722
Balance at 31 December 2001	54	8,086	143	2,999	(1,057)	3,132	13,357
Net profit						3,444	3,444
Dividends (note 13)						(2,728)	(2,728)
Ordinary shares issued	2	1,465					1,467
Net loss on cash flow hedges removed from equity and reported in income					644		644
Net loss on cash flow hedges					(1,102)		(1,102)
Deferred taxation on cash flow hedges					(304)		(304)
Net gain on available-for-sale financial assets					60		60
Acquisition of shares					(26)		(26)
Transfer from non-distributable reserves			(5)			5	—
Translation				(2,639)	202		(2,437)
Balance at 31 December 2002	56	9,551	138	360	(1,583)	3,853	12,375
Note	24	24					

* Non-distributable reserves comprise a surplus on disposal of company shares of \$16m (R141m) and a negative foreign equity reserve of \$ nil (R3m).

** Other comprehensive income represents the effective portion of fair value gains or losses in respect of cash flow hedges until the underlying transaction occurs, upon which the gains or losses are recognised in earnings.

Notes to the group financial statements

for the year ended 31 December 2002

1 Accounting policies

The financial statements are prepared according to the historical cost accounting convention, as modified by the revaluation of certain financial instruments to fair value. The group's accounting policies as set out below are consistent in all material respects with those applied in the previous years. These accounting policies conform with International Accounting Standards (IAS) and South African Statements of Generally Accepted Accounting Practice.

South African Statement of Generally Accepted Practice AC 133, Financial Instruments: Recognition and Measurement, has been adopted ahead of its effective date.

AngloGold presents its consolidated financial statements in US Dollars. The group's presentation currency is US Dollars since the majority of its sales are in US Dollars. The measurement currency is dependent on where the subsidiary operates.

The following method of translation has been used:

- equity items other than net profit at the closing rate on each balance sheet date;
- assets and liabilities at the closing rate on each balance sheet date;
- income, expenses and cash flows at the average exchange rate; and
- resulting exchange differences are included in equity.

To assist investors in South Africa, amounts have also been disclosed in SA Rands. This is supplementary to the information required by IAS. AngloGold the company, presents its results in SA Rands.

BASIS OF CONSOLIDATION

The group financial statements incorporate the financial statements of the company, its subsidiaries and its proportionate interest in joint ventures.

The financial statements of subsidiaries and joint ventures are prepared for the same reporting period as the holding company, using the same accounting policies.

Where an investment in a subsidiary or a joint venture is acquired or disposed of during the financial year, its results are included from, or to the date control became, or ceased to be effective.

All inter-group transactions and balances are eliminated on consolidation. Unearned profits that arise between group entities are eliminated.

FOREIGN ENTITIES

Assets and liabilities (both monetary and non-monetary) of foreign entities are translated at the closing rate. Income statement items are translated at an average rate of exchange for the period. Exchange differences are taken directly to a foreign currency translation reserve.

ACQUISITION AND GOODWILL ARISING THEREON

Where an investment in a subsidiary, joint venture or an associate is made, any excess of the purchase price over the fair value of the attributable mineral reserves and net assets is recognised as goodwill. Goodwill which represents resources is amortised on a systematic basis which recognises the depletion of resources over the lesser of the life of the mine or 20 years.

The unamortised balance is reviewed on a regular basis and, if impairment in the value has occurred, it is written off in the period in which the circumstances are identified.

Goodwill in respect of subsidiaries and proportionately consolidated joint ventures is disclosed as goodwill. Goodwill relating to associates is included within the carrying value of the investment in associates.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

JOINT VENTURES

A joint venture is an entity in which the group holds a long-term interest and which is jointly controlled by the group and one or more other venturers under a contractual arrangement. The group's interest in a jointly controlled entity is accounted for by proportionate consolidation.

ASSOCIATES

The equity method of accounting is used for an investment over which the group exercises significant influence and normally owns between 20% and 50% of the voting equity. Associates are equity accounted from the effective dates of acquisition to the effective dates of disposal.

Results of associates are equity accounted from their most recent audited annual financial statements or unaudited interim financial statements. Any losses of associates are brought to account in the consolidated financial statements until the investment in such associates is written down to a nominal amount. Thereafter, losses are accounted for only insofar as the group is committed to providing financial support to such associates.

1 Accounting policies (continued)

The carrying values of the investments in associates represent the cost of each investment, including unamortised goodwill, the share of post-acquisition retained earnings and losses and any other movements in reserves. The carrying value of associates is reviewed on a regular basis and if any impairment in value has occurred, it is written off in the period in which these circumstances are identified.

MINING ASSETS

Mining assets are recorded at cost less accumulated amortisation and impairments. Cost includes pre-production expenditure incurred during the development of a mine and the present value of future decommissioning costs. Cost also includes finance charges capitalised during the construction period where such costs are financed by borrowings.

Mine development costs

Capitalised mine development costs include expenditure incurred to develop new orebodies, to define further mineralisation in existing orebodies and to expand the capacity of a mine. Where funds have been borrowed specifically to finance a project, the amount of interest capitalised represents the actual borrowing costs incurred.

Mine development costs are amortised using the units-of-production method based on estimated proved and probable mineral reserves. Amortisation is first charged on new mining ventures from the date it is capable of commercial production.

Proved and probable mineral reserves reflect estimated economically recoverable quantities which can be recovered in future from known mineral deposits.

Stripping costs incurred during the production phase to remove additional waste ore are deferred and charged to operating costs on the basis of the average life-of-mine stripping ratio.

The average stripping ratio is calculated as the number of tonnes of waste material removed per tonne of ore mined. The average life of the mine ratio is recalculated annually in the light of additional knowledge and changes in estimates.

The cost of the "excess stripping" is capitalised as mine development costs when the actual stripping ratio exceeds the average life-of-mine stripping ratio. When the actual stripping ratio is below the average life of the mine ratio, sufficient previously capitalised costs are expensed to increase the cost up to the average. Thus, under this method, the cost of stripping in any period will be reflective of the average stripping rates for the orebody as a whole.

Mine infrastructure

Plant, equipment and buildings are amortised using the lesser of their useful life or units-of-production method based on estimated proved and probable mineral reserves.

Land

Land is not depreciated.

Mineral rights, dumps and ore reserves

Mineral rights are amortised using the units-of-production method based on estimated proved and probable mineral reserves.

Dumps are amortised over the period of treatment.

Ore reserves are measured mining resources which, when proved and probable, are transferred to mine development costs and amortised from the date on which commercial production begins.

If the recoverable amount of any of the above assets is less than the carrying value, an allowance is made for the impairment in value.

Borrowing costs

Interest on borrowings relating to the financing of major capital projects under construction is capitalised during the construction phase as part of the cost of the project. Other borrowing costs are expensed as incurred.

Leased assets

Assets subject to finance leases are capitalised at cost with the related lease obligation recognised at the same amount. Capitalised leased assets are depreciated over the shorter of their estimated useful lives and the lease term. Finance lease payments are allocated, using the effective interest rate method, between the lease finance cost, which is included in interest paid, and the capital repayment, which reduces the liability to the lessor.

Operating lease rentals are charged against operating profits in a systematic manner related to the period of use of the assets concerned.

Notes to the group financial statements

for the year ended 31 December 2002

1 Accounting policies (continued) Research and exploration expenditure

Research and exploration expenditure is expensed in the year in which it is incurred. When a decision is taken that a mining property is capable of commercial production, all further pre-production expenditure is capitalised. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Inventories

Inventories are valued at the lower of cost and net realisable value after appropriate allowances for redundant and slow moving items. Cost is determined on the following bases:

- gold in process is valued at the average total production cost at the relevant stage of production;
- gold on hand is valued on an average total production cost method;
- ore stockpiles are valued at the average moving cost of treating and processing the ore;
- by-products, which include uranium oxide and sulphuric acid are valued on an average total production cost method; and
- consumable stores are valued at average cost.

Provisions

Provisions are recognised when the group has a present obligation, whether legal or constructive, as a result of a past event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Employee benefits

The group operates a defined benefit pension plan and post retirement medical aid benefit plans, and a number of defined contribution pension plans.

DEFINED BENEFIT PLANS

The cost of providing benefits to the group's defined pension and post-retirement benefit plans are determined using the projected unit credit actuarial valuation method. Actuarial gains and losses arising in the defined benefit plans are recognised as income or expense when the cumulative unrecognised gains or losses for each individual plan exceed the greater of 10% of the defined benefit obligation and 10% of the fair value of plan assets. These gains or losses are recognised over the expected average remaining working lives of the employees participating in the plans. Where the fair value of the plan assets exceeds the present value of the obligation, the resulting net asset is not recognised in respect of South African plans due to requirements under the Surplus Distribution legislation.

DEFINED CONTRIBUTION PLANS

Contributions to defined contribution plans in respect of services during that year are recognised as an expense in that year.

Environmental expenditure

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

DECOMMISSIONING COSTS

The provision for decommissioning represents the cost that will arise from rectifying damage caused before production commenced.

Decommissioning costs are provided for at the present value of the expenditures expected to settle the obligation, using estimated cashflows based on current prices. When this provision gives access to future economic benefits, an asset is recognised and included within mining infrastructure. The unwinding of the decommissioning obligation is included in the income statement. The estimated future costs of decommissioning obligations are regularly reviewed and adjusted as appropriate for new circumstances or changes in law or technology. The estimates are discounted at a pre-tax rate that reflects current market assessments of the time value of money.

Gains from the expected disposal of assets are not taken into account when determining the provision.

RESTORATION COSTS

The provision for restoration represents the cost for restoring site damage after the commencement of production. Increases in the provision are charged to the income statement as a cost of production.

Gross restoration costs are estimated at the present value of the expenditures expected to settle the obligation, using estimated cashflows based on current prices. The estimates are discounted at a pre-tax rate that reflects current market assessments of the time value of money.

Restoration costs are accrued and expensed over the operating life of each mine using the units-of-production method based on estimated proved and probable mineral reserves. Expenditure on ongoing restoration costs is brought to account when incurred.

1 Accounting policies (continued)

ENVIRONMENTAL REHABILITATION TRUST

Annual contributions are made to the AngloGold Environmental Rehabilitation Trust, created in accordance with South African statutory requirements, to fund the estimated cost of rehabilitation during and at the end of the life of a mine. The funds that have been paid into the trust fund plus the growth in the trust fund are shown as an asset on the balance sheet.

The environmental rehabilitation obligations in respect of the non South African operations are not funded through an established trust fund. Bank guarantees and reclamation bonds are provided for some of these liabilities.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. The following criteria must also be present:

- the sale of mining products is recognised when the significant risks and rewards of ownership of the products are transferred to the buyer;
- dividends are recognised when the right to receive payment is established; and
- interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the group.

Deferred taxation

Deferred taxation is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at current tax rates.

Financial instruments

Financial instruments recognised on the balance sheet include investments, loans receivable, trade and other receivables, cash and cash equivalents, borrowings, derivatives and trade and other payables.

Financial instruments are initially measured at cost, including transaction costs, when the group becomes a party to their contractual arrangements. The subsequent measurement of financial instruments is dealt with below.

A financial instrument or a portion of a financial instrument will be derecognised and a gain or loss recognised when the company loses the contractual rights or extinguishes the obligation associated with such an instrument.

On derecognition of a financial asset, the difference between the proceeds received or receivable and the carrying amount of the asset is included in income.

On derecognition of a financial liability the difference between the carrying amount of the liability extinguished or transferred to another party and the amount paid for is included in income.

DERIVATIVES

The group enters into derivatives to ensure a degree of price certainty and to guarantee a minimum revenue on a portion of the future planned gold production of its mines.

IAS39 (AC133) requires that derivatives be treated as follows:

- Commodity based ("normal purchase or normal sale") contracts that meet the requirements of IAS39 are recognised in earnings when they are settled by physical delivery.
- Where the conditions in IAS39 for special hedge accounting are met the derivative is recognised on the balance sheet as either a derivative asset or derivative liability and recorded at fair value. The group enters into cash flow hedges whereby the effective portion of fair value gains or losses is recognised in equity (other comprehensive income) until the underlying transaction occurs, then the gains or losses are recognised in earnings or included in the initial measurement of the asset or liability. The ineffective portion of fair value gains and losses is reported in earnings in the period to which they relate.
- All other derivatives are subsequently measured at their estimated fair value, with the changes in estimated fair value at each reporting date being reported in earnings in the period to which it relates.

The estimated fair values of derivatives are determined at discrete points in time based on the relevant market information. These estimates are calculated with reference to the market rates using industry standard valuation techniques.

Notes to the group financial statements

for the year ended 31 December 2002

1 Accounting policies (continued)

INVESTMENTS

Listed investments, other than investments in subsidiaries, joint ventures, and associates, are subsequently measured at fair value, which is calculated by reference to the quoted selling price at the close of business on the balance sheet date. Unlisted investments are shown at fair value, or at cost where fair value cannot be reliably measured.

Investments classified as available-for-sale financial assets are subsequently measured at fair value, with changes in fair value recognised in equity (other comprehensive income) in the period in which they arise. These amounts are removed from equity and reported in income when the asset is derecognised or when there is evidence that the asset is impaired.

LONG-TERM LOANS RECEIVABLE

Long-term loans receivable are subsequently measured at amortised cost using the effective interest rate method.

TRADE AND OTHER RECEIVABLES

Trade and other receivables originated by the group are subsequently measured at amortised cost less allowance for doubtful debts.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value and are subsequently measured at cost.

IMPAIRMENT OF FINANCIAL ASSETS

At each balance sheet date an assessment is made of whether there is any evidence of impairment of financial assets. If such evidence exists, the estimated recoverable amount of that asset is determined and any impairment loss recognised in income for the difference between the recoverable amount and the carrying amount.

FINANCIAL LIABILITIES

Financial liabilities, other than trading financial liabilities and derivatives, are subsequently measured at amortised cost being the original obligation less principal payments and amortisations. Trading financial liabilities and derivatives are subsequently measured at fair value.

2 Segmental information

Based on risks and returns the directors consider that the primary reporting format is by business segment. The directors consider that there is only one business segment being mining, extraction and production of gold. Therefore the disclosures for the primary segment have already been given in these financial statements.

The secondary reporting format is by geographical analysis by origin and destination.

Geographical analysis by origin is as follows:

	Gold income		Operating profit excluding unrealised non-hedge derivatives		EBITDA		Average number of employees	
	2002	2001	2002	2001	2002	2001	2002	2001
US Dollars								
South Africa	930	1,298	389	341	373	351	46,657	64,881
East & West Africa	329	250	129	87	190	134	2,276	1,627
South America	195	177	84	65	118	98	2,656	2,292
North America	152	161	3	16	59	58	909	854
Australia	155	155	33	18	55	38	599	726
	1,761	2,041	638	527	795	679	53,097	70,380
SA Rands								
South Africa	9,718	11,164	4,102	3,036	3,923	3,118		
East & West Africa	3,428	2,171	1,343	758	1,980	1,156		
South America	2,032	1,529	878	557	1,234	847		
North America	1,581	1,377	17	134	616	491		
Australia	1,613	1,349	343	162	579	338		
	18,372	17,590	6,683	4,647	8,332	5,950		

2 Segmental information (continued)

	Gold production (oz 000)		Gold production (kg)	
	2002	2001	2002	2001
South Africa	3,412	4,670	106,106	145,247
East & West Africa	1,085	868	33,754	26,992
South America	478	441	14,854	13,709
North America	462	496	14,371	15,436
Australia	502	508	15,626	15,819
	5,939	6,983	184,711	217,203

	Net operating assets		Total assets		Capital expenditure	
	2002	2001	2002	2001	2002	2001
US Dollars (m)						
South Africa	1,012	858	1,663	1,283	112	106
East & West Africa	433	448	777	721	27	34
South America	435	302	579	465	27	23
North America	403	338	438	381	74	93
Australia	239	202	507	449	31	42
	2,522	2,148	3,964	3,299	271	298
SA Rands (m)						
South Africa	8,681	10,260	14,262	15,349	1,168	915
East & West Africa	3,709	5,353	6,661	8,624	287	287
South America	3,732	3,619	4,965	5,562	283	201
North America	3,461	4,044	3,756	4,557	776	800
Australia	2,047	2,418	4,354	5,370	328	364
	21,630	25,694	33,998	39,462	2,842	2,567

Geographical analysis by destination is as follows:

	Gold income			
	US Dollars (m)		SA Rands (m)	
	2002	2001	2002	2001
South Africa	601	31	6,269	270
North America	144	1,225	1,505	10,562
Australia	145	180	1,508	1,547
Europe	437	410	4,560	3,531
United Kingdom	434	195	4,530	1,680
	1,761	2,041	18,372	17,590

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		3 Revenue		
		Revenues consists of the following principal categories:		
17,590	18,372	Gold income (note 2)	1,761	2,041
543	522	Sale of uranium, silver and sulphuric acid	50	60
176	373	Interest receivable (note 6)	36	20
18,309	19,267		1,847	2,121
		4 Cost of sales		
10,454	9,812	Cash operating costs	939	1,226
240	291	Other cash costs	28	29
10,694	10,103	Total cash costs	967	1,255
185	30	Retrenchment costs (note 10)	3	22
123	119	Rehabilitation and other non-cash costs	12	13
11,002	10,252	Production costs	982	1,290
1,884	2,566	Amortisation of mining assets (notes 9, 14 and 30)	245	220
12,886	12,818	Total production costs	1,227	1,510
87	(268)	Inventory change	(24)	9
12,973	12,550		1,203	1,519
		5 Exploration costs		
382	532	Expenditure incurred during the year	51	44
(154)	(236)	Expenditure transferred to mining assets	(23)	(18)
228	296		28	26
		6 Investment income		
		Investment income consists of the following principal categories:		
176	373	Interest receivable (notes 3 and 30)	36	20
7	37	Profit from associates after taxation (notes 16 and 30)	4	1
42	36	Growth in AngloGold Environmental Rehabilitation Trust (notes 19 and 30)	3	5
225	446		43	26
		7 Other net expenses		
		Other net expenses consist of the following principal categories:		
(16)	(45)	Foreign exchange loss on transactions other than sales	(4)	(2)
(10)	(30)	Loss on disposal of assets (note 30)	(3)	(2)
–	(49)	Post-retirement medical expenses for disposed mines	(5)	–
(26)	(124)		(12)	(4)
(22)	(40)	Unwinding of decommissioning obligation (notes 26 and 30)	(4)	(3)
(48)	(164)		(16)	(7)

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		8 Finance costs		
606	377	Interest paid on bank loans and overdrafts	36	72
7	–	Interest paid on debentures	–	1
–	87	Other	8	–
613	464	Total interest	44	73
(5)	–	Less: amounts capitalised	–	(1)
608	464	(Note 30)	44	72
		9 Profit before exceptional items is arrived at after taking account of:		
		Auditors' remuneration		
8	10	Audit fees	1	1
1	–	Under provision prior year	–	–
2	2	Other services*	–	–
11	12		1	1
		Amortisation of mining assets (notes 4, 14 and 30)		
1,857	2,526	Owned assets	241	217
27	40	Leased assets	4	3
1,884	2,566		245	220
38	46	Grants for educational and community development	4	4
33	47	Operating lease charges	5	4
		* Other services include IT Security reviews and acting as reporting accountants		
		10 Employee benefits		
		Employee benefits including executive directors		
4,663	4,110	Salaries, wages and other benefits	392	538
		Health care and medical scheme costs		
229	241	– current medical expenses	23	27
55	52	– post-retirement medical expenses	5	5
300	210	Defined contribution pension plans expense	20	35
185	30	Retrenchment costs (note 4)	3	22
5,432	4,643	Employee benefits included in cost of sales	443	627
		Actuarial defined benefit plan expense analysis		
		Defined benefit pension plan expense		
35	40	– current service cost	4	4
84	99	– interest cost	9	10
(91)	(87)	– expected return on plan assets	(8)	(11)
20	(9)	– actuarial (gain) loss	(1)	2
		Defined benefit post-retirement medical expense		
6	10	– current service cost	1	1
98	72	– interest cost	7	11
–	(3)	– actuarial gain	–	–
–	(153)	– curtailment	(15)	–
152	(31)		(3)	17
		Actual return on plan assets		
91	6	Defined benefit pension plan	1	11
		Refer to directors' report for details of directors' emoluments		

