AVGOLD

AVGOLD LIMITED
56 Main Street, Johannesburg, 2001
PO Box 62379, Marshalltown, 2107, South Africa
Telephone: (011) 634 9111 Telefax: (011) 634 0038

File No
82-4482
Rule 12(g) 3-2(b)

02034376

25 April 2002

The Office of International Corporate Finance
Securities and Exchange Commission
450 Fifth Street NW
Mail Stop 3-2
Washington DC 20549
United States of America

SUPPL

02 MAY 21 AM 10:5

Attention : Mr Elliot Staffin

Dear Sir

**Report for the quarter ended 31 March 2002**

We enclose the above report for your records, and this has been posted to shareholders.

Yours sincerely
For and on behalf of
Avgold Limited

For S E Sather
Company Secretary

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File No 82-4482

# AVGOLD LIMITED

## ABRIDGED REPORT

for the quarter ended 31 March 2002

**AVGOLD**

- Headline earnings (excluding Target) for the quarter ended 31 March 2002 increased to R8,1 million from R7,9 million in the previous quarter.

**ETC**

- It is with deep regret that the Board reports that a fatal accident occurred at ETC on 18 March 2002.
- Cash costs reduced to US$191/oz (US$212/oz).
- Cash generation for the quarter was R19,6 million.
- Over 200 employees to be retrenched as a result of the ongoing restructuring of the mine at a cost of R3,5 million, which will be expensed during the June 2002 quarter.

**TARGET**

- Mine officially opened on 8 March 2002.
- The Mine Health and Safety Council's 1 000 Fatality-Free Production Shifts Award presented to the mine on 1 March 2002.
- Nearly 42 000 ounces of gold sold over the last quarter; gold production was at an average yield of 5,98g/t. It is anticipated that the capitalisation of revenue and costs will cease during the June 2002 quarter.

**NORTHERN FREE STATE**

- *Exploration drilling programme continuing with results still anticipated during the early part of the next financial year.*

**HEDGE BOOK AT 31 MARCH 2002**

The hedge book represents 56,6% of estimated production to June 2006. Mark to market value was a negative R1 181 million.

| Period ending | | June 2002 | June 2003 | June 2004 | June 2005 | June 2006 |
|---|---|---|---|---|---|---|
| *Dollar forward sales contracts* | | | | | | |
| Quantity sold | kg | | 1 579 | 1 601 | 1 458 | 672 |
| | oz | | 50 769 | 51 481 | 46 885 | 21 620 |
| | US$/oz | | 313 | 298 | 284 | 290 |
| Rand forward sales contracts | | | | | | |
| Quantity sold | kg | 2 585 | 9 179 | 7 830 | 7 679 | 3 730 |
| | oz | 83 111 | 295 096 | 251 733 | 246 876 | 119 923 |
| | R/kg | 80 988 | 83 013 | 85 135 | 94 009 | 100 985 |

## FINANCIAL SUMMARY — UNAUDITED

| | Rand thousands | | US$ thousands | |
|---|---|---|---|---|
| Quarter ended | 31 March 2002 | 31 Dec 2001 | 31 March 2002 | 31 Dec 2001 |
| *Revenue* | 64 885 | 62 670 | 5 585 | 6 362 |
| Costs and expenses | 56 811 | 54 795 | 4 890 | 5 563 |
| Operating profit | 8 074 | 7 875 | 695 | 799 |
| Headline profit | 8 075 | 7 911 | 695 | 803 |
| Headline earnings per share cents | 1 | 1 | - | - |
| Cash generated from/(utilised by) operating activities | 12 366 | (2 102) | 1 247 | (284) |
| Net borrowings | 612 551 | 601 846 | 53 242 | 50 448 |
| Total assets | 3 118 493 | 3 058 128 | 271 055 | 256 339 |
| Shareholders' interest | 2 210 901 | 2 199 786 | 192 169 | 184 391 |

