

ANGLOGOLD LTD
Form 20-F
April 07, 2003

As filed with the Securities and Exchange Commission on April 4, 2003

United States Securities and Exchange Commission

Washington D.C. 20549

Form 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(B) OR 12(G) OF THE SECURITIES EXCHANGE ACT OF 1934 OR
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 OR
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2002

Commission file number: 0-29874

AngloGold Limited

(Exact Name of Registrant as Specified in its Charter)

Republic of South Africa

(Jurisdiction of Incorporation or Organization)

11 Diagonal Street

Johannesburg, 2001

(P.O. Box 62117, Marshalltown, 2107)

South Africa

(Address of Principal Executive Offices)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class of Each Exchange on Which Registered</u>	<u>Name</u>
American Depositary Shares Exchange	New York Stock
Ordinary Shares York Stock Exchange*	New

*Not for trading, but only in connection with the registration of American Depositary Shares pursuant to the requirements of the Securities and Exchange Commission

Securities registered pursuant to Section 12 (g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15 (d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

Ordinary Shares of 25 ZAR cents each 222,622,022*	
A Redeemable Preference Shares of 50 ZAR cents each	2,000,000
B Redeemable Preference Shares of 1 ZAR cent each	778,896

* Reflects the effects of the 2 for 1 split of the ordinary shares of AngloGold Limited which became effective at close of business on December 24, 2002. Concurrently with the stock split, the ratio of ordinary shares to American Depositary Shares has changed to one ordinary share equalling one American Depositary Share.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Yes

No

Indicate by check mark which financial statement item the registrant has elected to follow:

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Presentation of information

AngloGold Limited

In this annual report on Form 20-F, references to AngloGold, the company and the group, are references to AngloGold Limited or, as appropriate, subsidiaries and associate companies.

Financial information

Sub-division of ordinary shares

With effect from close of business on December 24, 2002, AngloGold's ordinary shares were sub-divided on a 2 for 1 basis. All references to ordinary shares, and all related calculations have been restated to take cognizance of this sub-division. In addition, concurrently with the split of ordinary shares, the ratio of ordinary shares to American Depositary Shares has changed to one ordinary share equalling one American Depositary Share.

US GAAP financial statements

The audited consolidated financial statements contained in this annual report on Form 20-F for the years ended December 31, 2002, 2001 and 2000 and as at December 31, 2002 and 2001 have been prepared in accordance with Generally Accepted Accounting Principles in the United States (US GAAP). AngloGold, formerly Vaal Reefs Exploration and Mining Company Limited (Vaal Reefs), was incorporated in South Africa in 1944. The consolidated company - as it is today - was only formed in June 1998. Historically, Vaal Reefs' consolidated financial statements were prepared in accordance with Generally Accepted Accounting Practice in South Africa (SA GAAP). Commencing in 1998 AngloGold prepared consolidated financial statements in accordance with US GAAP.

IAS financial statements

As a company incorporated in the Republic of South Africa, AngloGold also prepares audited consolidated full-year financial statements and unaudited consolidated quarterly financial statements in accordance with International Accounting Standards (IAS) and South African Statements of Generally Accepted Accounting Practice (SA GAAP). These financial statements (referred to as IAS statements) are distributed to shareholders and are submitted to the JSE Securities Exchange South Africa (JSE), as well as the London, New York and Australian stock exchanges and Paris and Brussels bourses and are submitted to the US Securities and Exchange Commission (SEC) on Form 6-K.

Currency

AngloGold presents its consolidated financial statements in United States dollars. In 2001, the group changed its presentation currency from South African rands to United States dollars since the majority of its sales revenues are realized in US dollars.

The consolidated financial statements for the year ended December 31, 2000 and the selected financial information for previous years under "Item 3A.: Selected financial data" have been translated from South African rands into United States dollars in accordance with the provisions of Statements of Financial Accounting Standards No. 52 "Foreign Currency Translation" (SFAS52) as issued by the Financial Accounting Standards Board of the United States (FASB).

In this annual report, references to rands, ZAR and R are to the lawful currency of the Republic of South Africa, references to US dollars or \$ are to the lawful currency of the United States and references to AUD dollars and A\$ are to the lawful currency of Australia.

See "Item 3A.: Selected financial data - Exchange rate information" for historical information regarding the noon buying rate in the City of New York for cable transfers in rands as certified for customs purposes by the Federal Reserve Bank of New York. On March 31, 2003, the noon buying rate was R7.9000 = \$1.00.

Non-GAAP financial measures

In this annual report on Form 20-F, AngloGold presents the financial items "total cash costs", "total cash costs per ounce", "total production costs" and "total production costs per ounce" which have been determined using industry standards promulgated by the Gold Institute and are not US GAAP measures. An investor should not consider these items in isolation or as alternatives to production costs, net income/(loss) applicable to common shareholders, income/(loss) before income tax provision, net cash provided by operating activities or any other measure of financial performance presented in accordance with US GAAP. While the Gold Institute has provided definitions for the calculation of total cash costs and total production costs, the calculation of total cash costs, total cash costs per ounce, total production costs and total production costs per ounce may vary significantly among gold mining companies, and by themselves do not necessarily provide a basis for comparison with other gold mining companies. See "Glossary of selected mining terms - Total cash costs (total cash costs per ounce)" and - "Total production costs (total production costs per ounce)" and "Item 5A: Operating results - Total cash costs and total production costs".

Shares and shareholders

In this annual report, references to ordinary shares, ordinary shareholders and shareholders/members, should be read as common stock, common stockholders and stockholders, respectively, and vice versa.

Certain forward-looking statements

This annual report includes "forward-looking information" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including without limitation, those concerning: the economic outlook for the gold mining industry; expectations regarding gold prices and production; growth prospects and outlook of AngloGold's operations, individually or in the aggregate, including the completion and commencement of commercial operations at AngloGold's exploration and production projects; and AngloGold's liquidity and capital resources and expenditure. These forward-looking statements are not based on historical facts, but rather reflect AngloGold's current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or other similar words and phrases. Similarly, statements that describe AngloGold's objectives, plans or goals are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause AngloGold's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Although AngloGold believes that the expectations reflected in these forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

The risk factors described in Item 3D, beginning on page 14 could affect AngloGold's future results, causing these results to differ materially from those expressed in any forward-looking statements. These factors are not necessarily all of the important factors that could cause AngloGold's actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results.

You should review carefully all information, including the financial statements and the notes to the financial statements, included in this annual report. The forward-looking statements included in this annual report are made only as of the date of this annual report. AngloGold undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report on Form 20-F or to reflect the occurrence of unanticipated events. All subsequent written and oral forward-looking statements attributable to AngloGold or any person acting on its behalf are qualified by the cautionary statements in this section.

Glossary of selected mining terms

The following explanations are not intended as technical definitions but should assist the reader in understanding terminology used in this annual report. Unless expressly stated otherwise, all explanations are applicable to both underground and surface mining operations.

Acid treatment:
granules in a dilute hydrochloric
that have become

Acid treatment is the process of soaking activated carbon
acid solution to dissolve calcium carbonate and other impurities
absorbed in the carbon and that thereby reduce the ability to

adsorb gold.

Below collar: The distance below the surface elevation of a shaft.

BIF: Banded Ironstone Formation. A chemically formed iron-rich sedimentary rock.

By-products: Any products that emanate from the core process of producing gold, including silver, uranium and sulphuric acid.

Calc-silicate rock: A metamorphic rock consisting mainly of calcium-bearing silicates such as diopside and wollastonite, and formed by metamorphism of impure limestone or dolomite.

Carbon columns: Any vertical cylindrical vessels used to contain granules of activated carbon for processes such as the extraction of gold from solution, elution or acid treatment.

Carbon-in-leach (CIL): Gold is leached from a slurry of gold ore with cyanide in agitated tanks and adsorbed onto carbon granules in the same circuit. The carbon granules are separated from the slurry and treated in an elution circuit to remove the gold.

Carbon-in-pulp (CIP): Gold is leached conventionally from a slurry of gold ore with cyanide in agitated tanks. The leached slurry then passes into the CIP circuit where carbon granules are mixed with the slurry and gold is adsorbed onto the carbon. The granules are separated from the slurry and treated in an elution circuit to remove the gold.

Channel width: mined as one unit.	The total thickness of all reef bands, including internal waste
Comminution: treatment.	Comminution is the breaking up of ore to make gold available for
Contained gold: irrespective of economic losses prior to recovery.	The total gold content of the orebody (tons multiplied by grade), potential and without deduction for mining and processing
Depletion: from extraction or	The decrease in quantity of ore in a deposit or property resulting production.
Development: underground mining	The process of accessing an orebody through tunnelling in operations.
Diorite:	An igneous rock formed by the solidification of molten material.
Electro-winning: electrolytic chemical reaction into a	A process of recovering gold from solution by means of form that can be smelted easily into gold bars.
Elution: before zinc precipitation or	Recovery of the gold from the activated carbon into solution electro-winning.