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		11 Taxation		
		Current taxation		
375	373	Mining taxation	32	41
509	832	Non-mining taxation	83	55
–	41	Under provision prior year	3	–
66	68	Secondary tax on companies	6	7
		Exceptional items (note 12)		
–	688	– recouplements tax on Free State disposal (note 31)	63	–
–	(78)	– mining tax on Free State operating loss	(10)	–
950	1,924		177	103
		Deferred taxation		
105	341	Current	34	13
(66)	35	Unrealised non-hedge derivatives (note 12)	4	(5)
		Exceptional items		
(6)	–	– debt written off (note 12)	–	–
–	(570)	– disposal of Free State operations (note 12)	(50)	–
33	(194)	(Note 27)	(12)	8
983	1,730		165	111
		At 31 December 2001 there was unredeemed capital expenditure estimated at \$298m, R3,564m which was available for set-off against future taxable income from the mining operations of Joel mine. Joel mine was sold with effect from 1 January 2002, resulting in the unredeemed capital expenditure not being utilised.		
		The unutilised tax losses of the North American operations which are available for offset against future profits earned in the USA, amount to \$182m, R1,561m (2001: \$177m, R2,115m).		
		The unutilised tax losses of the South American operations which are available for offset against future profits earned in these countries, amount to \$86m, R738m (2001: \$49m, R583m).		
		Analysis of tax losses		
	71	Assessed losses utilised during the year	8	
		Utilised tax losses remaining to be used against future profits can be split into the following periods:		
	34	Utilisation required within one year	4	
	105	Utilisation required within one and two years	12	
	96	Utilisation required within two and five years	11	
	2,064	Utilisation in excess of five years	241	
	2,299		268	

Figures in million		2002	2001
		%	
	11 Taxation (continued)		
	Tax reconciliation		
	A reconciliation of the marginal South African tax rate compared with that charged in the income statement is set out in the following table:		
	Marginal tax rate	46	46
	Disallowable expenditure	4	5
	Goodwill amortised	2	2
	Taxable non-mining income	(3)	(3)
	Amortisation and inventory change	7	12
	Mining capital allowances	(11)	(10)
	Mining tax formula adjustment	2	(1)
	Dividends received	(5)	(7)
	Foreign income tax allowances	(14)	(7)
	Other	4	(7)
	Effective tax rate	32	30
2001	2002	2002	2001
SA cents per share		US cents per share	
1,017	1,552		
	12 Earnings per ordinary share		
	Basic	150	114
	The calculation of basic earnings per ordinary share is based on net profit of \$332m, R3,444m (2001: \$245m, R2,180m) and 221,883,567 (2001: 214,278,892) shares being the weighted average number of ordinary shares in issue during the financial year.		
1,156	1,767	169	131
	Headline		
	Headline earnings removes items of a capital nature from the calculation of earnings per share.		
	The calculation of headline earnings per ordinary share is based on headline earnings of \$376m, R3,920m (2001: \$281m, R2,476m) and 221,883,567 (2001: 214,278,892) shares being the weighted average number of ordinary shares in issue during the year.		
1,184	1,737	166	133
	Headline earnings before unrealised non-hedge derivatives.		
	This calculation is based on headline earnings before unrealised non-hedge derivatives of \$368m, R3,854m (2001: \$286m, R2,536m) and 221,883,567 (2001: 214,278,892) shares being the weighted average number of ordinary shares in issue during the financial year.		
1,015	1,545	149	114
	Diluted		
	The calculation of diluted earnings per ordinary share is based on net profit of \$332m, R3,444m (2001: \$245m, R2,180m) and 222,899,926 (2001: 214,715,806) shares being the diluted number of ordinary shares.		

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
12 Earnings per ordinary share (continued)				
The net profit has been adjusted by the following to arrive at headline and headline earnings before unrealised non-hedge derivatives:				
2,180	3,444	Net profit	332	245
259	293	Amortisation of goodwill (notes 15, 16 and 30)	28	29
32	145	Loss on disposal of mines	13	4
–	40	Current and deferred taxation on exceptional items – disposal of Free State operations (note 11)	3	–
(6)	–	Deferred taxation on debt written off (note 11)	–	–
54	(2)	Other comprises the following:		
21	–	Termination of retirement benefit plans	–	5
3	–	Debt written off	–	3
(67)	–	Impairment of mining assets	–	1
		Reversal of impairment on investments	–	(6)
2,476	3,920	Headline earnings	376	281
126	(101)	Unrealised (gain) loss on non-hedge derivatives	(12)	10
(66)	35	Deferred tax on unrealised non-hedge derivatives (note 11)	4	(5)
2,536	3,854	Headline earnings before unrealised non-hedge derivatives	368	286
The weighted average number of shares has been adjusted by the following to arrive at the diluted number of ordinary shares:				
		Weighted average number of shares	221,883,567	214,278,892
		Dilutive potential of share options	1,016,359	436,914
		Diluted number of ordinary shares	222,899,926	214,715,806
At a general meeting held on 5 December 2002, a share split was approved by way of a special resolution. AngloGold's ordinary shares of 50 cents each were sub-divided into ordinary shares of 25 cents each, with effect from the close of business on 24 December 2002. Throughout the annual financial statements presented herein, the number of shares and the calculation of earnings per ordinary share have been changed to retroactively reflect this change in the number of shares.				
13 Dividends				
Ordinary shares				
696	1,223	No. 91 of 550 SA cents per ordinary share declared on 30 January 2002 and paid on 4 March 2002 (49 US cents per share).	109	86
751	1,505	No. 92 of 675 SA cents per ordinary share declared on 30 July 2002 and paid on 30 August 2002 (64 US cents per share).	142	81
1,447	2,728		251	167
		No. 93 of 675 SA cents per ordinary share was declared on 30 January 2003 and paid on 28 February 2003 (82 US cents per share).		

Figures in million	Mine development costs	Mine infra-structure	Mineral rights, dumps and ore reserves	Land	Total
14. Mining assets					
US Dollars					
Cost					
Balance at beginning of year	1,863	1,185	250	14	3,312
Additions					
– Expand operations	108	60	8	–	176
– Maintain operations	57	38	–	–	95
Acquisition and disposals (note 31)	(346)	(28)	29	–	(345)
Transfers and other movements	10	(4)	(3)	–	3
Translation	354	128	17	1	500
Balance at end of year	2,046	1,379	301	15	3,741
Accumulated amortisation					
Balance at beginning of year	638	594	23	–	1,255
Amortisation charge for the year (notes 4, 9 and 30)	118	103	24	–	245
Disposal (note 31)	(160)	(67)	(1)	–	(228)
Transfers and other movements	2	(10)	(3)	–	(11)
Translation	117	80	3	–	200
Balance at end of year	715	700	46	–	1,461
Net book value at 31 December 2001	1,225	591	227	14	2,057
Net book value at 31 December 2002	1,331	679	255	15	2,280
SA Rands					
Cost					
Balance at beginning of year	22,282	14,180	2,997	156	39,615
Additions					
– Expand operations	1,136	631	77	–	1,844
– Maintain operations	599	396	–	3	998
Acquisition and disposals (note 31)	(3,822)	(375)	283	1	(3,913)
Transfers and other movements	107	(47)	(22)	(3)	35
Translation	(2,798)	(2,956)	(705)	(33)	(6,492)
Balance at end of year	17,504	11,829	2,630	124	32,087
Accumulated amortisation					
Balance at beginning of year	7,630	7,090	289	–	15,009
Amortisation charge for the year (notes 4, 9 and 30)	1,235	1,077	254	–	2,566
Disposal (note 31)	(1,761)	(739)	(5)	–	(2,505)
Transfers and other movements	17	(101)	(40)	–	(124)
Translation	(990)	(1,326)	(98)	–	(2,414)
Balance at end of year	6,131	6,001	400	–	12,532
Net book value at 31 December 2001	14,652	7,090	2,708	156	24,606
Net book value at 31 December 2002	11,373	5,828	2,230	124	19,555

Included in the amounts above for mine infrastructure are assets held under finance leases with a net book value of \$25m, R212m (2001: \$14m, R171m).

Mining assets with a carrying value of \$254m, R2,180m (2001: \$304m, R3,640m) are encumbered by project finance (note 25).

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
15 Goodwill				
		Cost		
3,600	5,726	Balance at beginning of year	479	475
258	–	Fair value adjustment (note 32)	–	30
(76)	–	Transfer	–	(9)
1,944	(1,485)	Translation	15	(17)
5,726	4,241	Balance at end of year	494	479
		Accumulated amortisation		
544	1,074	Balance at beginning of year	90	72
255	289	Amortisation (notes 12 and 30)	28	29
(76)	–	Transfer	–	(9)
351	(332)	Translation	2	(2)
1,074	1,031	Balance at end of year	120	90
4,652	3,210	Net book value	374	389
16 Investments in associates				
The group has the following associated undertakings:				
– A 53.03% (2001: 48.48%) interest in Rand Refinery Limited, which is involved in the refining of bullion and by-products which are sourced inter alia from South Africa and foreign gold producing mining companies. This investment is equity accounted as AngloGold only has significant influence and not control over the financial and operating policies of this company. The year end of Rand Refinery Limited is 30 September. Equity accounting is based on the results for the twelve months ended 30 September 2002.				
– A 25.0% (2001: 25.0%) interest in Oro Group (Proprietary) Limited which is involved in the manufacture and wholesale of jewellery. The year end of Oro Group (Proprietary) Limited is 31 March. Equity accounting is based on the results for the twelve months ended 30 September 2002.				
Carrying value of associates consists of:				
73	84	Unlisted shares at cost	10	6
75	67	Share of retained earnings brought forward	6	9
7	37	Profit after taxation (notes 6 and 30)	4	1
11	–	Acquisition	–	1
(11)	(19)	Dividends	(2)	(1)
(4)	(4)	Amortisation of goodwill (note 12)	–	–
–	–	Translation	1	(3)
151	165	Carrying value	19	13
151	165	Directors' valuation of unlisted associates	19	13
The group's effective share of certain balance sheet items of its associates is as follows:				
85	88	Non-current assets	10	7
102	145	Current assets	17	9
187	233	Total assets	27	16

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		16 Investments in associates (continued)		
34	32	Non-current liabilities	4	3
43	73	Current liabilities	8	4
77	105	Total equity and liabilities	12	7
110	128	Net assets	15	9
		Reconciliation of the carrying value of investments in associates with net assets:		
110	128	Net assets	15	9
41	37	Goodwill	4	4
151	165	Carrying value	19	13
		17 Other investments		
		Listed investments		
3	131	Balance at beginning of year	11	–
124	1,757	Additions	152	14
(3)	(1,824)	Disposals	(158)	–
–	60	Fair value adjustments	7	–
7	(14)	Translation	1	(3)
131	110	Balance at end of year	13	11
131	110	Market value of listed investments	13	11
		Unlisted investments		
52	75	Balance at beginning of year	6	7
4	1	Additions	–	–
(1)	(15)	Disposals	(1)	–
–	(1)	Fair value adjustment	–	–
20	(23)	Translation	(1)	(1)
75	37	Balance at end of year	4	6
75	37	Directors' valuation of unlisted investments	4	6
		Investment properties		
–	69	Balance at beginning of year	6	–
67	–	Impairment reversal per income statement	–	6
2	(19)	Translation	–	–
69	50	Balance at end of year	6	6
69	50	Directors' valuation of investment properties	6	6
275	197	Total other investments	23	23
275	197	Total valuation (note 35)	23	23

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
18 Interest in joint ventures				
The group's effective share of income, expenses, assets, liabilities and cash flows of joint ventures, which are included in the consolidated financial statements, are as follows:				
<i>Income statement</i>				
2,350	3,271	Gold income	312	273
(1,435)	(2,149)	Cost of sales	(205)	(166)
915	1,122	Operating profit	107	107
(37)	–	Other net expense	–	(5)
17	10	Investment income	1	2
(176)	(94)	Finance costs	(9)	(20)
719	1,038	Profit on ordinary activities before taxation	99	84
<i>Balance sheet</i>				
6,343	4,332	Non-current assets	505	530
1,674	1,201	Current assets	140	140
8,017	5,533	Total assets	645	670
5,732	3,946	Shareholders' equity	460	479
45	–	Minority interests	–	4
1,281	746	Non-current liabilities	87	107
67	60	Interest-bearing borrowings	7	6
478	172	Provisions	20	40
414	609	Current liabilities	71	34
8,017	5,533	Interest-bearing borrowings	645	670
		Other		
		Total equity and liabilities		
<i>Cash flow statement</i>				
(2,248)	1,573	Cash flows from operating activities	150	(261)
(339)	(178)	Cash flows from investing activities	(17)	(39)
2,704	(1,258)	Cash flows from financing activities	(120)	314
117	137	Net increase in cash and cash equivalents	13	14
19 AngloGold Environmental Rehabilitation Trust				
358	460	Balance at beginning of year	38	47
85	32	Contributions	3	10
–	197	Additional contribution – Free State disposal	19	–
42	36	Growth in AngloGold Environmental Rehabilitation Trust (notes 6 and 30)	3	5
–	(253)	Funds transferred in respect of Free State disposal (note 31)	(23)	–
–	(197)	Additional funds transferred to Free State Environmental Trust Fund	(19)	–
(25)	–	Expenditure incurred	–	(3)
–	–	Translation	11	(21)
460	275	Balance at end of year	32	38

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		20 Long-term loans		
		Unsecured		
263	115	Loans to joint venture partners	13	22
–	326	Deferred purchase consideration in respect of the sale of the Free State assets	38	–
50	28	Other	4	4
313	469		55	26
109	3	Less: Current portion of long-term loans included in current assets	–	9
204	466	Total long-term loans (note 35)	55	17
		21 Trade and other receivables		
537	411	Trade debtors	48	45
587	484	Prepayments and accrued income	56	49
262	220	Value added taxation	26	22
–	688	Receivable in respect of the sale of the Free State assets	80	–
481	387	Other debtors	45	40
1,867	2,190	(Note 35)	255	156
		22 Inventories		
		At cost		
918	983	Gold in process	115	77
34	23	Gold on hand	3	3
224	228	Ore stockpiles	26	19
174	111	By-products	13	14
1,350	1,345	Total metal inventories	157	113
598	503	Consumable stores at average cost	59	50
1,948	1,848		216	163
		23 Cash and cash equivalents		
2,284	2,900	Cash and deposits on call	338	191
–	644	Money market instruments	75	–
2,284	3,544	(Note 35)	413	191

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		24 Share capital and premium		
		Share capital		
		<i>Authorised</i>		
		400,000,000 ordinary shares of 25 SA cents each		
		(2001: 200,000,000 ordinary shares of 50 SA cents each.		
		After sub-division 400,000,000 ordinary shares of		
100	100	25 SA cents each)	7	8
		2,000,000 A redeemable preference shares of		
1	1	50 SA cents each	—	—
—	—	5,000,000 B redeemable preference shares of		
		1 SA cent each	—	—
101	101		7	8
		<i>Issued</i>		
		222,622,022 ordinary shares of 25 SA cents each		
		(2001: 107,634,058 ordinary shares of 50 SA cents each.		
54	56	After sub-division 215,268,116 shares of 25 SA cents each)	7	4
		2,000,000 A redeemable preference shares of		
1	1	50 SA cents each	—	—
—	—	778,896 B redeemable preference shares of		
		1 SA cent each	—	—
55	57		7	4
(1)	(1)	Less: A redeemable preference shares held within		
		the group	—	—
54	56		7	4
		Share premium		
8,398	9,863	Total share premium	1,166	730
(312)	(312)	Less: Held within the group	(53)	(53)
8,086	9,551		1,113	677
8,140	9,607	Share capital and premium	1,120	681
		At a general meeting held on 5 December 2002, a share		
		split was approved by way of a special resolution.		
		AngloGold's ordinary shares of 50 cents each were		
		sub-divided into ordinary shares of 25 cents each, with		
		effect from the close of business on 24 December 2002.		

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		25 Borrowings		
		Unsecured		
–	4,028	Syndicated loan facility (\$600m) Interest charged at libor plus 0.7% per annum. Loan is repayable in February 2005 and is US dollar-based.	470	–
2,585	2,264	Syndicated loan facility (\$400m) Interest charged at libor plus 0.75% per annum. Loan is repayable in May 2004 and is US dollar-based.	264	216
–	87	Banco Europeu para a América Latina-Brussels Interest charged at libor plus 1.75% per annum. Loan is repayable in monthly instalments commencing March 2004 and terminating in September 2004 and is US dollar-based.	10	–
–	72	Syndicated loan facility Interest charged at Bank Bill Swop Reference Rate plus 0,35% per annum. Loan is repayable by September 2003 and is Australian dollar-based.	9	–
91	65	Santander Bank Interest charged at libor plus 1.5% per annum. Loan is repayable in June and July 2003 and is US dollar-based.	8	8
73	52	Itau Bank Interest charged at libor plus 1.5% per annum. Loan is repayable by September 2003 and is US dollar-based.	6	6
60	43	HSBC Bamerindus Interest charged at libor plus 1.3% per annum. Loan is repayable in May 2003 and is US dollar-based.	5	5
69	19	RMB International (Dublin) Limited Interest charged at libor plus 0.82% per annum. Loan is of a short-term nature and no dates of repayment are fixed and is US dollar-based.	2	6
30	19	Government of Mali Interest charged at libor plus 2% per annum. Loans are repayable in half-yearly instalments terminating in March 2006 and are US dollar-based.	2	3
4,250	–	Syndicated loan facility	–	355
1,450	–	Credit Agricole	–	121
443	–	Loans from Anmercusa Finance Limited	–	37
244	–	Syndicated loan facility	–	20
129	–	Citibank NA	–	11
121	–	Bank Boston	–	10
61	–	Deutsche Bank	–	5
36	–	Dresdner Bank Luxembourg SA	–	3
24	–	Banco do Brasil	–	2
7	–	Economic Development Corporation Limited	–	1
200	–	Local money market short-term borrowings	–	17
9,873	6,649	Total unsecured borrowings	776	826

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		25 Borrowings (continued)		
		Secured		
743	441	Geita Syndicated Project finance Interest charged at libor plus 1.7% per annum. Loan is repayable half-yearly until 2007 and is US dollar-based.	51	62
579	464	Cerro Vanguardia Syndicated Project finance Interest charged at libor plus 1.75% per annum. Loan is repayable in half-yearly instalments terminating in December 2004 and is US dollar-based.	54	48
315	125	Morila Syndicated Project finance Interest charged at libor plus 2% per annum. Loan is repayable in half-yearly instalments terminating in December 2005 and is US dollar-based.	15	26
79	152	Senstar Capital Corporation Interest charged at an average rate of 7.01% per annum. Loans are repayable in monthly instalments terminating in November 2009 and are US dollar-based.	18	7
99	65	Rolls Royce Interest is index linked. Loan is repayable in monthly instalments terminating in December 2010 and is US dollar-based.	8	8
51	29	Investec Interest charged at 6.5% per annum. Loan is repayable in half-yearly instalments terminating in June 2006 and is US dollar-based.	3	4
–	12	Kudu Finance Company Interest charged at libor plus 2% per annum. Loan is repayable in monthly instalments terminating in December 2010 and is US dollar-based.	1	–
–	1	Mineral Laboratories of Australia (Pty) Limited Interest charged at libor plus 2% per annum. Loan is repayable in monthly instalments terminating in August 2003 and is US dollar-based.	–	–
72	–	Sadiola Project Finance	–	6
11,811	7,938	Total borrowings (note 35)	926	987
7,619	719	Less: Current portion of borrowings included in current liabilities	84	637
4,192	7,219	Total long-term borrowings	842	350
7,619	719	Amounts falling due		
638	2,788	Within one year	84	637
3,390	4,355	Between one and two years	325	53
164	76	Between two and five years	508	283
		After five years	9	14
11,811	7,938	(Note 35)	926	987

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
25 Borrowings (continued)				
Currency				
The currencies in which the borrowings are denominated are as follows:				
305	72	Australian dollars	9	25
200	–	SA Rands	–	17
11,306	7,866	US Dollars	917	945
11,811	7,938		926	987
Undrawn Facilities				
Undrawn borrowing facilities as at 31 December 2002 are as follows:				
2,213	1,184	Syndicated loan (\$400m) – US Dollar	138	185
–	1,158	Syndicated loan (\$600m) – US Dollar	135	–
–	168	Australia and New Zealand Banking Group Limited – Australian dollar	20	–
609	–	Syndicated loan – Australian dollar	–	51
1,767	–	Deutsche Bank – Australian dollar	–	148
4,589	2,510		293	384
Morila and Geita Project Finance				
Secured by a fixed and floating charge over the project assets (note 14), the hedging contracts and a pledge over the shares in the project company.				
Cerro Vanguardia Project Finance				
Secured by a fixed and floating charge over the project assets (note 14), the major project contracts and a pledge over the shares in the project company.				
Investec				
Loan is guaranteed by AngloGold Limited.				
The equipment financed by the other secured loans is used as security for those loans.				
26 Provisions				
Post-retirement medical funding				
773	743	Balance at beginning of year	62	102
(22)	(34)	Disposal (note 31)	(3)	(4)
55	52	Charge to income statement	5	5
(67)	(52)	Less: Utilised during the year	(5)	(5)
4	(9)	Translation	23	(36)
743	700	Balance at end of year	82	62
The provision for post-retirement medical funding represents the provision for health care benefits for employees and retired employees and their registered dependants.				
The post-retirement benefit costs are assessed in accordance with the advice of independent professionally qualified actuaries. The actuarial method used is the projected unit credit funding method.				