## OPERATING SUMMARY — UNAUDITED

| | | Quarter ended | | |
|---|---|---|---|---|
| | | March 2002 | March 2001 | Dec 2001 |
| *Metric* | | | | |
| Ore milled | tonnes | 74 397 | 80 398 | 84 092 |
| Gold sold | kg | 673 | 689 | 700 |
| Yield | g/t | 9,05 | 8,57 | 8,33 |
| Cash cost | R/kg | 71 462 | 63 123 | 67 139 |
| Non-cash cost | R/kg | 12 906 | 5 852 | 11 108 |
| Total cost | R/kg | 84 368 | 68 975 | 78 247 |
| Gold price realised | R/kg | 91 684 | 79 259 | 89 493 |
| Capital expenditure | R thousands | 26 554 | 151 222 | 214 512 |
| *Imperial* | | | | |
| Ore milled | tons | 82 008 | 88 624 | 92 695 |
| Gold sold | oz | 21 649 | 22 164 | 22 514 |
| Yield | oz/t | 0,26 | 0,25 | 0,24 |
| Cash cost | US$/oz | 191 | 253 | 212 |
| Non-cash cost | US$/oz | 35 | 23 | 35 |
| Total cost | US$/oz | 226 | 276 | 247 |
| Gold price realised | US$/oz | 318 | 317 | 283 |
| Capital expenditure | US$ thousands | 2 286 | 19 454 | 21 777 |

*Note: The results attributable to the Target mine are not included in the above statistics, other than in capital expenditure, as that mine is in a development stage. It is anticipated that the mine will commence its contribution to the Avgold results in the June 2002 quarter.*

On behalf of the board

R P Menell
*Chairman*

D N Murray
*Managing Director*

**Directors:** R P Menell (Chairman), D N Murray* (Managing), D N Campbell*, D D de Beer, J J Geldenhuys, B M Menell, W A Nairn, G S Potgieter*, G J Robbertze, J C Steenkamp, J Thomas (Mrs)
*Executive Directors

**Company secretary:** S E Sather

Johannesburg
*24 April 2002*

AVGOLD LIMITED
(Registered Number 1990/007025/06)
(Incorporated in the Republic of South Africa)
Share code: AVG ISIN: ZAE000012175
56 Main Street, Johannesburg, South Africa 2001
PO Box 62379, Marshalltown, South Africa 2107

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# AVGOLD LIMITED

## VERKORTE VERSLAG

vir die kwartaal geëindig 31 Maart 2002

**AVGOLD**

- Die wesensverdienste (Target uitgesluit) vir die kwartaal geëindig 31 Maart 2002 het van R7,9 miljoen in die vorige kwartaal tot R8,1 miljoen toegeneem.

**ETC**

- Die direksie maak met diepe leedwese bekend dat 'n noodlottige ongeluk op 18 Maart 2002 by ETC plaasgevind het.
- Die kontantkoste is tot VSA\$191/oz (VSA\$212/oz) verminder.
- *Die kontantgenerering vir die kwartaal was R19,6 miljoen.*
- Meer as 200 werknemers gaan gedurende die Junie 2002 kwartaal teen 'n koste van R3,5 miljoen uit diens gestel word as gevolg van die voortgesette herstrukturering van die myn.

**TARGET**

- Die myn is amptelik op 8 Maart 2002 geopen.
- Die Mine Health and Safety Council se toekenning vir 1 000 ongeluksvrye produksieskofte is op 1 Maart 2002 aan die myn toegeken.
- Ongeveer 42 000 ons goud is gedurende die afgelope kwartaal verkoop en goud is teen 'n gemiddelde opbrengs van 5,98g/t geproduseer. Die kapitalisasie van inkomste en koste sal na verwagting gedurende die Junie 2002-kwartaal gestaak word.

**NOORD-VRYSTAAT**

- Die eksplorasieboorprogram duur voort en die resultate word steeds gedurende die eerste helfte van die volgende finansiële jaar verwag.

**SKANSBOEK OP 31 MAART 2002**

Die skansboek behels 56,6% van die beraamde produksie tot Junie 2006. Die waardasie teenoor die markprys was 'n negatiewe R1 181 miljoen.

| Tydperk eindigend | | Junie 2002 | Junie 2003 | Junie 2004 | Junie 2005 | Junie 2006 |
|---|---|---|---|---|---|---|
| Vooruit dollar verkoopskontrakte | | | | | | |
| Hoeveelheid verkoop | kg | | 1 579 | 1 601 | 1 458 | 672 |
| | oz | | 50 769 | 51 481 | 46 885 | 21 620 |
| | VSA\$/oz | | 313 | 298 | 284 | 290 |
| Vooruit rand verkoopskontrakte | | | | | | |
| *Hoeveelheid verkoop* | kg | 2 585 | 9 179 | 7 830 | 7 679 | 3 730 |
| | oz | 83 111 | 295 096 | 251 733 | 246 876 | 119 923 |
| | R/kg | 80 988 | 83 013 | 85 135 | 94 009 | 100 985 |