Grade: gold-bearing material generally metric tonne (g/t).	The quantity of gold contained within a unit weight of expressed in ounces per short ton of ore (oz/t), or grams per
Greenschist: presence of chlorite,	A schistose metamorphic rock whose green color is due to the epidote or actinolite.
In situ deposit:	Reserves still in the ground.
Intrusive event:	The intrusion of an igneous body into older rocks.
Leaching: reclaimed slime, prior to	Dissolution of gold from crushed or milled material, including adsorption onto activated carbon.
Metallurgical plant:	A processing plant erected to treat ore and extract gold.
Mine call factor: recovered and unrecovered the ore based on sampling.	The ratio, expressed as a percentage, of the total quantity of mineral product after processing with the amount estimated in
Mineral deposit: spaced drilling and/or average grade of metal. This comprehensive evaluation, based economic feasibility. assurance that this mineral	A mineralized body which has been delineated by appropriately underground sampling to support a sufficient tonnage and material or deposit does not qualify as a reserve until a on costs, grade, recoveries and other factors, demonstrates Consequently, although the potential exists, there is no deposit will ever become an ore reserve.

Ounce: grams.	Used in imperial statistics. A troy ounce is equal to 31.1035
Pay limit: equal to the total cash cost on the total cash cost of unit, multiplied by the	The grade (that is cut-off grade) at which the value of the ore is of recovering the precious metal content. This grade is based recovering the gold content, divided by the present price per percentage of dilution and metallurgical processing losses.
Precipitate: precipitation referred to	The solid product of chemical reaction by fluids such as the zinc below.
Probable (Indicated) reserves: from information sites for inspection, sampling adequately spaced. The degree reserves, is high enough to	Reserves for which quantity and grade and/or quality are computed similar to that used for proven (measured) reserves, but the and measurement are further apart or are otherwise less of assurance, although lower than that for proven (measured) assume continuity between points of observation.
Productivity: grams of gold produced to meters) to the total number of	An expression of labor productivity based either on the ratio of the total number of employees or area mined (in square employees in underground mining operations.
Proven (Measured) reserves: revealed in outcrops, computed from the results of and measurement are well-defined that size, shape, depth	Reserves for which: (a) quantity is computed from dimensions trenches, workings or drill holes; grade and/or quality are detailed sampling; and (b) the sites for inspection, sampling spaced so closely and the geological character is so and mineral content of reserves are well established.

Pyrite flotation:
ore and solution in such a
the surface for collection.

This is the addition of a suite of chemicals to a mixture of ground
way that a froth rich in pyrite, which also contains gold, floats to

Reclamation:
water cannons from

Reclaiming, monitoring or pumping of slimes using high-pressure
the dumps to the metallurgical plants for processing.

Recovered grade:
metallurgical recovery.

The function of processing plant feed grade multiplied by

Reef:
band, that may contain

A gold-bearing sedimentary horizon, normally a conglomerate
economic levels of gold.

Refining:

The final purification process of a metal or mineral.

Rehabilitation:
post-mining use.
South African Department
the US Environmental
for Environmental
final slope gradient, waste

The process of restoring mined land to allow an appropriate
Rehabilitation standards are determined amongst others by the
of Minerals and Energy, the US Bureau of Land Management,
Protection Agency, and the Australian Minerals Industry Code
Management, and address ground and surface water, topsoil,
handling and re-vegetation issues.

Reserves (Ore reserves): legally extracted or	That part of a mineral deposit which could be economically and produced at the time of the reserve determination.
Rod and tube mills: down into fine particles in	These are types of circular grinding mills used to break the ore preparation for dissolving out the gold by means of cyanide.
Secondary gold recovery: recovery.	Any scavenging process for gold following initial primary gold recovery.
Seismic event: radiates detectable	A sudden inelastic deformation within a given volume of rock that seismic waves (energy), which results from mining activities.
Shaft: underground mine; for ore and waste; for ventilation	A vertical or subvertical excavation used for accessing an transporting personnel, equipment and supplies; for hoisting and utilities; and/or as an auxiliary exit.
Skarn: metamorphism and	A rock of complex mineralogical composition, formed by contact metasomatism of carbonate rocks.
Slipping: explosive means so as to	The widening of an existing excavation, either by mechanical or increase its overall dimensions.
Smelting: from impurities.	A pyro-metallurgical operation in which gold is further separated
Stope:	Underground excavation where the orebody is extracted.

Stoping:	The process of excavating ore.
Stoping width:	The sum of the channel width and external waste widths.
Stripping ratio: tonnes mined less ore tonnes	The ratio of waste tons to ore tons mined calculated as total mined divided by ore tonnes mined.

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Syngenetic:	Formed contemporaneously with the deposition of the sediment.
Tailings: minerals have been	Finely ground rock of low residual value from which valuable extracted.
Tailings dam (slimes dam):	Dams or dumps created from tailings.
Thermal regeneration: degrees Celsius to cycle.	The process of heating activated carbon granules typically to 750 restore the properties of carbon for the next gold extraction cycle.
Thrusting event: generation of low-angle	A period of structural compression in geological time with the thrust faults.
Tonne:	Used in metric statistics. Equal to 1,000 kilograms.

Ton: as a short ton.	Used in imperial statistics. Equal to 2,000 pounds. Referred to
Tonnage: measure. Typically used to situ or quantities of ore and	Quantities where the ton or tonne is an appropriate unit of measure resources and reserves of gold-bearing material in waste material mined, transported or milled.
Total cash costs (total cash costs administration, royalties per ounce): but are exclusive of employment severance costs, costs. Total cash costs per substitutes for or accordance with US GAAP.	Total cash costs include site costs for all mining, processing, and production taxes, as well as contributions from by-products depreciation, depletion and amortization, rehabilitation, corporate administration costs, capital costs and exploration ounce amounts do not represent, and should not be considered measures of costs and expenses reported by AngloGold in
Total production costs (total calculated by dividing production costs per ounce): over the same period. depreciation, depletion and other non-cash costs. Total should not be considered AngloGold in accordance	A measure of the average cost of producing an ounce of gold, the total production costs in a period by the total gold production Total production costs represent total cash costs, plus amortization, employee severance costs and rehabilitation and production costs per ounce amounts do not represent, and substitutes for or measures of costs and expenses reported by with US GAAP.
Tribute agreement: a portion of its mining consideration for a share in the revenue	A legal agreement between two parties in which one party makes rights available to the other party for exploitation, in and costs derived from such mining rights.

Vibroseis survey (3D survey):
controlled frequencies. These
three-dimensional images
around 25 meters. This process

Geophysical technique used to generate seismic waves of
waves reflect from rock interfaces and are analyzed to produce
of the sub-surface geological structure with a resolution of
facilitates accurate long-term mine planning.

Waste:
consideration for future treatment and,

Material that contains insufficient mineralization for
as such, is discarded.

Yield:
unit mass of ore expressed

The amount of valuable mineral or metal recovered from each
as ounces per short ton or grams per metric tonne.

Zinc precipitation:
converts gold solution to a

Zinc precipitation is the chemical reaction using zinc dust that
solid form for smelting into unrefined gold bars.

PART I

Item 1: Identity of directors, senior management and advisors

Not applicable.

Item 2: Offer statistics and expected timetable

Not applicable.

Item 3: Key information

3A. Selected financial data

The selected financial information set forth below for the years ended December 31, 2000, 2001 and 2002 has been derived from, and should be read in conjunction with, the US GAAP financial statements included under item 18 of this annual report. The selected financial information for the years ended December 31, 1998 and 1999 and as at December 31, 1998, 1999 and 2000 has been derived from the US GAAP financial statements not included in this annual report.

The acquisition during 1998 of the participating companies (for definition, see "Item 4A.: History and development of the company") and the interests in the share interests companies (for definition, see "Item 4A.: History and development of the company") have been accounted for as a purchase business combination under US GAAP. Accordingly, the US GAAP financial statements reflect the participating companies and the share interests companies from June 29, 1998, the effective date of the acquisition for accounting purposes.