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		26 Provisions (continued)		
		The assumptions used in calculating the defined benefit post-retirement medical obligation is as follows:		
			%	%
		Discount rate	11.5	11.0
		Expected increase in healthcare costs	9.2	10.0
		Short-term rates ranged from 6.5% to 9.2% and long-term after 3 years at 5%.		
		The normal retirement age is 60 years, and fully eligible age is 55 years.		
		The last valuation was performed as at 31 December 2002.		
		Environmental rehabilitation obligations		
		<i>Provision for decommissioning</i>		
401	529	Balance at beginning of year	44	53
(37)	(112)	Acquisition and disposals (note 31)	(10)	(4)
82	10	Change in estimates	1	10
22	40	Unwinding of decommissioning obligation (notes 7 and 30)	4	3
61	(62)	Translation	8	(18)
529	405	Balance at end of year	47	44
		<i>Provision for restoration</i>		
855	1,078	Balance at beginning of year	90	112
(17)	(179)	Acquisition and disposals (note 31)	(16)	(2)
95	157	Charge to income statement	15	11
—	10	Change in estimates	1	—
(164)	(42)	Less: Utilised during the year	(4)	(19)
309	(224)	Translation	7	(12)
1,078	800	Balance at end of year	93	90
		Other provisions		
119	223	Balance at beginning of year	19	16
43	10	Charge to income statement	1	5
(21)	(69)	Less: Utilised during the year	(8)	(2)
82	(61)	Translation	—	—
223	103	Balance at end of year	12	19
2,573	2,008	Total provisions	234	215
		Other provisions include civil claims and medical costs arising from former employees, and retirement benefit provisions referred to in note 29.		

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		27 Deferred taxation		
		Deferred taxation relating to temporary differences is made up as follows:		
		Deferred taxation liabilities		
4,857	4,369	Mining assets	509	406
133	113	Inventories	13	11
–	66	Other	8	–
4,990	4,548		530	417
		Deferred taxation assets		
598	589	Provisions	68	50
969	507	Derivatives	59	81
–	7	Other	1	–
1,567	1,103		128	131
3,423	3,445	Net deferred taxation	402	286
		The movement on the deferred tax balance is as follows:		
4,187	3,423	Balance at beginning of year	286	553
292	–	Fair value adjustment (note 32)	–	34
33	(194)	Income statement charge (note 11)	(12)	8
(1,064)	415	Taxation of other comprehensive income	40	(102)
179	–	Effect of adoption of IAS 39	–	25
(500)	(40)	Acquisition and disposals (note 31)	(4)	(63)
296	(159)	Translation	92	(169)
3,423	3,445	Balance at end of year	402	286
		28 Trade and other payables		
1,166	698	Trade creditors	81	97
542	665	Accruals	78	45
756	782	Other creditors	91	64
2,464	2,145	(Note 35)	250	206

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		29 Retirement benefits		
		South Africa region		
		The group has made provision for pension and provident schemes covering substantially all employees. Eligible employees are members of either AngloGold's defined benefit fund or one of the industry-based defined contribution funds.		
		There is one defined benefit scheme and three defined contribution schemes. The assets of these schemes are held in administered trust funds separated from the group's assets. Scheme assets primarily consist of listed shares, property trust units and fixed income securities.		
		Defined benefit pension fund		
842	797	Fair value of fund assets	93	70
836	855	Present value of fund obligation	100	70
6	(58)	Plan (liability) asset	(7)	—
(6)	58	Unrecognised actuarial loss (gain)	7	—
—	—	Amount recognised in balance sheet	—	—
842	797	Market value of plan assets	93	70
		The assumptions used in calculating the above defined benefit pension plan obligation are as follows:		
			%	%
		Discount rate	11.5	10.5
		Pension increase	6.1	6.5
		Rate of compensation increase	7.8	7.5
		Expected return on plan assets	11.5	10.5
		A statutory valuation of the defined benefit pension fund was performed as at 31 December 2002, and the Pension Fund was certified by the reporting actuaries as being in a sound financial position, subject to the deficit being funded through increased contributions as advised by the actuaries. In arriving at their conclusions, the actuaries took into account reasonable long-term estimates of inflation, increases in wages, salaries and pension as well as returns on investments. Calculations for the Pension Funds financial position are carried out in years when a statutory valuation is not performed.		
		Contributions to the various defined contribution retirement schemes are fully expensed during the year in which they are funded and the cost of providing retirement benefits for the year amounted to \$17m, R183m (2001: \$31m, R263m).		
		All funds are governed by the Pension Funds Act of 1956 as amended.		

29 Retirement benefits (continued)

East & West Africa region

Namibia (Navachab)

Navachab employees are members of a defined contribution provident fund. The fund is administered by the Old Mutual insurance company. Both the company and the employees make contributions to this fund. AngloGold seconded employees at Navachab remain members of the applicable pension or retirement fund in terms of their conditions of employment with AngloGold.

Mali (Sadiola, Yatela and Morila)

The Malian operations do not have retirement schemes for employees. All employees (local and expatriate) contribute towards the Government social security fund, and the company also makes a contribution towards this fund. On retirement, Malian employees are entitled to a retirement benefit from the Malian Government. Expatriate employees are reimbursed only their contributions to the social security fund. AngloGold seconded employees in Mali remain members of the applicable pension or retirement fund in terms of their conditions of employment with AngloGold.

Tanzania (Geita)

Geita does not have a retirement scheme for employees. Tanzanian nationals contribute towards the Government social security fund, and the company also makes a contribution towards this fund. On retirement, employees are entitled to a retirement benefit from the Tanzanian Government. The company makes no contribution towards any retirement schemes for contracted expatriate employees. AngloGold seconded employees in Tanzania remain members of the applicable pension or retirement fund in terms of their conditions of employment with AngloGold.

Australia region

The region contributes to the Australian Retirement Fund for the provision of benefits to employees and their dependants on retirement, disability, death, resignation or retrenchment. The fund is a multi-industry national fund with defined contribution arrangements. Contribution rates by the operation on behalf of employees varies, with minimum contributions meeting compliance requirements under the Superannuation Guarantee legislation. Members also have the option of contributing to approved personal superannuation funds. The contributions by the operation are legally enforceable to the extent required by the Superannuation Guarantee legislation and relevant employment agreements.

North America region

The AngloGold North America Inc. Retirement Plan and the AngloGold North America Inc. Retiree Medical Plan were incorporated during 1999 with the purchase of the Minorco assets.

Retirement Plan – Substantially all AngloGold North America employees at 31 December 1999 were covered by the AngloGold North America Inc. Retirement Plan (the “Plan”), a non-contributory defined benefit plan. With effect from 31 December 1999, the benefits of the Plan participants were frozen and the Plan was terminated during 2000. Curtailment accounting was applied to the Plan at 31 December 1999 and the liability was extinguished at 31 December 2000 with the termination of the Plan and related distribution of Plan assets to participants. At 31 December 2001, all the Plan assets had been distributed and the Plan has filed its final termination forms with the Federal Government in 2002.

Post-retirement benefits – AngloGold North America provides health care and life insurance benefits for certain retired employees under the AngloGold North America Retiree Medical Plan (the “Retiree Medical Plan”). This Plan is not funded. With effect 31 December 1999, no additional employees were eligible to receive post-retirement benefits under the Retiree Medical Plan. Curtailment accounting was applied at 31 December 1999.

The Retiree Medical Plan was last evaluated by independent actuaries in December 2002 who took into account reasonable long-term estimates of increases in health care costs and mortality rates in determining the obligations of AngloGold North America under the Retiree Medical Plan. The evaluation of the Retiree Medical Plan reflected liabilities of \$2m, R17m, (2001: \$2m, R28m). The Retiree Medical Plan is an unfunded plan. The Retiree Medical Plan is evaluated on an annual basis using the projected benefit method.

The cost of providing benefits under the Retirement Plan and the Retiree Medical Plan was insignificant in 2002 and 2001.

Defined Contribution Plan – AngloGold North America sponsors a 401 (k) savings plan whereby employees may contribute up to 17% of their salary, of which up to 5% is matched at a rate of 150% by AngloGold North America. AngloGold North America's contributions were \$2m, R21m (2001: \$2m, R23m) during the year.

Notes to the group financial statements

for the year ended 31 December 2002

29 Retirement benefits (continued)

Supplemental Employee Retirement Plan – Certain former employees of Minorco (USA) Inc. were covered under the Minorco (USA) Inc. Supplemental Employee Retirement Plan (the “SERP”), a non-contributory defined benefit plan. The SERP was last evaluated by independent actuaries in 2002 who took into account reasonable long-term estimates of inflation, and mortality rates in determining the obligations of AngloGold North America under the SERP. This evaluation of the SERP reflected Plan liabilities of \$1m, R9m (2001: \$1m, R12m). The SERP is an unfunded plan. The SERP is evaluated on an annual basis using the projected benefit method. The cost of providing benefits under the SERP for the year was nominal.

South America region

The AngloGold South America region operates a number of defined contribution arrangements for their employees. These arrangements are funded by the operations (basic plan) and operations/employees (optional supplementary plan) and are embodied in a pension plan entity, Fundambrás Sociedade de Previdência Privada, which is responsible for administering the funds and making arrangements to pay the benefits. On conversion of the defined benefit fund to the defined contribution fund on 30 November 1998, an actuarial liability in the amount of \$6m, R51m was calculated. This liability is annually revised by the Mercer, the plans actuary, and provided for under other provisions which as at 31 December 2002 amounted to \$3m, R36m.

In December 2001, contributions started to be made to a new PGBL fund, a defined contribution plan similar to the American 401 (k) type of plan, administered by Bradesco Previdência e Seguros. The transfer of funds from Fundambrás to the PGBL requires approval from governmental SPC agency (still in process) and is conditional to the full funding of the actuarial liability.

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		30 Cash generated from operations		
3,233	5,331	Profit on ordinary activities before taxation	512	364
		Adjusted for:		
324	(197)	Non-cash movements	(19)	31
1,884	2,566	Amortisation of mining assets (notes 4, 9 and 14)	245	220
(176)	(373)	Interest receivable (note 6)	(36)	(20)
(7)	(37)	Profit from associates after taxation (notes 6 and 16)	(4)	(1)
		Growth in AngloGold Environmental Rehabilitation		
(42)	(36)	Trust (notes 6 and 19)	(3)	(5)
10	30	Loss on disposal of assets (note 7)	3	2
22	40	Unwinding of decommissioning obligation (notes 7 and 26)	4	3
–	7	Other provisions	1	–
608	464	Finance costs (note 8)	44	72
(53)	(132)	Movement on non-hedge derivatives	(16)	(12)
259	293	Amortisation of goodwill (notes 12, 15 and 16)	28	29
21	–	Debt written off	–	3
3	–	Impairment of mining assets	–	1
(67)	–	Reversal of impairments on investments	–	(6)
32	92	Loss on disposal of mines	8	4
54	(2)	Termination of retirement benefit plans	–	5
(633)	209	Movements in working capital	(9)	(17)
5,472	8,255		758	673
		Movements in working capital:		
(193)	488	(Increase) decrease in trade and other receivables	(5)	65
(551)	85	(Increase) decrease in inventories	(54)	22
111	(364)	Increase (decrease) in trade and other payables	50	(104)
(633)	209		(9)	(17)

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
31 Acquisitions and disposals				
Acquisitions and disposals can be summarised as follows:				
1,245	1,408	Mining assets (note 14)	117	156
–	253	Environmental Trust Fund (note 19)	23	–
–	130	Trade and other receivables	11	–
55	2	Inventories	–	7
–	(81)	Cash and cash equivalents	(8)	–
–	40	Minority interests	4	–
–	384	Borrowings	38	–
(76)	(325)	Provisions (note 26)	(29)	(10)
(500)	(40)	Deferred taxation (note 27)	(4)	(63)
(36)	(163)	Trade and other payables	(15)	(5)
688	1,608	Carrying value	137	85
(32)	(145)	Loss on disposal of mines	(13)	(4)
656	1,463	Net sale (purchase) consideration	124	81
222	(688)	Recoupments taxation (note 11)	(63)	28
–	(291)	Deferred sale consideration	(26)	–
–	81	Cash and cash equivalents	8	–
878	565	Net cash flow on disposal (acquisition)	43	109
878	565	Net cash flow on disposal (acquisition) can be summarised as follows:	43	109
–	(979)	Purchase of additional interest in Cerro Vanguardia	(97)	–
–	1,544	Sales consideration for Free State assets and Stone & Allied	140	–
878	–	Sale of Elandsrand, Deelkraal and Vaal River shaft No 2	–	109
Acquisition comprises the following:				
Cerro Vanguardia			Cerro Vanguardia	
1,292		Mining assets (note 14)	128	
151		Trade and other receivables	15	
71		Inventories	7	
81		Cash and cash equivalents	8	
(40)		Minority interests	(4)	
(384)		Borrowings	(38)	
(30)		Provisions (note 26)	(3)	
40		Deferred taxation (note 27)	4	
(121)		Trade and other payables	(12)	
1,060		Carrying value	105	
(81)		Cash and cash equivalents	(8)	
979		Net cash flow on acquisition	97	

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
31 Acquisitions and disposals (continued) Disposals comprise the following:				
Elandsrand, Deelkraal and Vaal River shaft no 2	Free State and Stone & Allied		Free State and Stone & Allied	Elandsrand, Deelkraal and Vaal River shaft no 2
1,245	2,700	Mining assets (note 14)	245	156
–	253	Environmental Trust Fund (note 19)	23	–
–	281	Trade and other receivables	26	–
55	73	Inventories	7	7
(76)	(355)	Provisions (note 26)	(32)	(10)
(500)	–	Deferred taxation (note 27)	–	(63)
(36)	(284)	Trade and other payables	(27)	(5)
688	2,668	Carrying value	242	85
(32)	(145)	Loss on disposal of mines	(13)	(4)
656	2,523	Sale consideration	229	81
222	(688)	Recoupments taxation (note 11)	(63)	28
–	(291)	Deferred sale consideration	(26)	–
878	1,544	Net cash flow on disposals	140	109
<p>During July 2002, an agreement was concluded with Pèrez Compac International to acquire its entire 46.25% equity interest in Cerro Vanguardia SA, including a loan for a consideration of \$105m, R1,060m.</p> <p>The Free State assets were disposed to a joint venture between Harmony Gold Mining Company Limited and African Rainbow Minerals (Proprietary) Limited with effect 1 January 2002 for a net consideration of R2,5bn. The net purchase consideration of R2.5bn consists of the contractual amount of R2.2bn and the refund of recoupments taxation of R0.7bn less the deferred compensation of R0.4bn payable on 1 January 2005.</p> <p>Stone & Allied Industries (O.F.S) Limited was sold on 1 October 2002 to a group of black entrepreneurs for a consideration of R5m.</p>				
32 Subsequent changes in value of identifiable assets and liabilities				
<p>During 2001, there was a subsequent change to the fair value of assets acquired in Geita Gold Mining Limited (Geita) and Societe des Mines de Morila S.A (Morila) as at 15 December and 3 July 2000 respectively. Subsequent to acquisition, additional evidence and audited financial statements were available to assist with the estimation of amounts assigned to the assets of Geita and Morila which resulted in fair value adjustments.</p>				
(17)	–	Mining assets	–	(2)
258	–	Goodwill (note 15)	–	30
(292)	–	Deferred taxation (note 27)	–	(34)
51	–	Trade and other payables	–	6
–	–		–	–

33 Related parties

Related party transactions are concluded on an arm's length basis. Details of material transactions with those related parties not dealt with elsewhere in the financial statements are summarised below:

	2002		2001	
	Purchases from related parties	Amounts owed to related parties	Purchases from related parties	Amounts owed to related parties
US Dollars (m)				
With fellow subsidiaries of the Anglo American plc group				
Boart Longyear Limited – mining services	9	–	11	1
Mondi Limited – timber	18	1	15	1
Scaw Metals – A Division of Anglo Operations Limited – steel and engineering	11	1	13	1
Shaft Sinkers (Pty) Ltd – mining services	–	–	12	1
With associates				
Rand Refinery Limited – gold refinery	2	–	3	–
SA Rands (m)				
With fellow subsidiaries of the Anglo American plc group				
Boart Longyear Limited – mining services	89	3	97	8
Mondi Limited – timber	189	5	132	8
Scaw Metals – A Division of Anglo Operations Limited – steel and engineering	113	4	115	13
Shaft Sinkers (Pty) Ltd – mining services	–	–	107	12
With associates				
Rand Refinery Limited – gold refinery	24	3	26	–

Directors

Details relating to directors' emoluments and shareholdings in the company are disclosed in the directors' report.

Shareholders

The principal shareholders of the company are detailed on page 141.

Notes to the group financial statements

for the year ended 31 December 2002

2001	2002	Figures in million	2002	2001
SA Rands			US Dollars	
		34 Commitments and contingencies		
		Acquisition of mining assets		
1,017	918	Contracted for	107	85
6,004	3,234	Not contracted for	377	502
7,021	4,152	Authorised by the directors	484	587
		Allocated for:		
		Expansion of operations		
2,512	1,424	– within one year	166	210
2,655	1,510	– thereafter	176	222
5,167	2,934		342	432
		Maintenance of operations		
1,112	1,141	– within one year	133	93
742	77	– thereafter	9	62
1,854	1,218		142	155

This expenditure will be financed from existing cash resources and future borrowings.

The group has also given collateral to certain bankers for satisfactory contract performance in relation to exploration and development tenements and mining operations in Australia amounting to \$17m, R150m (2001: \$7m, R87m).

AngloGold has signed surety in favour of the bankers on the Yatela loan for \$8m, R69m (2001: \$11m, R132m).

AngloGold North America has \$59m of reclamation bonds with various federal and governmental agencies, to cover potential environmental obligations. These obligations are guaranteed by AngloGold Limited.

AngloGold has provided a letter of credit for Geita Gold Mining Company Ltd for \$19m, R163m (2001: Nil).

Various equipment tax claim guarantees in South America in the amount of \$7m, R63m.