## FINANSIËLE SAMEVATTING — ONGEOUDITEER

| | Rand duisend | | VSA\$ duisend | |
|---|---|---|---|---|
| Kwartaal geëindig | 31 Maart 2002 | 31 Des 2001 | 31 Maart 2002 | 31 Des 2001 |
| Inkomste | 64 885 | 62 670 | 5 585 | 6 362 |
| Koste en uitgawes | 56 811 | 54 795 | 4 890 | 5 563 |
| Bedryfswins | 8 074 | 7 875 | 695 | 799 |
| Wesenswins | 8 075 | 7 911 | 695 | 803 |
| Wesensverdienste per aandeel (sent) | 1 | 1 | – | – |
| Kontantvloei uit bedryfsaktiwiteite/(in bedrywighede aangewend) | 12 366 | (2 102) | 1 247 | (284) |
| Netto lenings | 612 551 | 601 846 | 53 242 | 50 448 |
| Totale bates | 3 118 493 | 3 058 128 | 271 055 | 256 339 |
| Aandeelhouersbelang | 2 210 901 | 2 199 786 | 192 169 | 184 391 |

## BEDRYFSAMEVATTING — ONGEOUDITEER

| | | Kwartaal geëindig | | |
|---|---|---|---|---|
| | | Maart 2002 | Maart 2001 | Des 2001 |
| ***Metriek*** | | | | |
| Erts gemaal | ton | 74 397 | 80 398 | 84 092 |
| Goud verkoop | kg | 673 | 689 | 700 |
| Opbrengs | g/t | 9,05 | 8,57 | 8,33 |
| Kontantkoste | R/kg | 71 462 | 63 123 | 67 139 |
| Nie-kontantkoste | R/kg | 12 906 | 5 852 | 11 108 |
| Totale koste | R/kg | 84 368 | 68 975 | 78 247 |
| Goudprys gerealiseer | R/kg | 91 684 | 79 259 | 89 493 |
| Kapitaalbesteding | R duisend | 26 554 | 151 222 | 214 512 |
| ***Imperiaal*** | | | | |
| Erts gemaal | ton | 82 008 | 88 624 | 92 695 |
| Goud verkoop | oz | 21 649 | 22 164 | 22 514 |
| Opbrengs | oz/t | 0,26 | 0,25 | 0,24 |
| Kontantkoste | VSA\$/oz | 191 | 253 | 212 |
| Nie-kontantkoste | VSA\$/oz | 35 | 23 | 35 |
| Totale koste | VSA\$/oz | 226 | 276 | 247 |
| Goudprys gerealiseer | VSA\$/oz | 318 | 317 | 283 |
| Kapitaalbesteding | VSA\$ duisend | 2 286 | 19 454 | 21 777 |

*Aantekening: Die resultate toeskryfbaar aan die Target-myn is nie by die bogenoemde statistiek ingesluit nie, buiten by kapitaalbesteding, aangesien die myn in 'n ontwikkelingsfase is. Die myn sal na verwagting in die Junie 2002-kwartaal tot Avgold se resultate begin bydra.*

Namens die direksie

**R P Menell**
*Voorsitter*

**D N Murray**
*Besturende direkteur*

**Direkteure:** R P Menell (Voorsitter), D N Murray* (Besturend), D N Campbell*, D D de Beer, J J Geldenhuys, B M Menell, W A Nairn, G S Potgieter*, G J Robbertze, J C Steenkamp, J Thomas (mev)

*Uitvoerende direkteure

**Maatskappysekretaris:** S E Sather

Johannesburg
24 April 2002

AVGOLD LIMITED
(Registrasienommer 1990/007025/06)
(Geïnkorporeer in die Republiek van Suid-Afrika)
Aandelekode: AVG ISIN: ZAE000012175
Mainstraat 56, Johannesburg, Suid-Afrika 2001
Posbus 62379, Marshalltown, Suid-Afrika 2107

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