In addition, the Minorco, Acacia, Morila, Geita and the Cerro Vanguardia acquisitions have each been accounted for as a purchase business combination under US GAAP, and the US GAAP financial statements only reflect the acquired entities and assets from the effective date of their acquisition. Accordingly, the operations and financial condition of the companies and assets acquired from Minorco are included in the US GAAP financial statements from April 1, 1999, and the financial condition of the companies and assets acquired from Acacia are reflected in the US GAAP balance sheet as at December 31, 1999 and their operations and financial condition are included in the US GAAP financial statements from 2000. The operations and financial condition of the interests in the companies and assets acquired in Geita are only reflected in the US GAAP balance sheet as at December 31, 2000 and are included for the whole year in the US GAAP financial statements for the year ended and as at December 31, 2001. The operations and financial condition of the interests in the companies and assets acquired in Morila are included in the US GAAP financial statements from October 18, 2000. In addition, the operations and financial condition of AngloGold's interests in the Deelkraal and Elandsrand mines that were sold during 2001 are reflected in the US GAAP financial statements only through January 31, 2001, the effective date of the sale. The operations and financial condition of AngloGold's interests in the Free State mines that were sold effective January 1, 2002 are reflected in the US GAAP financial statements only through December 31, 2001. The operations and financial condition of the additional 46.25 percent interest acquired in Cerro Vanguardia are included in the US GAAP financial statements from July 1, 2002. The operations and financial condition of AngloGold's interests in its wholly-owned subsidiary, Stone and Allied Industries, that were sold effective October 1, 2002 are reflected in the US GAAP financial statements only through September 30, 2002. Therefore such financial statements are not necessarily indicative of AngloGold's financial condition or results of operations for any future periods. For a discussion of the acquisitions mentioned above, see "Item 4A.: History and development of the company" and "Item 4B.: Business Overview - Products, operations and geographic locations".

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	Year ended December 31,				
	1998 ^{(1) (2)}	1999 ^{(1) (3)}	2000 ^{(1) (5)}	2001 ⁽⁷⁾	2002 ^{(8) (9)} ₍₁₀₎
	\$	\$	\$	\$	\$
(in millions, except share and per share amounts)					
Consolidated statement of income					
Sales and other income	1,559	2,233	2,264	2,066	1,799
Product sales ⁽¹¹⁾	1,499	2,121	2,208	2,041	1,761
Interest, dividends and other	60	112	56	25	38
Costs and expenses	1,366	2,099	2,508	2,059	1,369
Operating costs ⁽¹²⁾	1,195	1,574	1,604	1,391	1,029
Royalties	45	-	9	16	25
Depreciation, depletion and amortization	191	288	439	371	333
Impairment of assets	-	-	387	173	-
Goodwill amortized	4	11	18	27	-
Interest paid	37	69	72	72	44
Loss on sale of mining assets	-	-	-	4	-
Loss on sale of assets	-	-	-	-	11
(Gain)/loss on derivatives	(106)	157	(21)	5	(73)
Income/(loss) before equity income and income tax	193	134	(244)	7	430
Equity income in affiliates	14	7	4	1	4
Income/(loss) before income tax provision	207	141	(240)	8	434
Deferred income and mining tax (expensed)/benefit	(23)	74	(9)	(163)	(62)
Income/(loss) before minority interest	184	215	(249)	(155)	372
Minority interest	-	(2)	(13)	(8)	(16)
Preferred stock dividends	(8)	-	-	-	-
Income/(loss) before cumulative effect of accounting change	176	213	(262)	(163)	356
Cumulative effect of accounting change	-	-	-	(10)	-
Net income/(loss) applicable to common stockholders	176	213	(262)	(173)	356
Other financial data					
Income/(loss) from continuing operations	176	213	(262)	(163)	356
Income/(loss) per common share from continuing operations	1.50	1.08	(1.22)	(0.76)	1.60
Basic earnings/(loss) per common share (in \$) ^{(13) (14)}					
Before cumulative effect of accounting change	1.50	1.08	(1.22)	(0.76)	1.60

Cumulative effect of accounting change	-	-	-	(0.05)	-
Net income/(loss) - applicable to common stockholders	1.50	1.08	(1.22)	(0.81)	1.60
Diluted earnings/(loss) per common share (in \$) ⁽¹³⁾ ⁽¹⁴⁾					
Before cumulative effect of accounting change	1.49	1.08	(1.22)	(0.76)	1.60
Cumulative effect of accounting change	-	-	-	(0.05)	-
Net income/(loss) - applicable to common stockholders	1.49	1.08	(1.22)	(0.81)	1.60
Dividends per common share (cents) ⁽¹⁴⁾	152	143	135	84	113

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	Year ended December 31,				
	1998 ⁽¹⁾ ⁽²⁾	1999 ⁽¹⁾ ⁽³⁾	2000 ⁽¹⁾ ⁽⁵⁾	2001 ⁽⁷⁾	2002 ⁽⁸⁾ ⁽⁹⁾ ⁽¹⁰⁾
	\$	\$	\$	\$	\$
	(in millions, except share and per share amounts)				
Consolidated balance sheet data (as at period end)		(4)	(6)		
Cash and cash equivalents	254	493	195	191	413
Other current assets	387	402	411	409	625
Property, plant and equipment, and acquired properties net	4,019	4,831	3,851	2,599	2,917
Goodwill	49	213	383	333	345
Inventories	-	27	31	47	79
Other long-term assets, and derivatives	330	83	82	171	166
Total assets	5,039	6,049	4,953	3,750	4,545
Current liabilities	418	642	845	1,210	799
Provision for environmental rehabilitation	98	196	134	94	108
Deferred income and mining tax	1,149	1,025	802	440	561
Other long-term liabilities, and derivatives	259	826	838	624	1,217
Minority interest	-	25	27	28	40
Stockholders' equity	3,115	3,335	2,307	1,354	1,820

Total liabilities and stockholders' equity	5,039	6,049	4,953	3,750	4,545
Capital stock (exclusive of long-term debt and redeemable preferred stock)	8	9	9	9	9
Number of common shares as adjusted to reflect changes in capital stock	195,706,398	213,229,356	214,024,174	215,268,116	222,622,022
Net assets	3,115	3,360	2,334	1,382	1,860

(1) *Translated into US dollars in accordance with the provisions of Statement of Financial Accounting Standards No. 52, "Foreign Currency Translation" (SFAS52).*

(2) *Includes the results of operations and financial condition of the participating companies and share interests companies from June 29, 1998, the effective date of the consolidation for accounting purposes. See "Item 4A.: History and development of the company".*

(3) *Includes the results of operations and financial condition of the assets acquired from Minorco with effect from April 1, 1999, the effective date of the Minorco acquisition. See "Item 4A.: History and development of the company".*

(4) *Includes the financial position of Acacia as of December 31, 1999. See "Item 4A.: History and development of the company".*

(5) *Includes the results of operations and financial condition of Morila as of October 18, 2000. See "Item 4A.: History and development of the company".*

(6) *Includes the financial position of Geita as of December 31, 2000. See "Item 4A.: History and development of the company".*

(7) *Excludes the results of operations and financial condition of the Deelkraal and Elandsrand mines sold with effect from February 1, 2001. See "Item 4A.: History and development of the company".*

(8) *Excludes the results of operations and financial condition of the Free State mines sold with effect from January 1, 2002. See "Item 4A.: History and development of the company".*

(9) *Includes the results of operations and financial condition of an additional 46.25 percent interest acquired in the Cerro Vanguardia mine located in Argentina from July 1, 2002. See "Item 4A.: History and development of the company".*

(10) *Excludes the results of operations and financial condition of Stone and Allied Industries sold with effect from October 1, 2002. See "Item 4A.: History and development of the company".*

(11) *Product sales represents revenue from the sale of gold.*

(12) *Operating costs include production costs, exploration costs, related party transactions, general and administrative, market*

development costs, research and development, employment severance costs and other.

(13) *The calculations of basic and diluted earnings/(loss) per common share are described in note 7 to the consolidated financial statements "earnings/(loss) per common share".*

(14) *Per share information gives effect to AngloGold's two-for-one stock split and the issuance of a total of 278,196 ordinary shares under AngloGold's odd-lot offer. For further information on the stock split and the odd-lot offer, see note 29 to the consolidated financial statements "stock split".*

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Annual dividends

The table below sets forth the amounts of interim, final and total dividends paid in respect of the past five years in cents per ordinary share. AngloGold's board of directors declared an interim dividend of 675 South African cents per ordinary share in respect of 2002 on July 30, 2002 with a record date of August 23, 2002 and a payment date of August 30, 2002 and a final dividend of 675 South African cents per ordinary share on January 30, 2003, with a record date of February 21, 2003 and a payment date of February 28, 2003. See "Item 10E.: Taxation - Taxation of dividends".