35 Risk management activities

In the normal course of its operations, the group is exposed to gold price, currency, interest rate, liquidity and credit risks. In order to manage these risks, the group may enter into transactions which make use of both on- and off-balance sheet derivatives. The group does not acquire, hold or issue derivatives for trading purposes. The group has developed a comprehensive risk management process to facilitate, control and to monitor these risks. The board has approved and monitors this risk management process, inclusive of documented treasury policies, counterpart limits, controlling and reporting structures.

CONTROLLING RISK IN THE GROUP

The Executive Committee and the Treasury Committee are responsible for risk management activities within the group. The Treasury Committee, chaired by the independent chairman of the AngloGold Audit Committee, comprising executive members and treasury executives, reviews and recommends to the Executive Committee all treasury counterparts, limits, instruments and hedge strategies. The treasurer is responsible for managing investment, gold price, currency and liquidity risk. Within the treasury function, there is an independent risk function, which monitors adherence to treasury risk management policy, counterpart and dealer limits and provides regular and detailed management reports.

GOLD PRICE AND CURRENCY RISK

Gold price risk arises from the risk of an adverse effect on current or future earnings resulting from fluctuations in the price of gold. The gold market is predominately priced in US Dollars which exposes the group to the risk that fluctuations in the SA Rand/US Dollar, Brazilian real/US Dollar and Australian dollar/US dollar exchange rates may also have an adverse effect on current or future earnings.

A number of products, including derivatives are used to manage well-defined gold price and foreign exchange risks, that arise out of the group's core business activities. Forward-sales contracts and call and put options are used by the group to protect itself from downward fluctuations in the gold price. These instruments may establish a minimum price for a portion of future production while maintaining the ability to benefit from increases in the gold price for the majority of future gold production.

35 Risk management activities (continued)

NET DELTA OPEN HEDGE POSITION AS AT 31 DECEMBER 2002

The group had the following net forward-pricing commitments outstanding against future production.

TABLE A: SUMMARY: ALL OPEN CONTRACTS IN THE GROUP'S GOLD HEDGE POSITION AS AT 31 DECEMBER 2002

	Year 2003	2004	2005	2006	2007	2008-2012	Total
Dollar/Gold							
Forward contracts							
Amount (kg)	15,289	18,056	25,049	19,862	18,974	25,878	123,108
\$/oz	\$307	\$313	\$325	\$333	\$337	\$355	\$331
Put options purchased							
Amount (kg)	5,808	796	757	563	728		8,652
\$/oz	\$352	\$291	\$291	\$291	\$292		\$332
*Delta (kg)	2,353	119	129	99	126		2,826
Put options sold							
Amount (kg)	12,752	7,465					20,217
\$/oz	\$307	\$317					\$311
*Delta (kg)	1,837	2,034					3,871
Call options purchased							
Amount (kg)	4,555	572					5,127
\$/oz	\$351	\$360					\$352
*Delta (kg)	2,339	277					2,616
Call options sold							
Amount (kg)	18,830	5,829	16,360	14,681	14,308	54,245	124,253
\$/oz	\$332	\$330	\$322	\$329	\$336	\$363	\$344
*Delta (kg)	13,150	3,835	11,415	9,983	9,656	35,963	84,002
Rand/Gold							
Forward contracts							
Amount (kg)	15,936	12,476	9,855	6,335	4,541	3,732	52,875
R/kg	R82,931	R98,532	R119,730	R108,426	R114,915	R119,580	R101,860
Put options purchased							
Amount (kg)	1,875	1,875	1,875	1,875			7,500
R/kg	R93,602	R93,602	R93,602	R93,602			R93,602
*Delta (kg)	399	322	258	209			1,188
Call options sold							
Amount (kg)	6,553	4,688	4,687	4,688	2,986	11,944	35,546
R/kg	R100,140	R115,284	R131,944	R132,647	R173,119	R209,288	R153,424
*Delta (kg)	3,798	2,340	2,259	2,620	1,076	4,900	16,993

Notes to the group financial statements

for the year ended 31 December 2002

35 Risk management activities (continued)

	Year 2003	2004	2005	2006	2007	2008-2012	Total
A Dollar/Gold							
Forward contracts							
Amount (kg)	16,392	5,443	6,221	9,331	8,398	13,343	59,128
A\$/oz	A\$544	A\$548	A\$652	A\$644	A\$590	A\$603	A\$591
Call options purchased							
Amount (kg)	3,888		3,110	6,221	3,732	11,197	28,148
A\$/oz	A\$701		A\$724	A\$673	A\$668	A\$702	A\$693
*Delta (kg)	1,251		1,368	3,776	2,400	7,469	16,264
Call options sold							
Amount (kg)	4,821						4,821
A\$/oz	A\$662						A\$662
*Delta (kg)	2,354						2,354
Total net gold							
Delta (kg)	64,243	40,279	53,818	44,663	40,371	76,348	319,722
Delta (oz)	2,065,462	1,295,012	1,730,288	1,435,961	1,297,969	2,454,640	10,279,332
Rand/Dollar (000)							
Call options sold							
Amount (\$)	10,000						10,000
ZAR per \$	R9.12						R9.12
*Delta (\$)	1,550						1,550
A Dollar (000)							
Forward contracts							
Amount (\$)	29,428	29,275	10,847				69,550
\$ per A\$	A\$0.59	A\$0.59	A\$0.51				A\$0.58

* The delta position indicated above reflects the nominal amount of the option multiplied by the mathematical probability of the option being exercised. This is calculated using the Black and Scholes option formula with the ruling market prices, interest rates and volatilities as at 31 December 2002.

The mix of hedging instruments, the volume of production hedged and the tenor of the hedging book is continually reviewed in the light of changes in operational forecasts, market conditions and the group's hedging policy.

Forward sales contracts require the future delivery of gold at a specified price.

A put option gives the put buyer the right, but not the obligation, to sell gold to the put seller at a predetermined price on a predetermined date.

A call option gives the call buyer the right, but not the obligation, to buy gold from the call seller at a predetermined price on a predetermined date.

The marked-to-market value of all hedge transactions making up the hedge positions was a negative \$446,6m (negative R3.81bn) as at 31 December 2002. These values were based on a gold price of \$345,50/oz, exchange rates of R/\$8,53 and A\$/ \$0,56 and the prevailing market interest rates and volatilities at the time.

INTEREST RATE AND LIQUIDITY RISK

Fluctuations in interest rates impact on the value of short-term cash investments and financing activities, giving rise to interest rate risk.

In the ordinary course of business, the group receives cash from the proceeds of its gold sales and is required to fund working capital requirements. This cash is managed to ensure surplus funds are invested in a manner to achieve market related returns while minimising risks. The group is able to actively source financing at competitive rates.

The group has sufficient undrawn borrowing facilities available to fund any working capital requirements.

35 Risk management activities (continued)

INVESTMENT MATURITY PROFILE

Maturity date	Currency	Fixed rate	Effective	Floating rate	Effective
		investment amount million	rate %	investment amount million	rate %
Less than one year	\$	80	1.4	119	0.3
	ZAR	534	12.0	1,067	11.7
	A\$			15	4.0
	N\$	51	12.0	35	10.5
	FCFA			3,706	3.0

BORROWING MATURITY PROFILE (NOTE 25)

Currency	Within one year		Between one and two years		Between two and five years		After five years	
	Borrowings amount million	Effective rate %	Borrowings amount million	Effective rate %	Borrowings amount million	Effective rate %	Borrowings amount million	Effective rate %
\$	75	3.4	325	2.5	508	2.6	9	5.4
A\$	15	5.3						

INTEREST RATE RISK

Currency	Fixed for less than one year		Fixed for between one and three years		Fixed for greater than three years		Total
	Borrowings amount million	Effective rate %	Borrowings amount million	Effective rate %	Borrowings amount million	Effective rate %	borrowings amount million
\$	893	2.6	6	5.9	18	6.3	917
A\$	15	5.3					15

CREDIT RISK

Credit risk arises from the risk that a counterpart may default or not meet its obligations timeously. The group minimises credit risk by ensuring that credit risk is spread over a number of counterparts. These counterparts are financial and banking institutions of the highest quality. Where possible, management tries to ensure that netting agreements are in place.

Trade debtors comprise a small group of international companies. No provision for doubtful debts was made as the principal debtors continue to be in a sound financial position.

The group does not generally obtain collateral or other security to support financial instruments subject to credit risk, but monitors the credit standing of counterparts. The group believes that no concentration of credit exists.

Notes to the group financial statements

for the year ended 31 December 2002

35 Risk management activities (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated fair values of financial instruments are determined at discrete points in time based on relevant market information. These estimates involve uncertainties and cannot be determined with precision. The estimated fair values of the group's financial instruments as at 31 December are as follows:

TYPE OF INSTRUMENT

Figures in million	2002		2001	
	Carrying amount	Fair value	Carrying amount	Fair value
US Dollars				
Investments (note 17)	23	23	23	23
Long-term loans (note 20)	55	55	26	26
Trade and other receivables (note 21)	255	255	156	156
Cash and cash equivalents (note 23)	413	413	191	191
Borrowings (note 25)	926	926	987	987
Trade and other payables (note 28)	250	250	206	206
Derivatives comprise the following:	(241)	(447)	(167)	(238)
Forward sale commodity contracts	(151)	(194)	(131)	(124)
Option contracts	(73)	(236)	9	(66)
Foreign exchange contracts	(17)	(17)	(26)	(26)
Foreign exchange option contracts	—	—	(19)	(22)
SA Rands				
Investments (note 17)	197	197	275	275
Long-term loans (note 20)	469	469	313	313
Trade and other receivables (note 21)	2,190	2,190	1,867	1,867
Cash and cash equivalents (note 23)	3,544	3,544	2,284	2,284
Borrowings (note 25)	7,938	7,938	11,811	11,811
Trade and other payables (note 28)	2,145	2,145	2,464	2,464
Derivatives comprise the following:	(2,071)	(3,834)	(1,995)	(2,852)
Forward sale commodity contracts	(1,298)	(1,665)	(1,568)	(1,490)
Option contracts	(627)	(2,023)	109	(789)
Foreign exchange contracts	(146)	(146)	(308)	(309)
Foreign exchange option contracts	—	—	(228)	(264)

The fair value amounts include off balance sheet designated hedges.

35 Risk management activities (continued)

DERIVATIVE MATURITY PROFILE

Figures in million	Total	2002 Assets	Liabilities
US Dollars			
Total	(241)	297	(538)
Less: Amounts to mature within twelve months of balance sheet date	69	(233)	302
Amounts to mature thereafter	(172)	64	(236)
SA Rands			
Total	(2,071)	2,545	(4,616)
Less: Amounts to mature within twelve months of balance sheet date	592	(1,996)	2,588
Amounts to mature thereafter	(1,479)	549	(2,028)

Figures in million	Total	2001 Assets	Liabilities
US Dollars			
Total	(167)	243	(410)
Less: Amounts to mature within twelve months of balance sheet date	122	(128)	250
Amounts to mature thereafter	(45)	115	(160)
SA Rands			
Total	(1,995)	2,906	(4,901)
Less: Amounts to mature within twelve months of balance sheet date	1,450	(1,534)	2,984
Amounts to mature thereafter	(545)	1,372	(1,917)

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

INVESTMENTS, LONG-TERM LOANS, TRADE AND OTHER RECEIVABLES, CASH AND CASH EQUIVALENTS AND TRADE AND OTHER PAYABLES
The carrying amounts approximate fair value because of the short-term duration of these instruments.

BORROWINGS

The existing debt re-prices on a short-term floating rate basis, and accordingly the carrying amount is considered to approximate fair value.

DERIVATIVES

The fair values of derivatives are estimated based on the ruling market prices, volatilities and interest rates at 31 December 2002.

36 Events after balance sheet date

AngloGold enters into a purchase and sale agreement on Jerritt Canyon Joint Venture.

On 27 February 2003, AngloGold announced that it had entered into a purchase and sale agreement with Queenstake Resources USA Inc. on its interests in the Jerritt Canyon Joint Venture. This follows an unsolicited offer by Queenstake to the Jerritt Canyon Joint Venture partners. AngloGold owns 70% of the joint venture and is the operator and managing partner of the Jerritt Canyon mine. In terms of the agreement, Queenstake will pay the Jerritt Canyon Joint Venture \$8m on closing, with \$6m in deferred payments, with additional royalty payments. Queenstake will accept full closure and reclamation and other liabilities. The transaction is expected to close no later than 31 March 2003.

For the year ended 31 December 2002, Jerritt Canyon produced 237,000 attributable ounces of gold at a total cash cost of \$249/oz.

AngloGold does not expect this sale to have a material impact on the expected gold production for 2003.

Company income statement

for the year ended 31 December 2002

The company annual financial statements are a statutory requirement, and are accordingly presented in SA Rands only.

Figures in million		2002	2001
		SA Rands	
Revenue	1	10,356	11,629
Gold income	1	9,718	11,164
Cost of sales	2	(6,383)	(8,216)
		3,335	2,948
Non-hedge derivatives		794	(147)
Operating profit*		4,129	2,801
Corporate administration and other expenses		(227)	(197)
Market development costs		(173)	(133)
Net inter-company royalties, dividends and interest		(336)	(324)
Exploration costs		(126)	(95)
Investment income	3	318	54
Other net expenses	4	(72)	(30)
Finance costs	5	(162)	(189)
Abnormal item – settlement of claim		(102)	–
Profit before exceptional items	6	3,249	1,887
Amortisation of goodwill	11	(4)	(4)
Loss on disposal of mines	25	(80)	(32)
Loss on sale of assets		(14)	–
Debt written off		(56)	(21)
Profit on ordinary activities before taxation		3,095	1,830
Taxation	8	(1,138)	(602)
Net profit		1,957	1,228
* Operating profit excluding unrealised non-hedge derivatives		4,112	3,029

Company balance sheet

as at 31 December 2002

Figures in million		2002	2001
		SA Rands	
ASSETS			
Non-current assets			
Mining assets	10	7,974	10,126
Investments in associates	11	165	151
Investments in subsidiaries		5,747	5,795
Other investments	12	18	127
AngloGold Environmental Rehabilitation Trust	13	185	339
Inter-group balances		3,953	4,408
Derivatives	28	524	514
Long-term loans	14	333	36
		18,899	21,496
Current assets			
Derivatives	28	1,546	1,602
Trade and other receivables	15	1,078	690
Inventories	16	397	475
Current portion of inter-group balances		—	769
Cash and cash equivalents	17	1,641	686
		4,662	4,222
Total assets		23,561	25,718
EQUITY AND LIABILITIES			
Shareholders' equity*		9,836	8,825
Non-current liabilities			
Borrowings	19	2,264	2,585
Provisions	20	1,068	1,333
Inter-group balances		2,198	2,637
Deferred taxation	21	2,692	2,557
Derivatives	28	1,171	1,722
		9,393	10,834
Current liabilities			
Derivatives	28	2,124	2,865
Trade and other payables	22	1,161	1,066
Current portion of borrowings	19	—	1,718
Taxation		1,047	410
		4,332	6,059
Total equity and liabilities		23,561	25,718

* Shareholders' equity is analysed in the statement of changes in shareholders' equity (see page 115).

Company cash flow statement

for the year ended 31 December 2002

Figures in million		2002	2001
		SA Rands	
Cash flows from operating activities			
Cash receipts from customers		10,143	11,617
Cash paid to suppliers and employees		(6,347)	(9,392)
Cash generated from operations	24	3,796	2,225
Interest received		248	47
Contributions to the AngloGold Environmental Rehabilitation Trust	13	(32)	(85)
Dividend received from unlisted associate	11	19	11
Finance costs	5	(162)	(189)
Mining and normal taxation paid		(796)	(564)
Net cash inflow from operating activities		3,073	1,445
Cash flows from investing activities			
Capital expenditure	10		
– to expand operations		(745)	(800)
– to maintain operations		(406)	(74)
Proceeds from disposal of mine	25	1,544	878
Proceeds from sale of investments		1,828	–
Associate acquired	11	–	(11)
Other investments acquired		(291)	(1)
Inter-group loans		(1,478)	427
Repayment of loans advanced		29	1
Net cash inflow from investing activities		481	420
Cash flows from financing activities			
Proceeds from issue of share capital		156	85
Share issue expenses		(116)	–
Proceeds from borrowings		1,842	274
Repayment of borrowings		(1,753)	(325)
Dividends paid	9	(2,728)	(1,447)
Net cash outflow from financing activities		(2,599)	(1,413)
Net increase in cash and cash equivalents		955	452
Cash and cash equivalents at beginning of year		686	234
Cash and cash equivalents at end of year	17	1,641	686

Company statement of changes in shareholders' equity

for the year ended 31 December 2002

Figures in million	Ordinary and preference share capital	Ordinary and preference share premium	Non-distributable reserves*	Other comprehensive income	Retained earnings	Shareholders' equity
SA Rands						
Balance at 31 December 2000	55	8,209	(6)	—	1,957	10,215
Effect of adoption of IAS 39				452	(135)	317
Net profit					1,228	1,228
Dividends (note 9)					(1,447)	(1,447)
Ordinary shares issued	—	189				189
Net gain on cash flow hedges removed from equity and reported in income				(180)		(180)
Net loss on cash flow hedges				(2,617)		(2,617)
Deferred taxation on cash flow hedges				1,063		1,063
Translation			57			57
Balance at 31 December 2001	55	8,398	51	(1,282)	1,603	8,825
Net profit					1,957	1,957
Dividends (note 9)					(2,728)	(2,728)
Ordinary shares issued	2	1,581				1,583
Share issue expenses written off		(116)				(116)
Net loss on cash flow hedges removed from equity and reported in income				539		539
Net gain on cash flow hedges				592		592
Deferred taxation on cash flow hedges				(430)		(430)
Translation			(386)			(386)
Balance at 31 December 2002	57	9,863	(335)	(581)	832	9,836
Note	18	18				

* Non-distributable reserves is a surplus on disposal of company shares within the group R141m (2001: R141m), and a downward revaluation of foreign denominated loans and inter-group balances R476m (2001: R90m).

Notes to the company financial statements

for the year ended 31 December 2002

Figures in million		2002	2001
		SA Rands	
1 Revenue			
Revenue consists of the following principal categories:			
Gold income		9,718	11,164
Sale of uranium, silver and sulphuric acid		357	418
Interest receivable (note 3)		281	47
		10,356	11,629
2 Cost of sales			
Cash operating costs		5,621	7,221
Other cash costs		42	51
		5,663	7,272
Total cash costs		5,663	7,272
Retrenchment costs (note 7)		30	185
Rehabilitation and other non-cash costs		138	66
		5,831	7,523
Production costs		5,831	7,523
Amortisation of mining assets (notes 6, 10 and 24)		607	628
		6,438	8,151
Total production costs		6,438	8,151
Inventory change		(55)	65
		6,383	8,216
3 Investment income			
Investment income consists of the following principal categories:			
Interest receivable (notes 1 and 24)		281	47
Profit from associates after taxation (notes 11 and 24)		37	7
		318	54
4 Other net expenses			
Other net expenses consist of the following principal categories:			
Foreign exchange gain (loss) on transactions other than sales		2	(11)
Post-retirement medical expenses for disposed mines		(41)	–
		(39)	(11)
Unwinding of decommissioning obligation (notes 20 and 24)		(33)	(19)
		(72)	(30)
5 Finance costs			
Interest paid on bank loans and overdrafts		162	182
Interest paid on debentures		–	7
(Note 24)		162	189

Figures in million		2002	2001
		SA Rands	
6	Profit before exceptional items is arrived at after taking account of:		
	Auditors' remuneration		
	Audit fees	4	3
	Under provision prior year	–	1
		4	4
	Amortisation of mining assets (notes 2, 10 and 24)		
	– Owned assets	607	628
	Grants for educational and community development	25	31
	Operating lease charges	24	17
7	Employee benefits		
	Employee benefits including executive directors		
	Salaries, wages and other benefits	2,933	4,018
	Defined contribution medical plan expense		
	– current medical expenses	183	227
	– post-retirement medical expenses	53	39
	Defined contribution pension plan expense	164	263
	Retrenchment costs (note 2)	30	185
		3,363	4,732
	Employee benefits included in cost of sales		
		3,363	4,732
	Actuarial defined benefit plan expense analysis		
	Defined benefit pension plan expense		
	– current service cost	34	35
	– interest cost	85	84
	– expected return on plan assets	(87)	(91)
	– actuarial loss	–	20
	Defined benefit post-retirement medical expense		
	– current service cost	10	6
	– interest cost	72	98
	– curtailment	(153)	–
		(39)	152
	Actual return on plan assets		
	Defined benefit pension plan	6	91
	The assumptions used in calculating the pension plan expense are:	%	%
	Discount rate	11.5	10.5
	Rate of compensation increase	7.8	7.5
	Expected return on plan assets	11.5	10.5
	Refer to directors' report for details of directors' emoluments.		