Year ended December 31,	Interim	Final	Total	Interim	Final	Total
	(US cents per ordinary share ⁽¹⁾)			(South African cents per ordinary share)		
1998	61.50	63.85	125.35	375	400	775
1999	74.07	83.43	157.50	450	550	1,000
2000	51.06	39.88	90.94	375	325	700
2001	38.21	49.06	87.27	350	550	900
2002	63.81	82.12	145.93	675	675	1,350

(1) *US dollar cents per share figures have been calculated based on exchange rates prevailing on each of the respective payment dates.*

Future dividends will be dependent on AngloGold's cash flow, earnings, financial condition and other factors. AngloGold does not currently intend substantially changing its past practice of paying out dividends

from funds available after providing for long-term growth. Under South African law, AngloGold may only declare and pay dividends out of its results calculated in accordance with SA GAAP. As at December 31, 2002 AngloGold's retained earnings as calculated under SA GAAP amounted to \$449 million. Dividends are payable to shareholders registered at a record date that is after the date of declaration.

Under the terms of AngloGold's new articles of association adopted on December 5, 2002, dividends may be declared in US dollars or South African rands at the discretion of the board of directors. Currently, dividends are declared in South African rands and paid in Australian dollars, South African rands and United Kingdom pounds. Dividends paid to registered holders of AngloGold ADSs are paid in US dollars converted from South African rands by The Bank of New York, as depositary, in accordance with the deposit agreement. For details on exchange controls applicable to holders of ordinary shares or ADSs, see "Item 10D.: Exchange controls".

Exchange rate information

The following table sets forth for the periods and dates indicated certain information concerning the noon buying rate in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York expressed in rands per \$1.00. On March 31, 2003, the noon buying rate between rands and US dollars was R7.9000 = \$1.00.

Year ended December 31	High	Low	Year end	Average ⁽¹⁾
1998	6.64	4.89	5.90	5.59
1999	6.27	5.68	6.16	6.13
2000	7.84	6.06	7.57	6.98
2001	13.60	7.50	12.00	8.76
2002	12.47	8.59	8.59	10.34

(1) *The average of the noon buying rates on the last business day of each month during the year.*

Month	High	Low
October 2002	10.53	10.00
November 2002	9.98	9.25

December 2002	9.27	8.59
January 2003	9.05	8.44
February 2003	8.57	8.02
March 2003	8.26	7.90

AngloGold historically has declared all dividends and distributions in South African rand, and, as a result, exchange rate movements may have affected the US dollar value of these dividends as well as any other distributions paid by the depositary to investors that hold AngloGold ADSs. Exchange rate movements may have also affected the market value of AngloGold ADSs, which may have reduced their value to investors.

Under the terms of AngloGold's new memorandum and articles of association, dividends and distributions may be declared in US dollars or South African rand at the discretion of the board of directors of AngloGold. If and to the extent AngloGold subsequently declares dividends and distributions in US dollars, exchange rate movements will not affect the US dollar value of any dividends or distributions. If and to the extent that dividends and distributions are declared in South African rand, exchange rate movements will continue to affect their US dollar value to investors.

Moreover, fluctuations in the exchange rates of the US dollar and the pound sterling will affect the US dollar equivalents of the pound sterling price of the ordinary shares on the London Stock Exchange (LSE) and, as a result, are likely to affect the market price of the ADSs in the United States.

3B. Capitalization and indebtedness

Not applicable.

3C. Reasons for the offer and use of proceeds

Not applicable.

3D. Risk factors

You should carefully consider the following risk factors, which have been separated into three groups:

- • risks related to the gold mining industry generally;
- • risks related to AngloGold's operations; and
- • risks related to AngloGold shares and AngloGold ADSs.

Risks related to the gold mining industry generally

- ***The profitability of AngloGold's operations, and the cash flows generated by those operations, are significantly affected by changes in the market price for gold***

The market price for gold can fluctuate widely. These fluctuations are caused by numerous factors beyond AngloGold's control, including:

- speculative positions taken by investors or traders in gold;
- changes in the demand for gold for industrial uses, for use in jewellery and investment;
- changes in the supply of gold from production, disinvestment, scrap and hedging;
- financial market expectations regarding the rate of inflation;
- the strength of the US dollar (the currency in which the gold price trades internationally) and of other currencies;
- changes in interest rates;

- actual or expected gold sales by central banks;
- gold sales by gold producers in forward transactions;
- global or regional political or economic events; and

- costs of gold production in major gold-producing nations, such as South Africa, USA and Australia.

The price of gold is often subject to sharp, short-term changes resulting from speculative activities. While the overall supply of and demand for gold can affect its market price, because of the unique size of above-ground stocks of the metal - these do not affect the price in the same manner as the supply of and demand for other commodities affect the market prices of those other commodities.

The following table presents the annual high, low and average afternoon fixing prices over the past 10 years, expressed in US dollars, for gold per ounce, on the London Bullion Market:

Year	High	Low	Average
1993	406	326	360
1994	396	370	384
1995	396	372	384
1996	415	367	388
1997	367	283	331
1998	314	273	287
1999	340	252	278
2000	317	262	279
2001	298	253	271
2002	347	278	310

Source of Data: Metals Week and Reuters

On March 31, 2003, the afternoon fixing price of gold on the London Bullion Market was \$334.85 per ounce.

If revenue from gold sales falls below the cost of production for an extended period of time, AngloGold may experience losses and may be forced to curtail or suspend some or all of its capital projects and/or operations and change its past practice of paying dividends. In addition, AngloGold would have to assess the economic impact of low gold prices on its ability to recover any losses it may incur during that period and on its ability to maintain adequate reserves. The weighted average total cash costs of AngloGold's world-wide production per ounce of gold produced was \$161 in 2002, \$178 in 2001, and \$213 in 2000. Total cash costs of production is a non-GAAP measure. For further information on this and other non-GAAP measures, see "Item 5A.: Operating results - Total cash costs and total production costs".

- ***The use of hedging instruments to protect against low gold prices and exchange rate movements may prevent AngloGold from***

realizing all potential income gains resulting from subsequent gold price increases in the future

AngloGold uses hedging instruments to fix the selling price of a portion of its anticipated gold production and to protect its revenues against unfavorable gold price and exchange rate movements. While the use of these instruments may protect against a drop in gold prices and exchange rate movements, it will only do so for a limited period of time and only to the extent that the hedge remains in place. The use of these instruments may also prevent AngloGold from realizing the positive impact on income of any subsequent favorable increase in the price of gold on the portion of production covered by the hedge and of any subsequent favorable exchange rate movements. For a discussion of AngloGold's hedging instruments, see "Item 11.: Quantitative and qualitative disclosures about market risk".

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- ***AngloGold faces many risks related to its operations that may affect its cash flows and overall profitability***

Uncertainty and cost of mineral exploration and acquisitions. Exploration activities are speculative, involve substantial expenditures and are often unproductive. Substantial expenditures are required to:

- establish ore reserves through drilling and metallurgical and other testing techniques;
- determine metal content and metallurgical recovery processes to extract metal from the ore; and
- construct, renovate or expand mining and process facilities.

Once gold mineralization is discovered it can take several years to determine whether gold reserves exist and until the actual production of gold is possible. During this time the economic feasibility of production may change.

AngloGold considers from time to time the acquisition of reserves, development properties and operating mines. AngloGold's decisions to acquire these properties are based on a variety of factors including

historical operating results, estimates of and assumptions about future reserves, cash and other operating costs, metal prices and projected economic returns, and evaluations of existing or potential liabilities associated with the property and its operations. Other than historical operating results, all of these may differ significantly from AngloGold's estimates and assumptions. In addition, there is intense competition for attractive properties.

As a result of these uncertainties, AngloGold's exploration programs and acquisitions may not result in the expansion or replacement of current production with new reserves or operations. This could adversely affect AngloGold's ongoing business and financial position.

Development risks. AngloGold's profitability depends, in part, on the actual economic returns and the actual costs of developing mines, which may differ significantly from its estimates and involve unexpected problems and delays.

AngloGold's decision to develop a mineral property is typically based, in the case of an extension or in the case of a new development, on the results of a feasibility study.

Feasibility studies derive estimates of expected or anticipated project economic returns. These estimates are based on assumptions about:

- future gold and other metal prices;
- anticipated tonnage, grades and metallurgical characteristics of ore to be mined and processed;
- anticipated recovery rates of gold and other metals from the ore;
- anticipated capital expenditure and cash operating costs; and
- the return on investment.

Actual cash operating costs, production and economic returns may differ significantly from those anticipated by AngloGold's studies and estimates. There are a number of uncertainties inherent in the development and construction of an extension to an existing mine or any new mine. These uncertainties include:

- the timing and cost, which can be considerable, of the construction of mining and processing facilities;

- the availability and cost of skilled labor, power, water and transportation facilities;
- the availability and cost of appropriate smelting and refining arrangements;
- the need to obtain necessary environmental and other governmental permits, and the timing of those permits; and
- the availability of funds to finance construction and development activities.

The costs, timing and complexities of mine construction and development could be increased by the remote location of many mining properties. New mining operations could experience unexpected problems and delays during development, construction and mine start-up. In addition, delays in the commencement of mineral production could occur. Accordingly, AngloGold's future development activities may not result in the expansion or replacement of current production with new production or one or more of these new productions may be less profitable than currently anticipated or may not be profitable at all.

Ore reserves estimate risks. The ore reserves presented in this annual report are the best estimates of AngloGold's management in accordance with Industry Guide 7 of the SEC. It should be noted that in Australia and South Africa, AngloGold is legally required to publicly report ore reserves and mineral resources according to the Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code) and the South African Code for Reporting of Mineral Resources and Ore Reserves (SAMREC Code). The SEC's Industry Guide 7 does not recognize mineral resources. Accordingly, AngloGold does not report estimates of mineral resources in this annual report on Form 20-F.

AngloGold undertakes annual revisions to its ore reserve estimates based upon actual exploration and production results, depletion, new information and fluctuations in production and economic parameters. These factors may result in reductions in ore reserves and adversely affect AngloGold's profitability and its financial position.

Mining industry risks. Gold mining is subject to numerous events that may have an adverse impact on a gold mining business. These events include, but are not limited to:

- environmental hazards;

- industrial accidents;
- underground fires;
- labor disputes;
- unexpected geological formations;
- unanticipated ground and water conditions;
- fall of ground accidents;
- legal and regulatory restrictions; and
- seismic activity.

The occurrence of one or more of these events may result in the death of, or personal injury to, miners, the loss of mining equipment, monetary losses, delays in production and potential legal liabilities. As a result, AngloGold's operations could be affected and, if such effect were material, its financial position could be adversely impacted to a significant extent.

Seismic activity is of particular concern to the gold mining industry in South Africa, in part because of the large percentage of deep-level gold mines. To understand and manage this risk, AngloGold uses sophisticated seismic and rock mechanic technology. AngloGold has had some success with these technologies in identifying the possible location of future seismic activity and aiding in the development of mine layouts and support layouts and methods. Despite these programs and their success to date, seismic activities may cause substantial damage to AngloGold's South African operations, which could have an adverse impact on the results of AngloGold's operations and consequently, its financial condition.

- ***AngloGold's operations are subject to extensive health and safety laws and regulations***

Gold mining operations, like AngloGold's, are subject to a variety of mine health and safety laws and regulations depending upon the jurisdiction in which they are located. These laws and regulations are formulated to improve and to protect the safety and health of employees.

In complying with the mine health and safety laws and regulations to which AngloGold's operations are subject, AngloGold has dedicated resources to ensure the application of international best practice in the management of safety and health, including medical surveillance systems. These systems have resulted in significant improvements in the safety performance of AngloGold.

If these laws and regulations were to change and, if as a result, material additional expenditure was required to comply with the laws and regulations, it could adversely affect AngloGold's financial position. For example, if the merger and alignment of benefits under two statutory occupational health compensation schemes in South Africa, as proposed by the South African government were to proceed, AngloGold's annual liability for occupational lung disease claims may increase from current levels of around R12 million (\$1.5 million). For a discussion of the mine health and safety laws and regulations to which AngloGold's operations are subject, see "Item 4B.: Business overview - Safety and health".

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- ***AngloGold is subject to extensive environmental regulations***

Operations of gold mining companies are subject to extensive environmental regulations in the various jurisdictions in which they operate. These regulations establish limits and conditions on gold producers' ability to conduct their operations. The cost of compliance by AngloGold with environmental regulations has been significant in the past.

Pursuant to environmental regulations, gold mining companies are also obligated to close their operations and rehabilitate the lands that they mine in accordance with these regulations. Estimates of the total of ultimate closure and rehabilitation costs for gold mining operations are material and are subject to revision. AngloGold expenses rehabilitation costs as incurred and provides for the anticipated costs of compliance on a unit of production basis over the operating life of the mine. Other environmental liabilities are accrued when they are known, probable and can be reasonably estimated.

If AngloGold's environmental compliance obligations were to change as a result of changes in the laws and regulations or in certain assumptions made by AngloGold to estimate liabilities, or if unanticipated conditions were to arise in its operations, AngloGold's expenses and provision may increase to reflect these changes. If material, this could adversely affect AngloGold's results of operations and financial position. For a discussion of the environmental laws and regulations to which AngloGold's operations are subject and the estimated cost of AngloGold's future environmental rehabilitation obligations, see "Item 4D.; Property, plant and equipment -- Sustainable development environmental and social investment" and "Note 16 Provision for environmental rehabilitation" of the consolidated financial statements of AngloGold.

Risks related to AngloGold's operations

In addition to the risks related to the gold mining industry generally, AngloGold's operations are also subject to the following risks specific to AngloGold:

- ***Foreign exchange fluctuations could have a material impact on AngloGold's operating results and financial position***

In recent years, the devaluation against the US dollar of mainly the South African rand, and, to a lesser extent, the Brazilian real, the Argentinean peso and the Australian dollar has had a significant positive effect on the profitability of AngloGold's operations. In 2002, AngloGold derived approximately 73 percent of its revenues from these countries, mainly South Africa, and approximately 76 percent of production costs in these local currencies, mainly in South African rand. In addition, the production costs in South African rand, Brazilian real, Argentinean peso and Australian dollar are only modestly offset by the effect of devaluations on the price of imports denominated in US dollars as imported products comprise a small proportion of production costs in each of these countries. AngloGold's product, gold, is a US dollar-priced commodity, and the majority of AngloGold's revenues are realized in US dollars. The strengthening of the US dollar against these local currencies yields significantly higher revenues and lower production costs in US dollar terms. Any reversal in this trend, if material, may have an adverse impact on AngloGold's operating results. Due to the strengthening of the South African rand against the US dollar, production costs at the South African operations increased during the second half of 2002 compared to the first half. For a discussion of trends expected for 2003, see "Item 5D.: Trend information".

To a lesser extent, mainly as a result of its hedging instruments, AngloGold's revenues are denominated in South African rands and Australian dollars, which partially offsets the effect of the US dollar's strength or weakness on AngloGold's profitability. For a discussion of AngloGold's gold price and foreign exchange risk management activities, see "Item 11.: Quantitative and qualitative disclosures about market risk".

In addition, due to its global operations and local foreign exchange regulations, AngloGold holds funds in local currencies, such as the rand and Australian dollar. The US dollar value of these currencies may be affected by exchange rate fluctuations. If material and adverse, exchange rate movements may affect the overall financial position of AngloGold. For a discussion of AngloGold's cash and cash equivalents held in various local currencies, see "Item 5B.: Liquidity and capital resources - Liquidity".

- ***Inflation may have a negative impact on the results of operations***

Most of AngloGold's operations are located in countries that have historically experienced high rates of inflation. AngloGold's operations have not been materially adversely affected by inflation in recent years. However, because AngloGold is unable to control the market price at which it sells the gold it produces (except to the extent that it enters into forward sales and other derivative contracts), it is possible that significantly higher inflation in the future in the countries in which it operates with a consequent increase in operational costs in local currencies, without a concurrent devaluation of the local currency of operations against the US dollar or an increase in the US dollar price of gold, could have a material adverse effect upon AngloGold's results of operations and financial condition.

While no specific operations are currently at risk, significantly higher and sustained inflation in the future, with a consequent increase in operational costs, could result in operations being discontinued at mines with higher cost operations. See "Item 4B.: Business overview - Products, operations and geographic locations".

- ***Changes to mineral rights ownership regimes in countries where AngloGold's mineral deposits are located could have a material impact on AngloGold's financial position***

AngloGold's rights to own and exploit mineral reserves and deposits are governed by the laws and regulations of the jurisdictions in which the mineral properties are located. Currently, a significant portion of AngloGold's mineral reserves and deposits are located in South Africa.

In October 2002 the President of South Africa assented to the Mineral and Petroleum Resources Development Act, 2002 which was passed by Parliament in June 2002. It will come into operation on a date to be proclaimed by the President, which is expected to be during or shortly after June 2003. Until then the existing regulatory regime for mineral rights will remain in place whereby the holder of mineral rights is entitled to mine on obtaining a mining authorization from the State. AngloGold owns substantially all the mineral rights for which it holds mining authorizations.

The new Act vests custodianship of South Africa's mineral resources in the State which will issue prospecting rights or mining rights to applicants in the future. The existing common law prospecting, mining and mineral rights will cease to exist but transitional arrangements are provided in order to give holders of existing rights the opportunity to acquire new rights.

Where AngloGold holds mineral rights and mining authorizations and is conducting mining operations on the date on which the new Act comes into effect, it will be able within five years from the date of effectiveness of the new Act to submit the old rights and authorization for conversion to a new mining right. AngloGold will need to submit a mining work program and thereby to substantiate the area and period of the new right, and also to comply with the requirements of the undermentioned Charter. A similar procedure applies where AngloGold holds prospecting rights and a prospecting permit and is conducting prospecting operations, but AngloGold must apply for conversion to a new prospecting right within two years from the date of effectiveness of the new Act for which purpose a prospecting work program must be submitted. Where AngloGold holds unused rights however, AngloGold will have one year to apply for new prospecting rights or mining rights, the requirements in regard to which are more stringent than for conversion, involving, for example, non-concentration of resources, fair competition, no exclusionary effects, and proof of financial and technical ability.