Notes to the company financial statements

for the year ended 31 December 2002

Figures in million		2002	2001
		SA Rands	
8 Taxation			
Current taxation			
Mining taxation		378	294
Non-mining taxation		405	240
Under provision prior year		40	—
Exceptional items			
— recoupments tax on Free State disposal (note 25)		688	—
— mining tax on Free State operating loss		(78)	—
		1,433	534
Deferred taxation			
Current (note 21)		268	149
Unrealised non-hedge derivatives (note 21)		7	(87)
Exceptional items			
— debt written off		—	6
— disposal of Free State operations		(570)	—
		(295)	68
		1,138	602

	2002		2001	
	Non-mining %	Mining %	Non-mining %	Mining %
Tax reconciliation				
A reconciliation of the mining and non-mining tax rate compared with that charged in the income statement is set out in the following table:				
Marginal tax rate	38	46	38	46
Adjusted for hedge revenue	—	—	36	(13)
Disallowed expenditure	2	4	9	7
Amortisation and inventory change	—	17	—	21
Mining capital allowances	—	(29)	—	(20)
Mining taxation formula adjustment	—	—	—	(1)
Dividends received	(14)	—	(43)	—
Royalties	—	(22)	—	(25)
Other	6	4	2	5
Effective tax rate	32	20	42	20

At 31 December 2001 there was unredeemed capital expenditure estimated at R3,564m which was available for set-off against future taxable income from the mining operations of Joel mine. Joel mine was sold with effect from 1 January 2002 resulting in the unredeemable capital expenditure not being utilised.

Figures in million		2002	2001
		SA Rands	
9 Dividends			
Ordinary shares			
No. 91 of 550 SA cents per ordinary share declared on 30 January 2002 and paid on 4 March 2002.		1,223	696
No. 92 of 675 SA cents per ordinary share declared on 30 July 2002 and paid on 30 August 2002.		1,505	751
		2,728	1,447
No. 93 of 675 SA cents per ordinary share was declared on 30 January 2003 and paid on 28 February 2003.			

	Mine development costs	Mine infra-structure	Mineral rights, dumps and ore reserves	Land	Total
10 Mining assets					
SA Rands					
Cost					
Balance at 31 December 2001	12,848	4,141	371	34	17,394
Additions	1,038	112		1	1,151
Disposals (note 25)	(4,009)	(1,119)	(31)	(13)	(5,172)
Transfers and other movements	(70)	31	39	–	–
Balance at 31 December 2002	9,807	3,165	379	22	13,373
Accumulated amortisation					
Balance at 31 December 2001	4,578	2,599	91	–	7,268
Amortisation charge for the year (notes 2 and 6)	473	112	22	–	607
Disposals (note 25)	(1,761)	(711)	(5)	–	(2,477)
Transfers and other movements	(111)	131	(19)	–	1
Balance at 31 December 2002	3,179	2,131	89	–	5,399
Net book value at 31 December 2001	8,270	1,542	280	34	10,126
Net book value at 31 December 2002	6,628	1,034	290	22	7,974

Notes to the company financial statements

for the year ended 31 December 2002

Figures in million	2002	2001
	SA Rands	
11 Investment in associates		
The company has the following associated undertakings:		
– A 53.03% (2001: 48.48%) interest in Rand Refinery Limited, which is involved in the refining of bullion and by-products which are sourced inter alia from South Africa and foreign gold producing mining companies. This investment is equity accounted as AngloGold only has a significant influence and not control over the financial and operating policies of this company. The year end of Rand Refinery Limited is 30 September. Equity accounting is based on the results for the twelve months ended 30 September 2002.		
– A 25.0% (2001: 25.0%) interest in Oro Group (Proprietary) Limited which is involved in the manufacture and wholesale of jewellery. The year end of Oro Group (Proprietary) Limited is 31 March. Equity accounting is based on the results for the twelve months ended 30 September 2002.		
Carrying value of associates consists of:		
Unlisted shares at cost	84	73
Share of retained earnings brought forward	67	75
Profit after taxation (notes 3 and 24)	37	7
Acquisitions	–	11
Dividends	(19)	(11)
Amortisation of goodwill (note 24)	(4)	(4)
Carrying value	165	151
Directors' valuation of unlisted associates	165	151
The company's effective share of certain balance sheet items of its associates is as follows:		
Non-current assets	88	85
Current assets	145	102
Total assets	233	187
Non-current liabilities	32	34
Current liabilities	73	43
Total equity and liabilities	105	77
Net assets	128	110
Reconciliation of the carrying value of investments in associates with net assets		
Net assets	128	110
Goodwill	37	41
Carrying value	165	151

Figures in million	2002	2001
	SA Rands	
12 Other investments		
Listed investments		
Balance at beginning of year	104	–
Additions	1,717	104
Disposals	(1,821)	–
Balance at end of year	–	104
Market value of listed investments	–	104
Unlisted investments		
Balance at beginning of year	23	22
Additions	1	2
Disposals	(6)	(1)
Balance at end of year	18	23
Directors' valuation of unlisted investments	18	23
Total other investments (note 28)	18	127
Total valuation	18	127
13 AngloGold Environmental Rehabilitation Trust		
Balance at beginning of year	339	279
Contributions	32	85
Additional contribution – Free State disposal	197	–
Additional funds transferred to Free State Environmental Trust Fund	(197)	–
Expenditure incurred	–	(25)
Amounts transferred in respect of Free State disposal (note 25)	(186)	–
Balance at end of year	185	339
14 Long-term loans		
Unsecured		
Deferred purchase consideration in respect of the sale of the Free State assets	326	–
Other	7	36
	333	36
15 Trade and other receivables		
Trade debtors	12	79
Prepayments and accrued income	276	368
South African Revenue Services – Value added taxation	85	123
Receivable in respect of the sale of the Free State assets	688	–
Other debtors	17	120
(Note 28)	1,078	690
16 Inventories		
At cost		
Gold in process	220	227
Gold on hand	–	1
By-products	25	72
Total metal inventories	245	300
Consumable stores at average cost	152	175
	397	475

Notes to the company financial statements

for the year ended 31 December 2002

Figures in million	2002	2001
	SA Rands	
17 Cash and cash equivalents		
Cash and deposits on call	1,111	686
Money market instruments	530	—
(Note 28)	1,641	686
18 Share capital and premium		
Share capital		
<i>Authorised</i>		
400,000,000 ordinary shares of 25 cents each (2001: 200,000,000 ordinary shares of 50 cents each.		
After sub-division 400,000,000 ordinary shares of 25 cents each)	100	100
2,000,000 A redeemable preference shares of 50 cents each	1	1
5,000,000 B redeemable preference shares of 1 cent each	—	—
	101	101
<i>Issued</i>		
222,622,022 ordinary shares of 25 cents each (2001: 107,634,058 ordinary shares of 50 cents each.		
After sub-division 215,268,116 ordinary shares of 25 cents each)		
Balance at beginning of year	54	54
Issue of shares	2	—
Balance at end of year	56	54
2,000,000 A redeemable preference shares of 50 cents each	1	1
778,896 B redeemable preference shares of 1 cent each	—	—
Balance at end of year	1	1
Share premium	9,863	8,398
Share capital and premium	9,920	8,453
At a general meeting held on 5 December 2002, a share split was approved by way of a special resolution. AngloGold's ordinary shares of 50 cents each were sub-divided into ordinary shares of 25 cents each, with effect from the close of business on 24 December 2002.		
19 Borrowings		
Unsecured loans		
Syndicated loan facility	2,264	2,585
Interest charged at libor plus 0.75% per annum. The loan is repayable in May 2004 and is US dollar-based		
Credit Agricole	—	1,450
Deutsche Bank	—	61
Economic Development Corporation	—	7
Local money market short-term borrowings	—	200
Total borrowings (note 28)	2,264	4,303
Less: Current portion of borrowings included in current liabilities	—	1,718
Total long-term borrowings	2,264	2,585
Amounts falling due		
Within one year	—	1,718
Between one and two years	2,264	—
Between two and five years	—	2,585
	2,264	4,303
Currency		
The currency in which the borrowings are denominated is as follows:		
Australian dollars	—	61
SA Rands	—	200
US Dollars	2,264	4,042
	2,264	4,303
Undrawn facilities		
Undrawn borrowing facilities as at 31 December 2002 are as follows:		
Syndicated loan – US Dollar	1,184	2,213

Figures in million	2002	2001
	SA Rands	
20 Provisions		
Post-retirement medical funding		
Balance at beginning of year	713	746
Disposal (note 25)	(33)	(22)
Charge to income statement	52	55
Less: Utilised during the year	(52)	(67)
Other	–	1
Balance at end of year	680	713
The provision for post-retirement medical funding represents the provision for health care benefits for employees and retired employees and their registered dependants.		
The post-retirement benefit costs are assessed in accordance with the advice of independent professionally qualified actuaries. The actuarial method used is the projected unit credit funding method.		
The assumptions used in calculating the above defined benefit post retirement medical expense is as follows:		
	%	%
Discount rate	11.5	11.0
Expected increase in health care costs	9.2	10.0
Short term rates ranged from 6.5% to 9.2% and long-term after 3 years at 5%		
The normal retirement age is 60 years, and fully eligible age is 55 years.		
The last valuation was performed as at 31 December 2002.		
Environmental rehabilitation obligations		
<i>Provision for decommissioning</i>		
Balance at beginning of year	325	312
Unwinding of decommissioning obligation (notes 4 and 24)	33	19
Disposal (note 25)	(132)	(37)
Change in estimate	–	31
Balance at end of year	226	325
<i>Provision for restoration</i>		
Balance at beginning of year	295	338
Disposal (note 25)	(186)	(17)
Charge to income statement	53	7
Less: Utilised during the year	–	(33)
Balance at end of year	162	295
Total provisions	1,068	1,333

Notes to the company financial statements

for the year ended 31 December 2002

Figures in million		2002	2001
		SA Rands	
21 Deferred taxation			
Deferred taxation relating to temporary differences is made up as follows:			
Deferred taxation liabilities			
Mining assets	3,571	3,919	
Inventories	101	97	
Other	–	2	
	3,672	4,018	
Deferred taxation assets			
Provisions	458	501	
Derivatives	522	960	
Net deferred taxation	2,692	2,557	
The movement on the deferred tax balance is as follows:			
Balance at beginning of year	2,557	3,867	
Income statement charge (note 8)	268	149	
Unrealised non-hedge derivatives (note 8)	7	(87)	
Disposal	(570)	(500)	
Taxation of other comprehensive income	430	(872)	
Balance at end of year	2,692	2,557	
22 Trade and other payables			
Trade creditors	200	312	
Accruals	398	302	
Other creditors	563	452	
(Note 28)	1,161	1,066	
23 Retirement benefits			
Defined benefit pension fund			
Fair value of fund assets	797	842	
Present value of fund obligation	855	836	
Plan (liability) asset	(58)	6	
Unrecognised actuarial loss (gain)	58	(6)	
Amount recognised in balance sheet	–	–	
Market value of plan assets	797	842	
The assumptions used in calculating the above amounts as at 31 December are:			
Discount rate	%	%	
Pension increase	11.5	10.5	
Rate of compensation increase	6.1	6.5	
Rate of return on assets	7.8	7.5	
	11.5	10.5	
A statutory valuation of the defined benefit pension fund was performed as at 31 December 2002, and the Pension Fund was certified by the reporting actuaries as being in a sound financial position, subject to the deficit being funded through increased contributions as advised by the actuaries. In arriving at their conclusions, the actuaries took into account reasonable long-term estimates of inflation, increases in wages, salaries and pension as well as returns on investments. Calculations for the Pension Fund's financial position are carried out in years when a statutory valuation is not performed.			
Contributions to the various defined contribution retirement schemes are fully expensed during the year in which they are funded and the cost of providing retirement benefits for the year amounted to R183m (2001: R263m).			
All funds are governed by the Pension Funds Act of 1956 as amended.			

Figures in million	2002	2001
	SA Rands	
24 Cash generated from operations		
Profit on ordinary activities before taxation	3,095	1,830
Adjusted for:		
Amortisation of mining assets (notes 2, 6 and 10)	607	628
Non-cash movements	339	(38)
Interest receivable (note 3)	(281)	(47)
Profit from associates after taxation (note 3)	(37)	(7)
Unwinding of decommissioning obligation (notes 4 and 20)	33	19
Finance costs (note 5)	162	189
Movement in non-hedge derivatives	(49)	255
Amortisation of goodwill (note 11)	4	4
Debt written off	56	21
Loss on disposal of mines	27	32
Loss on disposal of assets	14	—
Movements in working capital	(174)	(661)
	3,796	2,225
Movements in working capital:		
Increase in trade and other receivables	(662)	(17)
Decrease in inventories	5	109
Decrease in trade and other payables	(286)	(207)
Decrease (increase) in current portion of inter-group balances	769	(546)
	(174)	(661)
25 Disposals		
	Free State	Elandsrand Deelkraal and Vaal river shaft No 2
Mining assets (note 10)	2,695	1,245
Environmental Trust Fund (note 13)	186	—
Trade and other receivables	274	—
Inventories	72	55
Provisions (note 20)	(351)	(76)
Deferred taxation	—	(500)
Trade and other payables	(273)	(36)
Carrying value	2,603	688
Loss on disposal of mines	(80)	(32)
Sale consideration	2,523	656
Recoupments taxation (notes 8 and 15)	(688)	222
Deferred sale consideration	(291)	—
Net cash flow on disposals	1,544	878

Notes to the company financial statements

for the year ended 31 December 2002

26 Related parties

Related party transactions are concluded on an arm's length basis. Details of material transactions with those related parties not dealt with elsewhere in the financial statements are summarised below:

Figures in million	2002		2001	
	Purchases from related parties	Amounts owed to related parties	Purchases from related parties	Amounts owed to related parties
With fellow subsidiaries of the Anglo American plc group				
Boart Longyear Limited – mining services	88	3	97	8
Mondi Limited – timber	189	5	132	8
Scaw Metals – A Division of Anglo Operations Limited – steel and engineering	110	4	115	13
Shaft Sinkers (Pty) Ltd – mining services	–	–	107	12
With associates				
Rand Refinery Limited – gold refinery	24	3	26	–

Figures in million	2002	2001
	SA Rands	
27 Commitments		
Acquisition of mining assets		
Contracted for	758	441
Not contracted for	2,022	1,948
Authorised by the directors	2,780	2,389
Allocated for:		
Expansion of operations		
– within one year	1,088	778
– thereafter	853	1,572
	1,941	2,350
Maintenance of operations		
– within one year	794	27
– thereafter	45	12
	839	39
This expenditure will be financed from existing cash resources and future borrowings.		

28 Risk management activities

In the normal course of its operations, the company is exposed to gold price, currency, interest rate, liquidity and credit risks. In order to manage these risks, the company may enter into transactions which make use of both on- and off-balance sheet derivatives. The company does not acquire, hold or issue derivatives for trading purposes. The company has developed a comprehensive risk management process to facilitate, control and to monitor these risks. The board has approved and monitors this risk management process, inclusive of documented treasury policies, counterparty limits, controlling and reporting structures.

CONTROLLING RISK IN THE COMPANY

The Executive Committee and the Treasury Committee are responsible for risk management activities within the company. The Treasury Committee, chaired by the independent chairman of the AngloGold Audit Committee, comprising executive members and treasury executives, reviews and recommends to the Executive Committee all treasury counterparts, limits, instruments and hedge strategies. The treasurer is responsible for managing investment, gold price, currency and liquidity risk. Within the treasury function, there is an independent risk function, which monitors adherence to treasury risk management policy, counterparty and dealer limits and provides regular and detailed management reports.

GOLD PRICE AND CURRENCY RISK

Gold price risk arises from the risk of an adverse effect on current or future earnings resulting from fluctuations in the price of gold. The gold market is predominately priced in US Dollars which exposes the company to the risk that fluctuations in the SA Rand/US Dollar exchange rate may also have an adverse effect on current or future earnings.

A number of products, including derivatives are used to manage well-defined gold price and foreign exchange risks, that arise out of the company's core business activities. Forward-sales contracts and call and put options are used by the company to protect itself from downward fluctuations in the gold price. These derivatives may establish a minimum price for a portion of future production while maintaining the ability to benefit from increases in the gold price for the majority of future gold production.

28 Risk management activities (continued)

NET DELTA OPEN HEDGE POSITION AS AT 31 DECEMBER 2002

The company had the following net forward-pricing commitments outstanding against future production.

TABLE A: SUMMARY: ALL OPEN CONTRACTS IN THE COMPANY'S GOLD HEDGE POSITION AT 31 DECEMBER 2002

	Year 2003	2004	2005	2006	2007	2008-2012	Total
Dollar/Gold							
Forward contracts							
Amount (kg)	14,013†	8,709†	2,644	933	3,145	7,309	8,691†
\$/oz	\$319	\$301	\$372	\$426	\$355	\$374	\$213
Put options purchased							
Amount (kg)	4,977						4,977
\$/oz	\$362						\$362
*Delta (kg)	2,302						2,302
Put options sold							
Amount (kg)	11,819	7,465					19,284
\$/oz	\$307	\$317					\$311
*Delta (kg)	1,736	2,034					3,770
Call options purchased							
Amount (kg)	3,888						3,888
\$/oz	\$351						\$351
*Delta (kg)	2,006						2,006
Call options sold							
Amount (kg)	15,054	3,857	14,432	13,810	13,188	52,752	113,093
\$/oz	\$331	\$330	\$321	\$330	\$338	\$365	\$346
*Delta (kg)	10,760	2,516	10,141	9,354	8,828	34,845	76,444
†Denotes a long position							
Rand/Gold							
Forward contracts							
Amount (kg)	15,936	12,476	9,855	6,335	4,541	3,732	52,875
R/kg	R82,931	R98,532	R119,730	R108,426	R114,915	R119,580	R101,860
Put options purchased							
Amount (kg)	1,875	1,875	1,875	1,875			7,500
R/kg	R93,602	R93,602	R93,602	R93,602			R93,602
*Delta (kg)	399	322	258	209			1,188

Notes to the company financial statements

for the year ended 31 December 2002

28 Risk management activities (continued)

	Year 2003	2004	2005	2006	2007	2008-2012	Total
Call options sold							
Amount (kg)	6,553	4,688	4,687	4,688	2,986	11,944	35,546
R/kg	R100,140	R115,284	R131,944	R132,647	R173,119	R209,288	R153,424
*Delta (kg)	3,798	2,340	2,259	2,620	1,076	4,900	16,993
Total net gold							
*Delta (kg)	15,440	6,911	25,157	19,452	17,590	50,787	135,337
*Delta (oz)	496,393	222,186	808,819	625,380	565,521	1,632,830	4,351,129
Rand/Dollar (000)							
Call options sold							
Amount (\$)	10,000						10,000
ZAR per \$	R9.12						R9.12
*Delta (kg)	1,550						1,550

* The delta position indicated above reflects the nominal amount of the option multiplied by the mathematical probability of the option being exercised. This is calculated using the Black and Scholes option formula with the ruling market prices, interest rates and volatilities as at 31 December 2002.