If AngloGold does not acquire new rights under the new Act, AngloGold would be entitled to claim compensation from the State if it can prove that thereby its property has been expropriated. Whether mineral rights constitute property and whether the new Act does bring about an expropriation are both aspects which are the subject of legal debate which is likely to be settled ultimately by litigation. The factors in determining compensation include not only fair market value but also history of acquisition and use and aspects of redress and reform which could have the effect of reducing the compensation.

AngloGold cannot give assurance that it will be successful in its application for conversion of old rights to new rights under the new Act, but the company is optimistic in this regard. In addition, it is uncertain if and to what extent AngloGold would receive compensation from the State to the extent it would not acquire new rights.

Even where new rights are obtained under the new Act, these rights will not be equivalent to the existing rights. The area covered by the new rights may be reduced by the State if it finds that the prospecting or mining work program submitted by an applicant do not substantiate the need to retain the area covered by the old right. The duration of the new rights will no longer be perpetual but rather, in the case of new mining rights, a maximum of 30 years with renewals of up to 30 years each and in the case of prospecting rights, up to five years with one renewal of up to three years. The new Act provides for a retention period after prospecting of up to three years with one renewal of up to two years, subject to certain conditions, such as non-concentration of resources, fair competition, and non-exclusion of others. In addition, the new rights will be transferable subject to the approval of the Minister of Mines (Minister). Mining or prospecting must commence within one year or 120 days, respectively, of the mining right or prospecting right becoming effective, and must be conducted continuously and actively thereafter.

The new rights can be suspended or cancelled by the Minister on breach or, in the case of a mining right, on non-optimal mining in accordance with the mining work program.

The new rights will be subject to a State royalty calculated on gross revenue as proposed in the draft Mineral and Petroleum Money Bill, 2003, which was released in March 2003 for comment, and which proposes a quarterly payment of royalty of 3 percent of gross revenue in the case of gold. As proposed, royalty payments will commence upon the conversion and granting of a new mining right.

The new Act calls for a Charter to be developed by the Minister within five years of commencement of the new Act, but the content of which has largely been agreed with mining industry representatives (including AngloGold), and with representatives of other stakeholders. The Charter's stated objectives include;

- expansion of opportunities for persons disadvantaged by unfair discrimination under the previous political dispensation,
- expansion of the skills base of such persons,
- the promotion of employment and advancement of the social and economic welfare of mining communities, and
- promotion of beneficiation.

The Charter requires that each mining company achieve 15 percent ownership by historically disadvantaged South Africans of its South African mining assets within five years and 26 percent such ownership within ten years. It contemplates that this will be achieved inter alia by disposals of assets by mining companies to historically disadvantaged persons on a willing seller - willing buyer basis at fair market value. In addition, the Charter requires mining companies to formulate plans for achieving employment equity at management level with a view to achieving 40 percent participation by historically disadvantaged persons in management and ten percent participation by women in the mining industry, each within five years. When considering applications for the conversion of existing rights, the State will take a "scorecard" approach, evaluating the commitments of each company to the different facets of promoting the objectives of the Charter. The draft scorecard was published by the government in February 2003.

AngloGold fully supports the notion that the mining industry and the wider South African economy have to find ways of dealing with the legacy of the country's history in a manner that promotes economic development and growth. AngloGold has made progress in adjusting the ownership structure of its South African mining assets and the composition of its management consistent with the Charter's spirit. AngloGold believes that it is well placed to meet the Charter's targets in accordance with the scorecard.

AngloGold has completed a number of asset sales to companies owned by historically disadvantaged persons in the past four years, which meet the requirements of the Charter and the scorecard. According to AngloGold's estimates based on 2002 operating data, these transactions transfer 24.1 percent of AngloGold's attributable units of production in South Africa to historically disadvantaged persons. However, AngloGold would expect the State to conduct its own assessment of these transfers when AngloGold submits its conversions. In addition, AngloGold is continuing to evaluate alternative ways in which to achieve objectives of the Charter through, for example, forms of broad-based equity ownership by historically disadvantaged entities, groups or individuals, including employee share ownership and empowerment unit trusts.

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AngloGold has made significant progress towards meeting the requirements of the Charter and the scorecard in human resource development, employment equity, mine community and rural development, housing and living conditions, procurement and beneficiation. AngloGold will also reflect these results when it lodges its conversions or applications for acquisition of new rights to replace its existing rights. AngloGold's performance under the criteria set by the Charter and the scorecard will be assessed by the State upon the occurrence of such lodgments or applications. Details of the State's methodology for calculating performance in regard to beneficiation has however not yet been made public.

Any significant adjustment to AngloGold's property ownership structure could have a material adverse effect on AngloGold's financial condition or the value of AngloGold's ordinary shares, and failure to comply with the requirements of the Charter and the scorecard could subject AngloGold to negative consequences, the scope of which has not yet been fully determined.

AngloGold may also incur expenses to give additional effect to the Charter and the scorecard, including costs which it may incur in facilitating the financing of initiatives towards ownership by historically disadvantaged persons as part of the industry-wide commitment to assist such persons in securing R100 billion of financing during the first five years of the Charter's life. There is furthermore no guarantee that any steps AngloGold might take to comply with the Charter would ensure that it could successfully acquire new mining rights in place of its existing rights. In addition, the terms of such new rights may not be as favourable to AngloGold as are those of its existing rights. Having said this, AngloGold believes, based on present indications, that it should be able successfully to acquire new rights on reasonable terms.

The new Act also imposes on mining companies additional responsibilities relating to environmental management and to environmental damage, degradation or pollution resulting from their prospecting or mining activities. AngloGold has a policy of evaluating, minimizing and addressing the environmental consequences of its activities and, consistent with this policy and the new Act, has undertaken a review of the environmental costs and liabilities associated with its South African operations in the light of the new, as well as the existing, environmental requirements. While this examination could result in an increase in AngloGold's compliance costs and accruals for environmental remediation, it is not certain at this stage whether these costs or liabilities will have a material adverse effect on AngloGold's financial condition or results of operations.

For discussion of the mineral right ownership of AngloGold, see Note 27 to the consolidated financial statements "Mineral and Petroleum Resources Development Act, 2002" and "Item 4B.: Business Overview - Rights to mine and title to properties".

- ***Labor disruptions could have an adverse effect on operating results and financial condition***

Approximately 88 percent (2001: 92 percent) of AngloGold's workforce is located in South Africa. AngloGold's employees in South Africa and some South American countries are highly unionized. In the past, trade unions have had a significant impact on the collective bargaining process, as well as on social and political reforms, most notably in South Africa. It is uncertain whether labor disruptions will be used to advocate labor, political or social causes in the future. Should any labor disruptions occur, if material, they could have an adverse effect on AngloGold's results of operations and financial condition. For a discussion of AngloGold's employees and labor relations, see "Item 6D.: Employees".

- ***AngloGold faces certain risks in dealing with HIV/AIDS which may have an adverse effect on its operations***

AIDS and tuberculosis (which is exacerbated in the presence of HIV/AIDS) remain the major health care challenges faced by the South African operations. Approximately 88 percent (2001: 92 percent) of AngloGold's total workforce is located in South Africa. A significant portion, approximately 30 percent, of this workforce is believed to be infected with the HIV virus. AngloGold is continuing to develop and implement various programs aimed at helping those who have been infected with HIV and preventing new infections. On November 14, 2002, AngloGold announced that it had begun implementing a monitored antiretroviral therapy program for volunteer employees in South Africa who are infected with HIV. Initially, the program involves administering a first line triple therapy regimen supplied by GlaxoSmithKline, otherwise known as a drug cocktail, to 200 eligible employees. As from April 2003, AngloGold intends to roll out the treatment to all eligible employees desiring it.

At this stage, it appears that the drug cocktail itself will cost approximately R840, or approximately \$80, per participating employee per month. It is not yet possible to develop an accurate cost estimate of the program in its entirety, given uncertainties such as drug prices and the ultimate rate of employee participation. Before inclusion of this antiretroviral therapy, AngloGold estimated the cost of managing the impact of HIV/AIDS to be in the order of \$4 to \$6 per ounce mined, and the cost of failing to manage HIV/AIDS to be approximately \$9 per ounce mined.