The mix of hedging instruments, the volume of production hedged and the tenor of the hedging book is continually reviewed in the light of changes in operational forecasts, market conditions and the company's hedging policy.

Forward sales contracts require the future delivery of gold at a specified price.

A put option gives the put buyer the right, but not the obligation, to sell gold to the put seller at a predetermined price on a predetermined date.

A call option gives the call buyer the right, but not the obligation, to buy gold from the call seller at a predetermined price on a predetermined date.

INTEREST RATE AND LIQUIDITY RISK

Fluctuations in interest rates impact on the value of short-term cash investments and financing activities, giving rise to interest rate risk.

In the ordinary course of business, the company receives cash from the proceeds of its gold sales and is required to fund working capital requirements. This cash is managed to ensure surplus funds are invested in a manner to achieve market related returns while minimising risks. The company is able to actively source financing at competitive rates.

The company has sufficient undrawn borrowing facilities available to fund working capital requirements.

28 Risk management activities (continued)

INVESTMENT MATURITY PROFILE

Maturity date	Currency	Fixed rate	Effective	Floating rate	Effective
		investment amount million	rate %	investment amount million	rate %
Less than one year	ZAR	1,295	12	237	12
	\$	4	1	9	1

BORROWING MATURITY PROFILE

	Currency	Between one and five years	Effective
		Borrowings amount million	rate %
	\$	264	2.4

INTEREST RATE RISK

	Currency	Fixed for less than one year	Effective
		Borrowings amount million	rate %
	\$	264	2.4

CREDIT RISK

Credit risk arises from the risk that a counterpart may default or not meet its obligations timeously. The company minimises credit risk by ensuring that credit risk is spread over a number of counterparts. These counterparts are financial and banking institutions of the highest quality. Where possible, management tries to ensure that netting agreements are in place.

No provision for doubtful debts was made as the principal debtors continue to be in a sound financial position.

The company does not generally obtain collateral or other security to support financial instruments subject to credit risk, but monitors the credit standing of counterparts. The company believes that no concentration of credit exists.

Notes to the company financial statements

for the year ended 31 December 2002

28 Risk management activities (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated fair values of financial instruments are determined at discrete points in time based on relevant market information. These estimates involve uncertainties and cannot be determined with precision. The estimated fair values of the company's financial instruments as at 31 December are as follows:

TYPE OF INSTRUMENT

Figures in million	2002		2001	
	Carrying amount	Fair value	Carrying amount	Fair value
SA Rands				
Investments (note 12)	18	18	127	145
Long-term loans (note 14)	333	333	36	36
Trade and other receivables (note 15)	1,078	1,078	690	690
Cash and cash equivalents (note 17)	1,641	1,641	686	686
Borrowings (note 19)	2,264	2,264	4,303	4,303
Trade and other payables (note 22)	1,161	1,161	1,066	1,066
Derivatives comprise the following:	(1,225)	(2,034)	(2,471)	(3,504)
Forward sale contracts	(282)	(381)	(1,874)	(1,976)
Option contracts	(832)	(1,542)	(219)	(1,112)
Foreign exchange contracts	(111)	(111)	(149)	(148)
Foreign exchange option contracts	—	—	(229)	(268)

The fair value amounts above include off balance sheet designated hedges.

DERIVATIVE MATURITY PROFILE

Figures in million	Total	2002 Assets	Liabilities
SA Rands			
Total	(1,225)	2,070	(3,295)
Less: Amounts to mature within twelve months of balance sheet date	578	(1,546)	2,124
Amounts to mature thereafter	(647)	524	(1,171)

Figures in million	Total	2001 Assets	Liabilities
Total	(2,471)	2,116	(4,587)
Less: Amounts to mature within twelve months of balance sheet date	1,263	(1,602)	2,865
Amounts to mature thereafter	(1,208)	514	(1,722)

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

INVESTMENTS, LONG-TERM LOANS, TRADE AND OTHER RECEIVABLES, CASH AND CASH EQUIVALENTS AND TRADE AND OTHER PAYABLES
The carrying amounts approximate fair value because of the short-term duration of these instruments.

BORROWINGS

The existing debt re-prices on a short-term floating rate basis, and accordingly the carrying amount is considered to approximate fair value.

DERIVATIVES

The fair values of derivatives are estimated based on the ruling market prices, volatilities and interest rates at 31 December 2002.

Investment in principal subsidiaries and joint venture interests

for the year ended 31 December 2002

	Nature of business	Shares held 2002	2001	Percentage held 2002 %	2001 %	Book value 2002 Rm	2001 Rm	Net loan account 2002 Rm	2001 Rm
Direct investments									
Advanced Mining Software Limited	C	40,000	40,000	100	100	2	2	(7)	(6)
AGRe Insurance Company Limited	H	2	1	100	100	14	—	17	—
AngloGold American Investments Limited ¹	B	1	1	100	100	928	928	209	(203)
AngloGold Health Service (Pty) Limited	G	8	8	100	100	—	—	68	103
AngloGold Offshore Investments Limited ^{1****}	B	5,001,000	5,001,000	100	100	3,858	3,904	(1,074)	(1,084)
		43,251*	43,251*	100	100	—	—	—	—
AngloGold Ventures (Pty) Limited	F	1	1	100	100	—	—	9	65
Eastvaal Gold Holdings Limited	B	454,464,000	454,464,000	100	100	917	917	(604)	(604)
Igolide Health Networks (Pty) Limited	G	100	100	100	100	—	—	—	—
Masakhisane Investment Limited	B	100	100	100	100	—	—	5	5
Nuclear Fuels Corporation of SA (Pty) Limited	E	1,450,000	1,450,000	100	100	7	7	—	—
Nufcor International Limited ⁹	E	3,000,000	3,000,000	50	50	18	18	—	—
Rand Refinery Limited **	I	208,471	208,471	53.03	48.48	—	—	—	—
Southvaal Holdings Limited	B	26,000,000	26,000,000	100	100	3	3	(81)	(186)
Stone and Allied Industries (O.F.S.) Limited	D	—	400,000	—	100	—	16	—	4
Indirect investments									
AngloGold (Colorado) Corporation ⁵	B	10,000	10,000	100	100	—	—	—	—
AngloGold (Jerritt Canyon) Corporation ⁵	B	1,000	1,000	100	100	—	—	—	—
AngloGold Argentina Limited ¹	B	1	1	100	100	—	—	—	—
AngloGold Argentina S.A. ⁶	B	1,331,093	1,331,093	100	100	—	—	—	—
AngloGold Australia Investment Holdings Limited ¹	B	2,000	2,000	100	100	—	—	—	—
		43,251*	43,251*	100	100	—	—	—	—
AngloGold Australia Limited ⁸	B	257,462,077	257,462,077	100	100	—	—	38	83
AngloGold Brasil Ltda ⁷	B	8,827,437,875	8,827,437,875	100	100	—	—	—	—
AngloGold Brazil Limited ¹	B	1	1	100	100	—	—	—	—
AngloGold Finance Australia Holdings Limited ¹⁰	B	1,002	1,002	100	100	—	—	—	—
		43,251*	43,251*	100	100	—	—	—	—
AngloGold Finance Australia Limited ¹⁰	B	1,002	1,002	100	100	—	—	—	—
		43,251*	43,251*	100	100	—	—	—	—
AngloGold Geita Holdings Limited ¹	B	1,000	1,000	100	100	—	—	1,851	2,581
AngloGold Investments Australasia Limited ¹	B	2,000	2,000	100	100	—	—	—	—
		43,251*	43,251*	100	100	—	—	—	—
AngloGold Investments Australia Pty Ltd ⁸	B	1	1	100	100	—	—	—	—
AngloGold Investments (Sadex) Limited ¹	B	1,000 'A'	1,000 'A'	100	100	—	—	46	62
AngloGold Mining (West Africa) Limited ²	B	5,000	5,000	100	100	—	—	—	—
AngloGold Morila Holdings Limited ¹	B	1,000	1,000	100	100	—	—	—	—
AngloGold Namibia (Proprietary) Ltd ³	B	10,000	10,000	100	100	—	—	—	—
AngloGold North America Inc. ⁵	B	7,902	7,902	100	100	—	—	—	—
AngloGold North American Holdings Limited ¹	B	1	1	100	100	—	—	145	139
AngloGold South America Limited ¹	B	488,000	488,000	100	100	—	—	—	—
AngloGold South American Holdings Limited ¹	B	1	1	100	100	—	—	—	—
AngloGold USA Incorporated ⁵	B	100	100	100	100	—	—	—	—
Cerro Vanguardia S.A. ⁶	A	13,875,000	6,937,500	92.50	46.25	—	—	—	—
Chellaston Limited ¹	B	2	2	100	100	—	—	—	—
Cluff Resources Limited ⁹	B	46,819,281	46,819,281	50	50	—	—	—	—
Dysart International Limited ¹	B	2	2	100	100	—	—	—	—
Erongo Holdings Limited ¹	B	13,334 'A'	13,334 'A'	100	100	—	—	(17)	(23)
Mineração Morro Velho Ltda ⁷	A	4,585,851,748	4,585,851,748	100	100	—	—	—	—
Mineração Serra Grande S.A. ⁷	A	499,999,997	499,999,997	50	50	—	—	—	—
Quorum International Limited ¹	B	2	2	100	100	—	—	—	—
Sadiola Exploration Limited ¹	B	5,000 'A'	5,000 'A'	50	50	—	—	—	—
Joint ventures									
Geita Gold Mining Limited ¹¹	A	1	1	50	50	—	—	—	—
Société des Mines de Morila S.A. ⁴	A	400	400	40	40	—	—	1,150	1,604
Société d'Exploitation des Mines d'Or de Sadiola S.A. ⁴	A	38,000	38,000	38	38	—	—	—	—
Société d'Exploitation des Mines d'Or de Yatela S.A. ⁴	A	400	400	40	40	—	—	—	—
						5,747	5,795	1,755	2,540

Nature of business

- A – Mining
- B – Investment holding
- C – Software development
- D – Stone crusher
- E – Market agent
- F – Marketing intermediary
- G – Health care
- H – Short-term insurance and re-assurance
- I – Precious metal refining

All companies are incorporated in the Republic of South Africa except where otherwise indicated

- 1 Incorporated in the British Virgin Islands
- 2 Incorporated in the Isle of Man
- 3 Incorporated in Namibia
- 4 Incorporated in Mali
- 5 Incorporated in the United States of America
- 6 Incorporated in Argentina
- 7 Incorporated in Brazil
- 8 Incorporated in Australia
- 9 Incorporated in the United Kingdom
- 10 Incorporated in Malta
- 11 Incorporated in Tanzania

* Indicates preference shares ** Accounted for as an associate as AngloGold does not govern the financial and operating policies of Rand Refinery Limited *** The reduction in the carrying value of accrued purchase consideration in respect of lapsed/forfeited share options on the acquisition of Acacia Resources in December 1999.

There are no material losses in subsidiaries.

Condensed consolidated financial statements

prepared in accordance with US GAAP

AngloGold provides as part of this annual report, to all shareholders, condensed consolidated financial statements derived from and presented in the manner detailed below.

Basis of presentation

The condensed consolidated financial statements have been derived from the Group's consolidated financial statements as prepared in accordance with accounting principles generally accepted in the United States ("US GAAP"). US GAAP differs in certain material respects from International Accounting Standards ("IAS"). The condensed consolidated financial statements do not include notes in support of the financial information presented therein. The Group's audited consolidated financial statements prepared in accordance with US GAAP from which the condensed consolidated financial statements have been derived, contain detailed notes prepared in accordance with US GAAP. The audited consolidated financial statements prepared in accordance with US GAAP, together with related notes, are included under Item 18 in AngloGold's Annual Report on Form 20-F filed with the United States Securities and Exchange Commission in March 2003. The AngloGold Annual Report on Form 20-F for the year ended 31 December 2002 as filed with the United States Securities and Exchange Commission on or about 31 March 2003 and is available free of charge on EDGAR at www.sec.gov.

The condensed consolidated financial statements set forth below for each of the three years in the period ended 31 December 2002, and as at 31 December 2002 and 2001 has been derived from, and should be read in conjunction with the US GAAP financial statements included under Item 18 in AngloGold's Annual Report on Form 20-F as filed with the United States Securities and Exchange Commission in March 2003.

Stock split

At a meeting in Johannesburg on 5 December 2002, AngloGold's shareholders approved, by the requisite number of votes, a stock split that had been proposed by the company's board of directors.

The stock split sub-divided each ordinary share with a par value of 50 cents into two ordinary shares each with a par value of 25 cents, with effect from the close of business on 24 December 2002. As a result of the sub-division, each AngloGold ADS (American Depositary Share) is equivalent to one AngloGold ordinary share. The ratio of AngloGold ordinary shares to AngloGold CDIs (CHESS Depositary Interest) was adjusted so that one new AngloGold share is equivalent to five AngloGold CDIs. The ratio of one AngloGold ADS to five AngloGold CDIs remains unchanged. The net effect of the stock split on CDI holders was that the number of CDIs held by each holder did not change.

Throughout the condensed consolidated financial statements presented herein, the number of shares and the calculation of basic and diluted earnings (loss) per common share have been changed to retroactively reflect this change in the number of shares.

Condensed consolidated income statement

Derived from financial statements prepared in accordance with US GAAP

Figures in US Dollars millions, except for share data	Year ended 31 December		
	2002 \$	2001 \$	2000 \$
Sales and other income	1,799	2,066	2,264
Product sales	1,761	2,041	2,208
Interest, dividends and other income	38	25	56
Cost and expenses	1,369	2,059	2,508
Production costs	927	1,261	1,435
Exploration costs	28	26	44
Related party transactions	40	54	54
General and administrative	30	24	51
Royalties	25	16	9
Research and development	1	2	8
Depreciation, depletion and amortisation	333	371	439
Impairment of assets	—	173	387
Goodwill amortised	—	27	18
Interest expense	44	72	72
Employment severance costs	3	22	19
Loss on sale of mining assets	—	4	—
Loss on sale of assets	11	—	—
(Gain) loss on derivatives	(73)	5	(21)
Other	—	2	(7)
Income (loss) before equity income and income tax	430	7	(244)
Equity income in affiliates	4	1	4
Income (loss) before income tax provision	434	8	(240)
Deferred income and mining tax expensed	(62)	(163)	(9)
Income (loss) before minority interest	372	(155)	(249)
Minority interest	(16)	(8)	(13)
Income (loss) before cumulative effect of accounting change	356	(163)	(262)
Cumulative effect of accounting change	—	(10)	—
Net income (loss) – applicable to common stockholders	356	(173)	(262)
Basic earnings (loss) per common share: (cents)			
Before cumulative effect of accounting change	160	(76)	(122)
Cumulative effect of accounting change	—	(5)	—
Net income (loss) – applicable to common stockholders	160	(81)	(122)
Diluted earnings (loss) per common share: (cents)			
Before cumulative effect of accounting change	160	(76)	(122)
Cumulative effect of accounting change	—	(5)	—
Net income (loss) – applicable to common stockholders	160	(81)	(122)
Weighted average number of common shares used in computation	221,883,567	214,278,892	213,925,974
Dividend per common share (cents)	114	84	135

These condensed financial statements should be read in conjunction with the Company's financial statements and footnotes filed on Form 20-F with the United States Securities and Exchange Commission on or about 31 March 2003.

Condensed consolidated balance sheet

Derived from financial statements prepared in accordance with US GAAP

Figures in US Dollars, millions	At 31 December	
	2002 \$	2001 \$
Assets		
Current assets	1,117	647
Cash and cash equivalents	413	191
Receivables	488	293
Trade	48	45
Derivatives	233	128
Value added taxes	26	22
Other	181	98
Inventories	216	163
Property, plant and equipment	2,015	1,756
Mineral reserves	902	843
Goodwill	345	333
Derivatives	64	115
Other long-term assets	102	56
Total assets	4,545	3,750
Liabilities and Stockholders' equity		
Current liabilities	799	1,210
Accounts payable and accrued liabilities	282	223
Derivatives	302	250
Short-term debt	84	637
Income and mining tax payable	131	100
Long-term debt	842	350
Derivatives	236	160
Deferred income and mining tax	561	440
Provision for environmental rehabilitation	108	94
Other accrued liabilities	12	19
Provision for post-retirement medical benefits	127	95
Minority interest	40	28
Commitments and contingencies	—	—
Share capital and reserves	1,820	1,354
Common stock		
Stock issued 2002 – 222,622,022 (2001 – 215,268,116)	9	9
Additional paid-in capital	3,403	3,251
Accumulated other comprehensive income	(1,025)	(1,234)
Retained deficit	(567)	(672)
Total liabilities and stockholders' equity	4,545	3,750

These condensed financial statements should be read in conjunction with the Company's financial statements and footnotes filed on Form 20-F with the United States Securities and Exchange Commission on or about 31 March 2003.

Condensed consolidated cash flow statement

Derived from financial statements prepared in accordance with US GAAP

Figures in US Dollars, millions	Year ended 31 December		
	2002 \$	2001 \$	2000 \$
Net cash provided by operating activities	605	501	435
Income (loss) before cumulative effect of accounting change	356	(163)	(262)
Reconciled to net cash provided by operations:			
Loss on sale of mining assets	–	4	–
Loss on sale of assets	11	–	–
Depreciation, depletion and amortisation	333	371	439
Impairment of assets	–	173	387
Other non cash items	–	93	31
Net increase in provision for environmental rehabilitation and post-retirement medical benefits	(17)	(12)	(13)
Deferred income and mining tax	(69)	52	(86)
Effect of changes in operating working capital items:			
Receivables	(5)	65	(1)
Inventories	(54)	22	(2)
Accounts payable and accrued liabilities	50	(104)	(58)
Net cash used in investing activities	(91)	(148)	(630)
Cash acquired in acquisitions	8	–	3
Increase in non-current investments	(34)	(4)	(3)
Cash received as part of disposal	140	109	–
– Proceeds	164	109	–
– Contractual obligations	(24)	–	–
Cash paid as part of acquisition	(105)	–	(348)
Proceeds on sale of investments	158	–	–
Proceeds on sale of mining assets	1	6	8
Additions to property, plant and equipment	(271)	(298)	(301)
Loans receivable advanced	(5)	(4)	(8)
Loans receivable repaid	17	43	19
Net cash used in financing activities	(367)	(298)	(50)
(Decrease) increase in short-term debt	(616)	(347)	150
Issuance of stock	18	7	2
Share issue expenses	(11)	–	(3)
Increase in long-term debt	502	209	111
Dividends paid	(260)	(167)	(310)
Net increase (decrease) in cash and cash equivalents	147	55	(245)
Effect of exchange rate changes on cash	75	(59)	(53)
Cash and cash equivalents – 1 January	191	195	493
Cash and cash equivalents – 31 December	413	191	195

These condensed financial statements should be read in conjunction with the Company's financial statements and footnotes filed on Form 20-F with the United States Securities and Exchange Commission on or about 31 March 2003.

Condensed reconciliation between IAS and US GAAP

Results for the year ended and as at 31 December 2002

AngloGold provides, supplemental to the condensed consolidated financial statements, a reconciliation from its IAS to US GAAP results. This reconciliation is provided for illustrative purposes only, as AngloGold prepares consolidated financial statements prepared in accordance with US GAAP, together with related notes, which are included under Item 18 in AngloGold's Annual Report on Form 20-F filed with the United States Securities and Exchange Commission on or about 31 March 2003.