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AngloGold does not expect the cost that it will incur related to the treatment and prevention of HIV infection and AIDS to materially and adversely affect its operations and profitability. Nevertheless, it is not possible to determine with certainty the costs that AngloGold may incur in the future in addressing this issue and consequently, AngloGold's operations and profitability could be adversely affected. For a full discussion see "Item 4B.: Business overview - Safety and health - South Africa region".

- ***Occurrence of events for which AngloGold is not insured may affect its cash flows and overall profitability***

AngloGold maintains insurance to protect against certain risks related to its operations. This insurance is maintained in amounts that are believed to be reasonable depending upon the circumstances surrounding each identified risk. However, AngloGold may elect not to have insurance for certain risks, due to the high premiums associated with insuring those risks or for various other reasons, e.g. the risks are too remote. As a result, there can be no assurance that AngloGold will maintain insurance sufficient to cover all identified risks or that it will be able to obtain insurance coverage at acceptable premiums. The occurrence of events for which AngloGold is not insured may adversely affect its cash flows and overall profitability.

- ***A majority of AngloGold's ore reserves and mineral deposits and mining operations are located in countries that face political and economic risks***

AngloGold's mineral deposits and mining operations are currently located mainly in African and to a lesser extent in South American countries. These countries, to a greater or lesser extent, have experienced political instability and economic uncertainty in the past. In some of these countries, government policy may be unpredictable, and the institutions of government and market economy may be unstable and may be subject to rapid and unpredictable change.

Any existing and new mining operations and projects carried out by AngloGold are and will be subject to various national and local laws, policies and regulations governing the prospecting, developing and mining of mineral reserves, taxation, exchange controls, investment approvals, employee relations and other matters. If in one or more of these countries AngloGold could not obtain or maintain necessary permits, authorizations or agreements to implement planned projects or continue its operations under conditions or within time frames that make such plans and operations economic, or if legal regimes or the governing political authorities would change materially, this could have an adverse impact on AngloGold's financial position.

Risks related to AngloGold shares and AngloGold ADSs

- ***Sales of large amounts of AngloGold ordinary shares or AngloGold ADSs or the perception that these sales may occur could adversely affect the prevailing share price of AngloGold ordinary shares or AngloGold ADSs***

The market price of the AngloGold ordinary shares or AngloGold ADSs could fall if large amounts of AngloGold ordinary shares or AngloGold ADSs are sold in the public market, or there is a perception in the marketplace that such sales could occur. Holders of AngloGold ordinary shares or AngloGold ADSs may decide to sell AngloGold ordinary shares or AngloGold ADSs at any time. Sales, if substantial, or the perception that these sales may occur and may be substantial, could exert downward pressure on the prevailing market prices for AngloGold ordinary shares and AngloGold ADSs, causing the market prices to decline.

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- ***Fluctuations in the exchange rate between the US dollar and South African rand may reduce the US dollar market value of AngloGold ADSs, as well as the US dollar market value of any dividends or distributions paid by AngloGold***

AngloGold historically has declared all dividends and distributions in South African rand, and as a result, exchange rate movements may have affected the US dollar value of these dividends as well as of any other distributions paid by the depositary to investors that hold AngloGold ADSs, which may have reduced their value to investors. At the general meeting of AngloGold's shareholders held on December 5, 2002, a majority of AngloGold's shareholders passed a special resolution to adopt a new memorandum and articles of association, which, inter alia, allows for dividends and distributions to be declared in US dollars or South African rand at the discretion of the board of directors of AngloGold. If and to the extent AngloGold subsequently declares dividends and distributions in US dollars, exchange rate movements will not affect the US dollar value of any dividends or distributions. If and to the extent dividends and distributions are declared in South African rand, exchange rate movements may have also affected the market value of AngloGold ADSs, which may have reduced their value to investors.

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Item 4: Information on the company

AngloGold, formerly Vaal Reefs Exploration and Mining Company Limited, was incorporated in South Africa in 1944.

4A. History and development of the company

AngloGold produces approximately six million ounces of gold each year. The company, headquartered in Johannesburg, South Africa, has a global presence with 20 operations comprising open-pit and underground mines and surface reclamation plants in eight countries (Argentina, Australia, Brazil, Mali, Namibia, South Africa, Tanzania and the United States of America), 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 Limited (Registration number 1944/017354/06) was incorporated in the Republic of South Africa in 1944 under the name of Vaal Reefs Exploration and Mining Company Limited. Its principal executive office is located at 11 Diagonal Street, Johannesburg, 2001 (P.O. Box 62117, Marshalltown, 2107) South Africa (Telephone +27 11 637-6000). AngloGold's US office is located at 509 Madison Avenue, Suite 1914, New York, NY 10022, USA (Tel. +1 212 750 5626) and the company's

authorized representative in the USA is: Puglisi & Associates, 850 Library Avenue, Suite 204, P.O. Box 885, Newark, Delaware 19715, USA (Tel. +1 302 738 6680).

AngloGold, as it conducts business today, was formed in June 1998 through the consolidation of the gold interests of Anglo American Corporation of South Africa Limited (AAC) and its associated companies into a single, focused, independent, global gold company. Vaal Reefs Exploration and Mining Company Limited (Vaal Reefs), the vehicle for the consolidation, changed its name to AngloGold Limited and increased its authorized share capital, effective March 30, 1998. AngloGold then acquired, in share-for-share exchanges in terms of South African schemes of arrangement and following shareholder approval, all of the issued share capital of the following participating companies:

- East Rand Gold and Uranium Company Limited (Ergo);
- Eastvaal Gold Holdings Limited (Eastvaal);
- Southvaal Holdings Limited (Southvaal);
- Free State Consolidated Gold Mines Limited (Freegold);
- Elandsrand Gold Mining Company Limited (Elandsrand);
- H.J. Joel Gold Mining Company Limited (HJ Joel); and
- Western Deep Levels Limited (Western Deep Levels)

(collectively the "participating companies"). A total of 51,038,968 ordinary shares were issued to AAC and 66,010,118 ordinary shares to other shareholders in exchange for their shares in these companies.

In addition, AngloGold acquired in private transactions with AAC and minority shareholders certain share interests in gold mining companies, including:

- approximately 17 percent of Driefontein Consolidated Limited (Driefontein);
- 100 percent of Anmercosa Mining (West Africa) Limited (Anmin West Africa);

- approximately 89 percent of Western Ultra Deep Levels Limited (Western Ultra Deep);
- approximately 52 percent of Eastern Gold Holdings Limited (Eastern Gold);
- 100 percent of Erongo Mining and Exploration Company Limited (Erongo); and
- other sundry share interests

(collectively the "share interests companies"). A total of 25,734,446 ordinary shares were issued to AAC and 957,920 ordinary shares to minority shareholders in exchange for their shares in these companies.

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AngloGold also acquired certain gold exploration and mining rights from AAC and other companies in exchange for which 1,623,080 ordinary shares were issued to AAC and 4,210,412 ordinary shares to other companies.

Prior to the consolidation, Vaal Reefs was a client company of AAC under a service agreement and HJ Joel was a client company of Johannesburg Consolidated Investments Limited (JCI) under another service agreement. Under these agreements, AAC and JCI provided certain technical, administrative, secretarial and purchasing services. In connection with the above transaction, AngloGold acquired from AAC and JCI all the rights under these service agreements relating to the participating companies listed above. AngloGold now provides these services. The rights under the service agreements were acquired from AAC in exchange for 6,834,872 ordinary shares of AngloGold, and the rights under the service agreement from JCI were acquired for cash of R62.5 million.

The consolidation was approved by the required majorities of the shareholders of AngloGold and the participating companies and became effective on June 29, 1998 for accounting purposes. The participating companies and the 50 percent or more owned share interests companies became subsidiaries, and the less than 50 percent owned share interests companies became associate companies.

In December 1998, AngloGold agreed to purchase Minorco's gold interests located primarily in North and South America. This transaction became effective March 31, 1999. See "Item 4B.: Business overview - Products, operations and geographic locations - North American operations" and " - South American

operations".

With effect from December 31, 1999 AngloGold acquired Acacia Resources in Australia, including all or part of new mining operations and exploration activities. See "Item 4B.: Business overview - Products, operations and geographic locations - Australian operations".

With effect from July 3, 2000, AngloGold acquired a 40 percent interest in the Morila mine located in Mali from Randgold Resources. See "Item 4B.: Business overview - Products, operations and geographic locations - East and West African operations - Morila".

With effect from December 15, 2000, AngloGold acquired a 50 percent interest in the Geita mine located in northern Tanzania from Ashanti Goldfields Limited. See "Item 4B.: Business overview - Products, operations and geographic locations - East and West African operations - Geita".

In 2000, in support of its market development initiatives, AngloGold acquired a 25 percent interest in OroAfrica, South Africa's largest manufacturer of gold jewellery and a 33 percent holding in GoldAvenue, an e-commerce business in gold, created jointly with JP Morgan and Produits Artistiques de Metaux Precieux (PAMP).