Income statement information		Year ended 31 December		
Figures in US Dollars, millions	Notes	2002 \$	2001 \$	2000 \$
Net profit as per IAS		332	245	166
Adjusted for:				
Amortisation of ore reserves and mining assets	I	(88)	(151)	(222)
IAS exceptional loss reversed	II	13	—	—
Impairment of assets		—	(173)	(294)
Actuarial shortfall on post-retirement medical expenses	III	—	(37)	(11)
Goodwill adjustments	I	28	2	2
Normandy transaction costs	IV	(11)	—	—
Other	V	(20)	2	34
Sub-total		254	(112)	(325)
Adjustments made to taxation charge	VI	103	(51)	64
Adjusted profit (loss) after taxation		357	(163)	(261)
Cumulative effect of accounting change	VII	—	(10)	—
Minority adjustments		(1)	—	(1)
Net income (loss) applicable to common stockholders as per US GAAP		356	(173)	(262)

Balance sheet information		At 31 December	
Figures in US Dollars, millions		2002 \$	2001 \$
Net profit as per IAS		1,443	1,117
Adjusted for:			
Ore reserves	I	902	843
Mining assets	I	(265)	(301)
Goodwill	I	(29)	(56)
Deferred taxation	VI	(181)	(171)
Post-retirement medical benefits	III	(46)	(33)
Other	V	(4)	(45)
Stockholders' equity as per US GAAP		1,820	1,354

Supplemental information to the condensed consolidated financial statements.

Differences in accounting treatment between IAS and US GAAP which have a significant effect on AngloGold are noted below:

I Business combinations (including mineral reserves and goodwill)

Under IAS at the formation of AngloGold on 29 June 1998 the acquisition of the participating companies and the interests in the share interest companies were accounted for using the pooling of interest method. Under US GAAP the original formation of AngloGold did not qualify as a "pooling of interest" and therefore the formation transaction was accounted for as a business combination. Subsequent acquisitions have been accounted for as business combinations under both IAS and US GAAP.

Both IAS and US GAAP require purchase consideration to be allocated to the net assets acquired at their fair value on the date of acquisition. Under IAS any excess of the purchase price over the fair value of the attributable mineral reserves and net assets is recognised as goodwill. Goodwill which represents resources is amortised on a systematic basis which recognises the depletion of resources over the lesser of the LOM or 20 years.

Under US GAAP the purchase consideration is allocated to the net assets acquired according to the assets and liabilities respective fair value, including mineral reserves which is amortised over the LOM. Where the purchase price cannot be attributed to the assets acquired, it is allocated to goodwill and amortised on a straight line basis over the lesser of the LOM or 20 years until 31 December 2001. In accordance with the provisions of SFAS 142 goodwill is no longer amortised but reviewed annually for impairment effective from 1 January 2002.

In cases where trade equity securities are exchanged as consideration, IAS requires the fair value of the consideration to be determined based on market value at the date of the exchange transaction. The date of acquisition is considered to be when effective control over the acquired assets and liabilities is obtained.

US GAAP requires that the fair value of such transaction be determined, at the date the terms and conditions of the transaction are agreed to and announced, based on the average trading price of a few days before and after the acquisition is agreed to and announced.

II IAS exceptional loss reversed

Represents the reversal of the loss on disposal of the Free State assets recorded in IAS in 2002. Under US GAAP the value of the Free State assets were written down in 2001 to the net selling price per the sale agreement.

III Post-retirement medical benefits

Under IAS, post-retirement medical benefits are accounted for in accordance with the provisions of IAS 19. Under US GAAP these benefits are accounted in accordance with the provision of SFAS 106.

Under IAS, only the contractual liability for post-retirement is accounted for. Under US GAAP both the contractual and the liability in excess of contributions made by plan members are accounted for.

IV Normandy transaction costs

Under IAS the transaction costs relating to the Normandy bid were charged to share premium. Under US GAAP these expenses are expensed as an aborted business combination.

V Other

Other consists of other differences between IAS and US GAAP that are considered insignificant to be quantified individually.

VI Income taxes

Reflects the tax impact of the differences between IAS and US GAAP.

VII Hedge accounting

The \$10m (net of provision for deferred taxation of \$2m) cumulative effect of change in accounting policy represents the transitional adjustment resulting from the adoption of SFAS 133 on 1 January 2001. In accordance with IAS 39, such adjustments are recorded to opening retained earnings.

Supplemental information to the condensed consolidated financial statements.

Glossary of terms

By-products	Any products that arise from the core process of producing gold, including silver, uranium and sulphuric acid.
Capital employed	Equity plus minority interests, interest-bearing debt, less long-term loans. Where average capital employed is referred to, this is the average of the figures at the beginning and the end of the financial year.
Capital expenditure	Total capital expenditure on mining assets to both maintain and expand operations.
Dividend cover	Headline earnings before unrealised non-hedge derivatives per ordinary share divided by dividends per ordinary share.
Debt	Borrowings including short-term portion.
Effective tax rate	Current and deferred taxation as a percentage of profit on ordinary activities before taxation.
EBITDA	Profit before exceptional items and before interest paid, interest received, growth in the Environmental Trust fund, amortisation of mining assets, foreign exchange gain (loss) on transactions other than sales and unrealised non-hedge derivatives.
Equity	Shareholders' equity adjusted for other comprehensive income and deferred taxation. Where average equity is referred to, this is calculated by averaging the figures at the beginning and the end of the financial year.
Grade	The quantity of gold contained within a unit weight of gold bearing material generally expressed in ounces per short ton of ore (oz/t), or grams per metric tonne (g/t).
Interest cover	EBITDA divided by finance costs.
Life-of-mine (LOM)	Number of years that the operation is planning to mine and treat ore, and is taken from the current mine plan.
Market capitalisation	Number of ordinary shares in issue at close of business on 31 December multiplied by the closing share price as quoted on the JSE Securities Exchange South Africa.
Mineral Resource	A Mineral Resource is a concentration or occurrence of material of economic interest in or on the earth's crust in such form, quality and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a mineral resource are known, estimated from specific geological evidence and knowledge, or interpreted from a well-constrained and portrayed geological model. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. The Mineral Resources are inclusive of those resources which have been modified to produce Ore Reserves.
Net operating assets	Mining assets, inventories, trade and other receivables less trade and other payables.
Net debt	Debt less cash and cash equivalents.
Operating margin %	Operating profit (excluding unrealised non-hedge derivatives) as a percentage of gold income including realised non-hedge derivatives.
Ore Reserves	An Ore Reserve is the economically mineable material derived from a measured and/or indicated Mineral Resource. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments have been carried out, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore reserves and Proved Ore Reserves.

Ounces (oz) (troy)

Used in imperial statistics. A kilogram is equal to 32.1507 ounces.

Rehabilitation

The process of restoring mined land to allow an appropriate post-mining use. Rehabilitation standards are determined amongst others by the South African Department of Minerals and Energy, the US Bureau of Land Management, the US Environmental Protection Agency, and the Australian Minerals Industry Code for Environmental Management, and address ground and surface water, topsoil, final slope gradient, waste handling and re-vegetation issues.

Region

Defines the operational management divisions within AngloGold and these are South Africa, East and West Africa, Australia, North America and South America.

Return on capital

Headline earnings before unrealised non-hedge derivatives and before finance costs expressed as a percentage of average capital employed, adjusted for the timing of acquisitions and disposals.

Return on equity

Headline earnings before unrealised non-hedge derivatives expressed as a percentage of the average equity, adjusted for the timing of acquisitions and disposals.

Total cash costs

Total cash costs include site costs for all mining, processing and administration, as well as contributions from by-products and are inclusive of royalties and, production taxes. Amortisation, rehabilitation, corporate administration, retrenchment, capital and exploration costs are excluded.

Total production costs

Total cash costs including amortisation, retrenchment, rehabilitation and other non-cash costs. Corporate administration, capital and exploration costs are excluded.

Weighted average number of ordinary shares in issue

The number of ordinary shares in issue at the beginning of the year, increased by shares issued during the year, weighted on a time basis for the period during which they have participated in the income of the group.

Ordinary shares were sub-divided at close of business on 24 December 2002 on a 2:1 basis. All references to ordinary shares, and related calculations have been restated to take cognisance of this sub-division.

Abbreviations

\$	United States dollars	m ² /TEC	Square metres per total employee costed
A\$	Australian dollars	m	Metre or million, depending on the context
ADS	American Depositary Share	Moz	Million ounces
bn	Billion	Mt	Million tonnes or tons
Capex	Capital expenditure	Mtpa	Million tonnes/tons per annum
CHF	Swiss Francs	N\$	Namibian dollars
CLR	Carbon Leader Reef	NOSA	National Occupational Safety Association
FCFA	Communauté Financière Africaine Francs	oz	Ounces (troy)
FIFR	Fatal Injury Frequency Rate per million hours worked	oz/t	Ounces per ton
g	Grams	R or ZAR	South African rands
g/t	Grams per tonne	RIFR	Reportable Injury Frequency Rate per million hours worked.
g/TEC	Grams per total employee costed	t	Tons (short) or tonnes (metric)
kg	Kilograms	tpa	Tonnes per annum
Libor	London interbank offer rate	tpd	Tonnes per day
LOM	Life-of-mine	tpm	Tonnes per month
LTIFR	Lost Time Injury Frequency Rate per million hours worked	VCR	Ventersdorp Contact Reef

Note that AngloGold utilises the strictest definition in reporting Lost Time Injuries in that it includes all Disabling Injuries (where an individual is unable to return to his place of regular work the next calendar day after the injury) and Restricted Work Cases (where the individual may be at work, but unable to perform full or regular duties on the next calendar day after the injury) within this definition.

Shareholders' information

Stock exchange listings

The primary listing of the company's ordinary shares is on the JSE Securities Exchange South Africa (JSE). Its ordinary shares are also listed on stock exchanges in London and Paris, as well as being quoted in Brussels in the form of International Depositary Receipts (IDRs), in New York in the form of American Depositary Shares (ADSs) and in Australia, in the form of Clearing House Electronic Subregister System Depositary Interests (CDIs).

All information has been restated to take cognisance of the sub-division of AngloGold's ordinary shares.

STOCK EXCHANGE INFORMATION AS AT 31 DECEMBER

		2002	2001	2000	1999	1998
JSE						
Rands per share:						
Market price	– high	347.00	248.00	192.50	214.00	180.80
	– low	200.00	104.20	93.00	112.50	83.70
	– year end	290.50	211.00	110.50	158.30	114.60
Shares traded	– 000	117,543	91,318	49,804	63,574	36,502
London Stock Exchange						
Pounds per share:						
Market price	– high	23.26	13.90	17.76	20.86	17.68
	– low	4.20	9.13	8.57	11.43	10.05
	– year end	10.54	12.09	9.73	16.00	11.71
Shares traded	– 000	8,643	18,862	4,984	6,625	24,412
Euronext Paris						
Euros per share: (1998: French francs per share)						
Market price	– high	37.73	25.00	28.90	34.30	169.40
	– low	18.78	14.26	14.10	16.62	94.95
	– year end	33.00	19.53	15.93	25.45	110.55
Shares traded	– 000	1,917	1,678	1,894	2,824	2,874
Euronext Brussels						
Euros per share: (1998: Belgian francs per IDR)						
Market price	– high	37.50	24.90	24.98	34.10	1,030.00
	– low	32.00	14.52	14.28	16.75	575.00
	– year end	32.05	20.25	15.93	25.43	699.00
IDRs traded	– 000	3,138	1,638	2,004	5,270	4,546
IDRs sub-divided in line with sub-division of AngloGold ordinary shares.						
Each IDR is equal to one ordinary share.						
New York Stock Exchange						
(listing commenced 5 August 1998)						
US dollars per ADS:						
Market price	– high	35.33	22.34	28.69	37.00	31.00
	– low	17.62	13.15	12.25	18.31	16.00
	– year end	34.26	18.06	14.94	25.69	19.56
ADSs traded	– 000	210,933	106,231	46,940	41,355	14,213
Each ADS is equal to one ordinary share.						
Australian Stock Exchange						
(listing commenced 15 November 1999)						
Australian dollars per CDI:						
Market price	– high	12.00	8.00	8.68	8.90	–
	– low	7.00	4.80	4.75	7.10	–
	– year end	12.00	7.55	5.48	7.64	–
CDIs traded	– 000	6,758	62,576	17,830	4,870	–
Each CDI is equal to one-fifth of one ordinary share.						

Australian Stock Exchange Listing Rules

The following disclosures are made pursuant to the Listing Rules of the Australian Stock Exchange and according to information available to the directors:

THE 20 LARGEST HOLDERS OF THE ORDINARY SHARE CAPITAL OF THE COMPANY AS AT 31 JANUARY 2003 WERE:

	Ordinary shares held	
	Number	%
Anglo American plc	114,457,368	51.40
The Bank of New York	30,708,963	13.79
ANZ Nominees Limited	12,063,027	5.42
JP Morgan Chase Bank	10,134,377	4.55
PIC Equity	5,900,230	2.65
Soges Fiducem	4,150,896	1.86
State Street Bank and Trust Company	3,190,788	1.43
Mineworkers Pension and Provident Fund	2,089,753	0.94
Sanlam Group	2,033,308	0.91
Old Mutual Group	1,906,871	0.86
SIS Segaintersettle AG	1,524,527	0.68
Société Interprofessionnell Pour La Compensation Des Valeurs Mobilières a/c Sicovam	1,376,514	0.62
National Nominees Limited	1,375,432	0.62
Liberty Group	1,231,769	0.55
RMB Group	1,138,929	0.51
Standard Bank Group	1,080,609	0.49
Deutsche Bank	1,059,841	0.48
Prudential Group	998,859	0.45
Investment Solutions	852,302	0.38
Citibank	794,581	0.36
Total	198,068,944	88.95

The above list of shareholders may not necessarily reflect the beneficial shareholders.

ANALYSIS OF ORDINARY SHAREHOLDINGS AT 31 JANUARY 2003

Size of holding	Number of shareholders	% of total shareholders	Number of shares	% of shares issued
1 – 100	5,180	31.80	330,357	0.15
101 – 500	5,914	36.32	1,183,188	0.53
501 – 1,000	1,951	11.98	890,965	0.40
1,001 – 5,000	2,345	14.40	2,814,508	1.26
5,001 – 10,000	363	2.23	1,753,828	0.79
10,001 – 100,000	434	2.67	12,512,578	5.62
Over 100,000	97	0.60	203,201,898	91.25
Total	16,284	100.00	222,687,322	100.00

Shareholder spread as at 24 February 2003

Pursuant to the Listings Requirements of the JSE Securities Exchange South Africa, with the best knowledge of the directors and after reasonable enquiry, the spread of shareholders was as follows:

Class	Number of holders	%
Ordinary shares		
Non-public shareholders:		
Directors	5	0.03
Shares held by Anglo American plc	1	0.01
Public shareholders	16,278	99.96
Total	16,284	100.00

A redeemable preference shares }
 B redeemable preference shares } All shares are held by a wholly-owned subsidiary company

Major shareholders as at 24 February 2003

According to information available to the directors, the following are the only shareholders beneficially holding, directly or indirectly, in excess of 5% of the ordinary share capital of the company:

	24 February 2003		Ordinary shares held		31 December 2001	
	Number	%	31 December 2002		Number	%
			Number	%		
Anglo American plc	114,457,368	51.40	114,457,368	51.41	114,457,368	53.17
The Bank of New York*	41,861,108	18.80	39,879,957	17.91	30,104,646	13.98

* Shares held through various custodians in respect of ADSs issued by the Bank.

Voting rights

The articles of association provide that every member present at a meeting in person or, in the case of a body corporate, represented, is entitled to one vote only on a show of hands. Upon a poll, members present or any duly appointed proxy shall have one vote for every share held. There are no limitations on the right of non-South African shareholders to hold or exercise voting rights attaching to any shares of the company. CDI holders are not entitled to vote in person at meetings, but may vote by way of proxy.

Options granted in terms of share incentive schemes do not carry a right to vote.

Diary

Financial year end	31 December
Annual financial statements issued	27 March 2003
Annual general meeting	11:00 on 30 April 2003
Quarterly reports released	
Quarter ended 31 March 2003	30 April 2003
Quarter and six months ended 30 June 2003	31 July 2003
Quarter and nine months ended 30 September 2003	31 October 2003
Quarter and year ended 31 December 2003	30 January 2004

Dividends

	Declared	Last date to trade ordinary shares cum dividend	Payment date to shareholders	Payment date to ADS holders
Final – No. 93	30 January 2003	14 February 2003	28 February 2003	10 March 2003
Final – No. 94	30 July 2003*	15 August 2003*	29 August 2003*	12 September 2003*
Final – No. 95	29 January 2004*	13 February 2004*	27 February 2004*	12 March 2004*

* Approximate dates.

Currency conversion guide

At 31 December one rand was equal to:

	2002	2001
Australian dollar	0.20	0.16
Euro	0.11	0.09
Japanese yen	13.72	10.83
Swiss franc	0.16	0.14
UK pound	0.07	0.06
US dollar	0.12	0.08

Directorate and administration

AngloGold Limited

Registration No. 1944/017354/06
Incorporated in the Republic of
South Africa
ISIN: ZAE000043485
JSE Share code: ANG

Directors

EXECUTIVE

R M Godsell (Chief Executive Officer)
J G Best
D L Hodgson
K H Williams

NON-EXECUTIVE

R P Edey* (Chairman)
Dr T J Motlatsi (Deputy Chairman)
F B Arisman[#]
Mrs E le R Bradley
C B Brayshaw
Dr V K Fung[#]
A W Lea (Alternate: P G Whitcutt)
W A Nairn (Alternate: A H Calver*)
J Ogilvie Thompson (Alternate:
D D Barber)
N F Oppenheimer
A J Trahar

* British # American

MANAGING SECRETARY
Ms Y Z Simelane

COMPANY SECRETARY
C R Bull

Offices

REGISTERED AND CORPORATE
11 Diagonal Street
Johannesburg 2001
(PO Box 62117, Marshalltown 2107)
South Africa
Telephone: +27 11 637 6000
Fax: +27 11 637 6624

AUSTRALIA
Level 13
St Martins Tower
44 St George's Terrace
Perth, WA 6000
(PO Box Z5046, Perth WA 6831)
Australia
Telephone: +61 8 9425 4604
Fax: +61 8 9425 4662

UNITED KINGDOM SECRETARIES
St James's Corporate Services Limited
6 St James's Place
London SW1A 1NP
England
Telephone: +44 20 7499 3916
Fax: +44 20 7491 1989

Share registrars

SOUTH AFRICA
Computershare Investor Services Limited
Ground Floor, 70 Marshall Street
Johannesburg 2001
(PO Box 61051, Marshalltown 2107)
South Africa
Telephone: +27 11 370 7700
Fax: +27 11 688 7719

UNITED KINGDOM
Computershare Investor Services PLC
PO Box 82
The Pavilions,
Bridgwater Road
Bristol BS99 7NH
England
Telephone: +44 870 702 0001
Fax: +44 870 703 6119

AUSTRALIA
Computershare Investor Services
Pty Limited
Level 2, 45 St George's Terrace
Perth, WA 6000
(GPO Box D182 Perth WA 6840)
Australia
Telephone: +61 8 9323 2000
Telephone: 1300 55 7010 (in Australia)
Fax: +61 8 9323 2033

ADR Depository

The Bank of New York
101 Barclay Street
22nd Floor
New York, NY 10286
United States of America
Telephone: +1 888 269 2377
Fax: +1 212 571 3050/3052

GLOBAL BUYDIRECTSM

The Bank of New York maintains a direct
share purchase and dividend reinvestment
plan for AngloGold.

For additional information, please visit
The Bank of New York's website at
www.globalbuydirect.com or call
Shareholder Relations at 1-888-BNY-ADRS
or write to:
The Bank of New York
Church Street Station
PO Box 11258
New York, NY 10286-1258
United States of America

Authorised representative

UNITED STATES OF AMERICA
Puglisi & Associates
850 Library Avenue, Suite 204
PO Box 885
Newark, Delaware 19715
United States of America
Telephone: +1 302 738 6680
Fax: +1 302 738 7210

Contact information

South Africa

STEVE LENAHAH

Telephone: +27 11 637 6248

Fax: +27 11 637 6247

E-mail: slenahan@anglogold.com

PETA BALDWIN

Telephone: +27 11 637 6647

Fax: +27 11 637 6399

E-mail: pbaldwin@anglogold.com

11 Diagonal Street

Johannesburg 2001

(PO Box 62117, Marshalltown 2107)

South Africa

Europe/Asia

TOMASZ NADROWSKI

Telephone: (800) 417 9255 (toll free in
USA and Canada) or +1 212 750 7999

Fax: +1 212 750 5626

E-mail: tnadrowski@anglogold.com

509 Madison Avenue

Suite 1914

New York, NY 10022

United States of America

United States of America

CHARLES CARTER

Telephone: (800) 417 9255 (toll free in
USA and Canada) or +1 212 750 7999

Fax: +1 212 750 5626

E-mail: cecarter@anglogold.com

509 Madison Avenue

Suite 1914

New York, NY 10022

United States of America

Australia

ANDREA MAXEY

Telephone: + 61 8 9425 4604

Fax: + 61 8 9425 4662

E-mail: amaxe@anglogold.com.au

Level 13

St Martins Tower

44 St George's Terrace

Perth, WA 6000

(PO Box Z5046, Perth WA 6831)

Australia

Comments, questions and suggestions
on AngloGold's market development
programme may be directed to:

KELVIN WILLIAMS

Telephone: +27 11 637 6298

Fax: +27 11 637 6283

E-mail: khwilliams@anglogold.com

11 Diagonal Street

Johannesburg 2001

(PO Box 62117, Marshalltown, 2107)

South Africa

GENERAL E-MAIL ENQUIRIES

investors@anglogold.com

ANGLOGOLD WEBSITE

<http://www.anglogold.com>

This Annual Report is available in printed format from the contacts whose details appear above or on the Internet at the abovementioned website address. In addition, AngloGold has produced the Form 20-F (a report required by the Securities and Exchange Commission in the United States), copies of which are available on or about 31 March 2003, free of charge on EDGAR at www.sec.gov, or from the abovementioned contacts.

Supplementary information on Mineral Resources, Ore Reserves and development, prepared on a business unit basis, are obtainable from the above sources as well as in PDF format on the AngloGold website. Plans of the South Africa region underground workings are also available on request.



ANGLO GOLD LIMITED

Notice of annual
general meeting **2003**



*AngloGold Limited
(Incorporated in the
Republic of South Africa)
Registration number 1944/017354/06
ISIN: ZAE000043485
JSE Share code: ANG
("AngloGold" or "the company")*

**This document is important
and requires your immediate
attention**

If you are in any doubt about what action
you should take, consult your
stockbroker, attorney, banker, financial
adviser, accountant or other professional
adviser immediately

If you have disposed of all your shares in
AngloGold you should pass this
document and the enclosed proxy form/
voting instruction form/CDI voting
instruction form to the purchaser of such
shares or the stockbroker, banker or other
agent through whom the disposal was
effected for transmission to the purchaser

*Registered and corporate office
11 Diagonal Street,
Johannesburg, 2001
(PO Box 62117
Marshalltown, 2107)
South Africa*

AngloGold Limited

Annual General Meeting

INVITATION

Wednesday, 30 April 2003
11:00

The Johannesburg Country Club
Napier Road
Auckland Park
Johannesburg
South Africa

Included in this document are the following:

- ✧ The notice of meeting setting out the resolutions to be proposed, together with explanatory notes. There are also guidance notes if you wish to attend the meeting (for which purpose an AGM location map is included) or to vote by proxy.
- ✧ Proxy form for completion, signature and submission to the share registrars by shareholders holding AngloGold ordinary shares in certificated form or recorded in sub-registered electronic form in “own name”.
- ✧ Voting instruction form for completion, signature and submission by shareholders on the South African register who have dematerialised through STRATE their AngloGold ordinary shares, other than those whose shareholding is recorded in their “own name” in the sub-register maintained by their Central Securities Depository Participant (CSDP) or broker. **If, however, such shareholders wish to attend the meeting in person, then they will need to request their CSDP or broker to provide them with the necessary authority in terms of the custody agreement entered into between the dematerialised shareholder and the CSDP or broker.**
- ✧ CDI voting instruction form for completion, signature and submission by Australian holders of Chess Depository Interests (CDIs).

A copy of the annual report, incorporating the annual financial statements, for the financial year 2002 is also enclosed.

Notice of annual general meeting

Notice is hereby given that the 59th annual general meeting of shareholders of AngloGold Limited will be held at The Johannesburg Country Club, Napier Road, Auckland Park, Johannesburg, South Africa on Wednesday, 30 April 2003, at 11:00, to consider and, if deemed fit, to pass, with or without modification, the following ordinary and special resolutions in the manner required by the Companies Act, 61 of 1973, as amended, and subject to the Listings Requirements of the JSE Securities Exchange South Africa and other stock exchanges on which the company's ordinary shares are listed.

Ordinary business

1. ORDINARY RESOLUTION NUMBER 1

Adoption of financial statements

"Resolved that the consolidated audited annual financial statements of the company and its subsidiaries, incorporating the auditors' and directors' reports for the year ended 31 December 2002, be received and adopted."

The reason for proposing ordinary resolution number 1 is to receive and adopt the consolidated annual financial statements of the company and its subsidiaries for the last completed financial year. These are contained within the annual report.

2. ORDINARY RESOLUTION NUMBER 2

Re-election of director

"Resolved that Mr F B Arisman who retires in terms of the Articles of Association, and who is eligible and available for re-election, is hereby re-elected as a director of the company."

The reason for proposing ordinary resolution number 2 is because Mr F B Arisman retires as a director of the company by rotation at the meeting.

Frank Arisman, (58) MSc (Finance), was appointed to the AngloGold board in April 1998. He resides in New York and is managing director of J P Morgan Chase, a company he joined in 1972.

3. ORDINARY RESOLUTION NUMBER 3

Re-election of director

"Resolved that Mr R P Edey who retires in terms of the Articles of Association, and who is eligible and available for re-election, is hereby re-elected as a director of the company."

The reason for proposing ordinary resolution number 3 is because Mr R P Edey retires as a director of the company by rotation at the meeting.

Russell Edey, (60) FCA, was appointed to the AngloGold board in April 1998 and as deputy chairman in December 2000. In May 2002 he was appointed chairman when Mr R M Godsell relinquished this office. Based in the United Kingdom, he is deputy chairman of N M Rothschild Corporate Finance and a director of a number of other companies.

4. ORDINARY RESOLUTION NUMBER 4

Re-election of director

"Resolved that Mr R M Godsell who retires in terms of the Articles of Association, and who is eligible and available for re-election, is hereby re-elected as a director of the company."

The reason for proposing ordinary resolution number 4 is because Mr R M Godsell retires as a director of the company by rotation at the meeting.

Bobby Godsell, (50) BA, MA, was appointed to the AngloGold board as chief executive officer in April 1998 and as chairman in December 2000. He relinquished his role as chairman of AngloGold in May 2002. He has 29 years

of service with companies associated with the mining industry, and has served as a non-executive director of Anglo American plc since March 1999. He is also the immediate past chairman of the World Gold Council.

5. ORDINARY RESOLUTION NUMBER 5

Re-election of director

"Resolved that Dr T J Motlatsi who retires in terms of the Articles of Association, and who is eligible and available for re-election, is hereby re-elected as a director of the company."

The reason for proposing ordinary resolution number 5 is because Dr T J Motlatsi retires as a director of the company by rotation at the meeting.

James Motlatsi, (51) Hon D Soc Sci (Lesotho), was appointed to the AngloGold board in April 1998 and as deputy chairman in May 2002 upon Russell Edey being appointed chairman. He has been associated with the South African mining industry since 1970, and is the immediate past president of the National Union of Mineworkers. He is also chief executive officer of TEBA Limited.

6. ORDINARY RESOLUTION NUMBER 6

Placement of shares under the control of the directors

"Resolved that subject to the provisions of the Companies Act, 61 of 1973, as amended, and the Listings Requirements of the JSE Securities Exchange South Africa, the directors are hereby authorised to allot and issue in their discretion all the remaining authorised but unissued ordinary shares of 25 cents each in the capital of the company for such purposes as they may determine, after setting aside so many shares as may be required to be allotted and issued by the company pursuant to The AngloGold Limited Share Incentive Scheme."

The reason for proposing ordinary resolution number 6 is to seek a general authority placing the unissued ordinary shares of the company under the control of the directors. The directors consider it advantageous to renew this authority to enable the company to take advantage of any business opportunity which might arise in the future.

7. **ORDINARY RESOLUTION NUMBER 7**
Issuing of shares for cash

"Resolved that in terms of the Listings Requirements of the JSE Securities Exchange South Africa (JSE), the directors are hereby authorised to issue the unissued ordinary shares of 25 cents each in the capital of the company (after setting aside so many shares as may be required to be allotted and issued by the company pursuant to The AngloGold Limited Share Incentive Scheme) for cash, without restrictions to any public shareholder, as defined by the JSE Listings Requirements, as and when suitable opportunities arise, subject to the following conditions:

- (a) that this authority shall only be valid until the next annual general meeting but shall not extend beyond 15 months;
- (b) that a paid press announcement giving full details, including the impact on net asset value and earnings per share, be published after any issue representing, on a cumulative basis within one financial year, 5% or more of the number of shares in issue prior to the issue concerned;
- (c) that the issues in the aggregate in any one financial year shall not exceed 15% of the number of shares of the company's issued ordinary share capital; and

- (d) that, in determining the price at which an issue of shares for cash will be made in terms of this authority, the maximum discount permitted shall be 10% of the weighted average traded price of the ordinary shares on the JSE (adjusted for any dividend declared but not yet paid or for any capitalisation award made to shareholders), over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors of the company."

The reason for proposing ordinary resolution number 7 is to comply with the JSE Listings Requirements relating to the issue of shares for cash. The directors consider it advantageous to renew this authority to enable the company to take advantage of any business opportunity which might arise in the future.

A 75% majority is required of the votes cast by shareholders present or represented by proxy at the meeting for the approval of this ordinary resolution.

Special business

8. **SPECIAL RESOLUTION NUMBER 1**

Acquisition of company's own shares

"Resolved that by way of a general authority, the company and any of its subsidiaries from time to time (the subsidiaries), being authorised thereto by the articles of association of respectively the company and the subsidiaries, hereby approve the acquisition in terms of Section 85 of the Companies Act, 61 of 1973, as amended, (the Act) and the Listings Requirements of the JSE Securities Exchange South Africa (JSE) from time to time (the Listings Requirements) by the company of shares issued by the company, and the acquisition in terms of Section 89 of the Act and the Listings

Requirements by the subsidiaries of shares issued by the company, provided that:

- any such acquisition of shares shall be implemented on the open market of the JSE and/or on the open market of any other stock exchange on which the shares are listed or may be listed and on which the company may, subject to the approval of the JSE and any other stock exchange as necessary, wish to effect such acquisition of shares;
- this approval shall be valid only until the next annual general meeting of the company, but may be varied or revoked by special resolution by any general meeting of the company at any time prior to such annual general meeting;
- an announcement containing details of such acquisitions will be published as soon as the company, or the subsidiaries collectively, shall have acquired shares issued by the company constituting, on a cumulative basis, not less than 3% of the number of shares in the company in issue as at the date of this approval; and an announcement containing details of such acquisitions will be published in respect of each subsequent acquisition by either the company, or by the subsidiaries collectively, as the case may be, of shares issued by the company, constituting, on a cumulative basis, not less than 3% of the number of shares in the company in issue as at the date of this approval;
- the company, and its subsidiaries collectively, shall not in any financial year be entitled to acquire shares issued by the company constituting, on a cumulative basis, more than 20% of the number of shares in the company in issue as at the date of this approval;

- shares issued by the company may not be acquired at a price greater than 10% above the weighted average market price of the company's shares for the five business days immediately preceding the date of the relevant acquisition."

The reason for this special resolution is to grant the directors of the company a general authority for the acquisition of the company's shares by the company, or by a subsidiary of the company.

The effect of this special resolution will be to authorise the directors of the company to procure that the company or any of its subsidiaries may purchase shares issued by the company on the JSE or any other stock exchange on which the company's shares are or may be listed.

The directors, after considering the effect of a repurchase, up to the maximum limit, of the company's issued shares, are of the opinion that if such repurchases were implemented:

- the company and the group will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of the notice issued in respect of the annual general meeting;
- the assets of the company and the group will be in excess of the liabilities of the company and the group for a period of 12 months after the date of the notice issued in respect of the annual general meeting. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited group annual financial statements;
- the ordinary capital and reserves of the company and the group will be adequate for a period of 12 months after the date of notice issued in respect of the annual general meeting; and
- the working capital of the company and the group will be adequate for a period of 12 months after the date of notice

issued in respect of the annual general meeting.

At the present time the directors have no specific intention with regard to the utilisation of this authority which will only be used if the circumstances are appropriate.

AngloGold will ensure that its sponsor provides the necessary sponsor letter on the adequacy of the working capital in terms of section 2.14 of the JSE Listings Requirements prior to the commencement of any purchases of AngloGold's shares on the open market.

9. SPECIAL RESOLUTION NUMBER 2

Amendment to articles of association
"Resolved that the articles of association are hereby amended by the deletion therefrom of the present sub-article 63.1 and the substitution in place thereof of the following new sub-article 63.1:

"on a show of hands, every member present in person and entitled to vote shall have only one vote irrespective of the number of shares he holds or represents; and"

The reason for proposing this special resolution is to delete from the sub-article an erroneous inclusion of a provision in terms of which a member present by proxy at a general meeting of the company is able to vote on a show of hands. This change is necessary to bring sub-article number 63.1 in line with sub-article 67.2 which provides that a proxy "shall be entitled to vote on a poll only."

The effect of this special resolution will be to amend the articles of association to remove the inconsistency between sub-articles 63.1 and 67.2 and to provide for only those shareholders present in person at a general meeting of the company being able to vote on a show of hands.

Voting instructions

A shareholder entitled to attend and vote at the annual general meeting may appoint one or more proxies to attend,

speak and, on a poll, vote in his/her stead. A proxy need not be a shareholder of the company. A form of proxy/voting instruction form/CDI voting instruction form, accompanies this notice.

As Monday 28 April 2003 is a public holiday in South Africa, duly completed proxy forms must be received by the share registrars by no later than 11:00 (South African time) on Friday, 25 April 2003.

Duly completed CDI voting instruction forms must be received by the share registrars in Perth, Australia, by 11:00 (Perth time) on Thursday, 24 April 2003.

The attention of shareholders is directed to the additional notes contained in the form of proxy and the CDI voting instruction form, relating to the completion and timeous submission of such forms.

Shareholders who have already dematerialised their shares in the company (other than those shareholders whose shareholding is recorded in their own name in the sub-register maintained by their Central Securities Depository Participant (CSDP) or broker) may use the enclosed voting instruction form for the purpose of advising their CSDP or broker of their voting instructions. Shareholders should contact their CSDP or broker with regard to the cut-off time for lodging of voting instruction forms. If, however, such shareholders wish to attend the annual general meeting in person, they will need to request their CSDP or broker to provide them with the necessary authority in terms of the custody agreement entered into between them and the CSDP or broker.

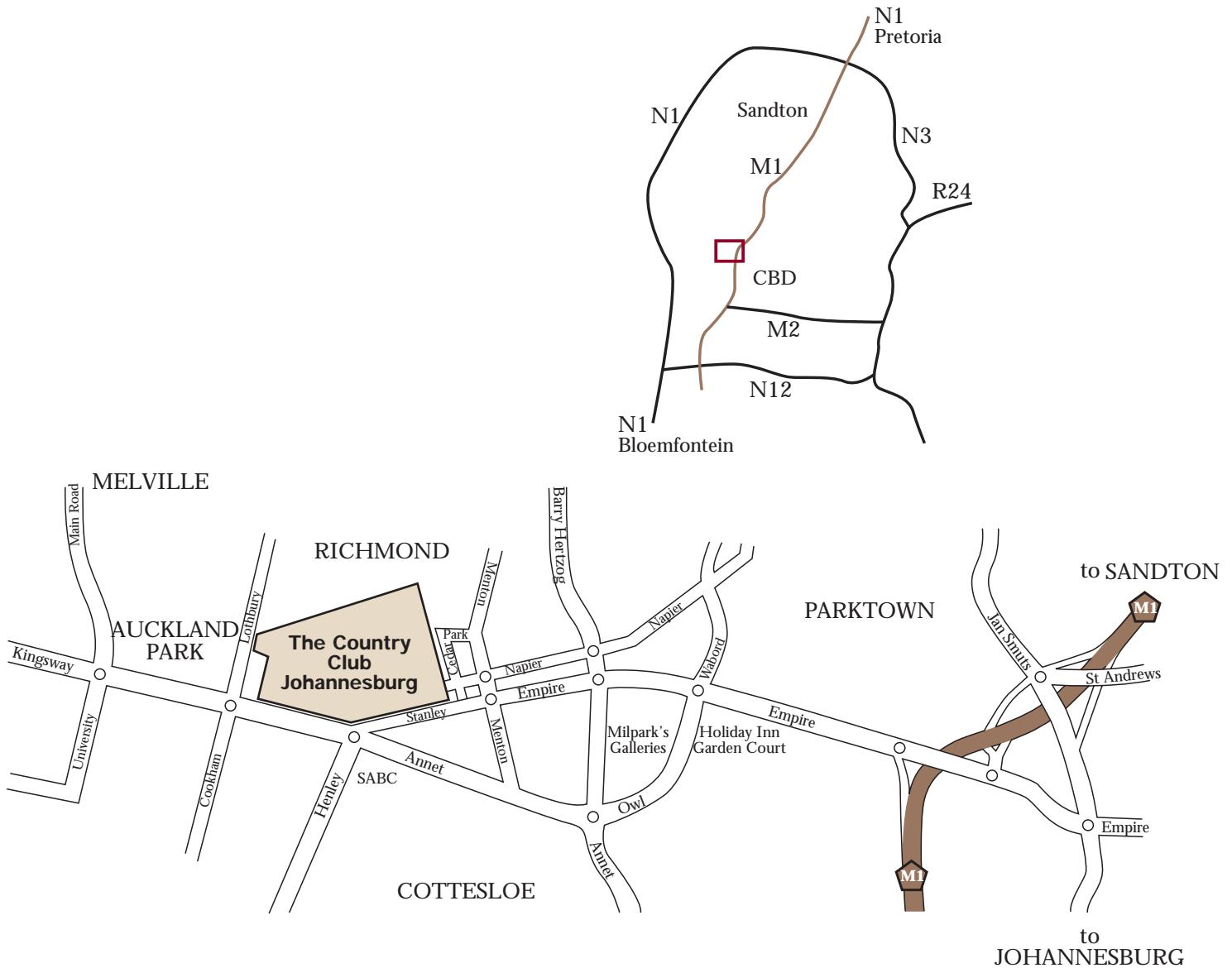
By order of the board

Ms Y Z Simelane
Managing Secretary

Johannesburg
27 March 2003

Registered and corporate office
11 Diagonal Street
Johannesburg
2001
South Africa

MAP

**Important notes about the annual general meeting (AGM)****Date**

Wednesday, 30 April 2003 at 11:00

Venue

The Johannesburg Country Club,
Napier Road,
Auckland Park,
Johannesburg,
South Africa.

Timing

The AGM will start promptly at 11:00.

Travel information

The outline map above indicates the location of The Johannesburg Country Club.

Admission

Shareholders and others attending the AGM are asked to register at the registration desk at the venue. Shareholders and proxies may be required to provide proof of identity.

Security

Secured parking is provided at the venue. Mobile telephones should be switched off during the AGM.

Enquiries and questions

Shareholders who intend to ask a question related to the business of the AGM or on related matters are asked to register their name, address and question(s) at the registration desk. Personnel will be on hand to provide any advice and assistance required.

Queries about annual general meeting

If you have any queries about the AGM please telephone any of the contact names listed on page 144 of the accompanying annual report.



ANGLOGOLD LIMITED
(Incorporated in the Republic of South Africa)
Registration number 1944/017354/06
ISIN: ZAE00043485 JSE Share Code: ANG

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AngloGold Limited

Date: 27 MARCH 2003

By: /s/ C R BULL

Name: C R Bull

Title: Company Secretary