In December 2000, agreement was reached with Harmony Gold Mining Company Limited, whereby Harmony agreed to purchase AngloGold's Elandsrand and Deelkraal mines with effect from February 1, 2001 for an amount of \$109 million. All conditions precedent relative to the sale were fulfilled on April 9, 2001 on which date the agreement of sale became unconditional. See note 24 to the consolidated financial statements "Sales of shafts".

In terms of an agreement signed with African Rainbow Minerals (Proprietary) Limited (formerly African Rainbow Minerals & Exploration (Proprietary) Limited) ("ARM") in January 1998, the No. 2 Shaft Vaal River Operations was tributed to ARM on the basis that 40 percent of all revenue, costs and capital expenditure would be attributable to ARM, with the balance to AngloGold. With effect from July 1, 2001, AngloGold announced that it had disposed of its interests in No. 2 Shaft Vaal River Operations to ARM for the sum of \$1 million. See note 24 to the consolidated financial statements "Sales of shafts".

On September 5, 2001, AngloGold announced that it was to make a takeover offer for Normandy Mining Limited (Normandy), Australia's largest listed gold mining company. The offer was to be settled in AngloGold shares in the ratio of 4.30 AngloGold shares for every 100 Normandy shares. The final offer to Normandy shareholders comprised 4.30 AngloGold shares plus a cash consideration of A\$30 for every 100 Normandy shares. At the close of the offer on January 18, 2002, AngloGold had received acceptances totaling 159,703,481 Normandy shares (7.16 percent of the Normandy issued share capital). Arising out of the offer, a total of 6,869,602 AngloGold ordinary shares were issued. This excludes 143,630 AngloGold ordinary shares issued under the top-up facility to Normandy shareholders. The Normandy shares acquired were sold on the market on January 21, 2002 realizing a total of \$158 million. See note 2 to the consolidated financial statements "Acquisitions and disposals of businesses".

On April 11, 2002 AngloGold announced that the final condition precedent for the sale of its Free State assets to African Rainbow Minerals Gold Limited (formerly African Rainbow Minerals (Proprietary) Limited) and Harmony Gold Mining Company Limited, through a jointly-owned company ("Free Gold"), had been fulfilled for a net consideration of \$229 million including tax payable by AngloGold and net of contractual obligations pursuant to the sale. The sale was effective from January 1, 2002. See note 24 to the consolidated financial statements "Sales of shafts".

During July 2002 AngloGold acquired an additional 46.25 percent of the equity, as well as the total loan assignment, of Cerro Vanguardia SA, a company conducting gold mining operations in Argentina, from Prez Companc International SA, for a net consideration of \$97 million, thereby increasing its interest in Cerro Vanguardia to 92.5 percent. For a full discussion see note 2 to the consolidated financial statements "Acquisitions and disposals of businesses".

AngloGold disposed of its wholly-owned subsidiary, Stone and Allied Industries (O.F.S.) Limited, a stone crushing company, to a joint venture of that company's existing management and a group of black entrepreneurs, with effect from October 1, 2002, for a consideration of R5 million, comprising R1.4 million in respect of the equity interest and R3.6 million, a loan claim. In respect of the equity interest, R450,000 in cash and the outstanding balance of R950,000 together with the loan of R3.6 million is payable in five equal annual installments, together with interest, commencing October 1, 2003. The agreement of sale provides for a 10 percent 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. See note 2 to the consolidated financial statements "Acquisitions and disposals of businesses".

On February 27, 2003, AngloGold announced that it had entered into a purchase and sale agreement with Queenstake Resources USA Inc (Queenstake) for its interest in the Jerritt Canyon Joint Venture. This follows an unsolicited offer by Queenstake to the Jerritt Canyon joint venture partners. AngloGold currently owns 70 percent 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 \$8 million on closing, with \$6 million in deferred payments, with additional royalty payments. Queenstake will accept full closure and reclamation and other liabilities. The transaction is expected to close during April 2003. See note 30 to the consolidated financial statements "Subsequent events".

On March 13, 2003, AngloGold announced that its wholly-owned subsidiary, AngloGold Australia Limited signed a new joint venture agreement with Striker Resources NL and De Beers Australia Exploration Limited, covering a large ground holding in the east Kimberley region of Western Australia. AngloGold, as manager of the joint venture, has agreed to spend an initial \$356,940 on gold exploration and has the right to earn 51 percent in all the tenements subject to the agreement, via a series of joint venture agreements, for total combined expenditure of \$4.61 million. The agreement comprises the right to earn 51 percent in the Oombulgurri Gold Project by spending \$3 million, and two options to earn 51 percent by spending a combined \$1.64 million on tenements in which Striker holds joint interest with AKD Limited in one case, and with Ellendale Resources NL in another. The area of influence covered by the agreements totals more than 17,000 square kilometers and both Striker and De Beers will provide AngloGold with access to their databases for the region, including drill and sample material. See note 30 to the consolidated financial statements "Subsequent events".

For a detailed discussion of the principal capital expenditures of the company, see "Item 5B.: Liquidity and capital resources - Investing activities".

4B. Business overview

Gold market

The gold market is relatively liquid compared with many other commodity markets, with the price of gold generally quoted in US dollars. Physical demand for gold is primarily for fabrication purposes, and gold is traded on a world-wide basis. Fabricated gold has a variety of uses, including jewellery (which accounts for almost 80 percent of fabricated demand), electronics, dentistry, decorations, medals and official coins. In addition, central banks, financial institutions and private individuals buy, sell and hold gold bullion as an investment and as a store of value.

The use of gold as a store of value (the tendency of gold to retain its value in relative terms against basic goods and in times of inflation and monetary crisis) and the large quantities of gold held for this purpose in relation to annual mine production have meant that historically the potential total supply of gold has been far greater than demand. Thus, while current supply and demand play some part in determining the price of gold, this does not occur to the same extent as for other commodities.

Instead, the gold price has from time to time been significantly affected by macro-economic factors such as expectations of inflation, interest rates, exchange rates, changes in reserve policy by central banks, and global or regional political and economic crises. In times of inflation and currency devaluation, gold is often seen as a refuge, leading to increased purchases of gold and a support for the price of gold.

Interest rates affect the price of gold on several levels. High real interest rates increase the cost of holding gold and discourage physical buying in developed economies. High US dollar interest rates would also make hedging or forward selling of gold attractive because of the higher contango premiums available in the forward prices. Increased forward selling in turn has an impact on the spot price at the time of such sales. At a secondary level, changes to interest rates are viewed by market participants as indicators of other economic changes (including expectations of inflation), and have been used historically by market participants to motivate decisions to buy or sell gold.

Changes in exchange rates against the US dollar affect levels of demand for gold in non-US economies. In South East Asia, for example, during the mid-1990s strong local currencies encouraged robust gold demand due to low real gold prices in local currencies. In contrast, when South East Asian currencies fell sharply against the US dollar in 1997, the local currency values of gold increased proportionally, and wholesale selling of metal ensued in the region. Recoveries in Asian currencies since 1999 have seen a resumption in earlier levels of gold demand in the region as local prices of gold declined with stronger local currencies. In the investment market, a strong dollar during the 1990's had a negative effect on investment demand for gold in developed economies. The weakness in the US currency since 2001 has seen that influence reversed, and dollar weakness has been seen as a signal to buy gold.

Whilst political and economic crises can affect the gold price both positively or negatively, neither effect is inevitable. As a recent illustration of this uncertain effect, in 1998, despite negative sentiments caused by the Russian financial crisis, and ensuing corrections in the capital markets world-wide, the price of gold remained stable. By contrast, in 2002 political events have helped to drive the gold price higher, particularly in respect of the current war in Iraq.

Mining process

The mining process can be divided into four main phases:

- finding the orebody;
- creating access to the orebody;
- removing the ore by mining or breaking the orebody; and
- transporting the broken material from the mining face to the plants for treatment.

This basic process applies to both underground and surface operations.

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Orebody discovery

Identification of orebodies is the output of the geological search for new reserves. The search is extended once access to the orebody has been obtained to enable clearer identification of the portions to be mined.

Access to the orebody

In underground mines, shafts are sunk to gain access to the orebody. Once the shaft has been sunk and equipped, horizontal development at various intervals extends access to the location of the reef to be mined. On-reef development then provides specific mining access.

In open-pit mining, access is gained through overburden stripping, which removes the covering layers of topsoil or rock.

Ore removal

Ore removal from the host rock begins with drilling and blasting of the accessible ore. The blasted faces are then cleaned and the ore is made available to the ore transport system.

In open-pit mines, gold-bearing material may require drilling and blasting and is usually loaded by excavators to make it available to the ore transport system.

Ore transport

Underground train systems collect broken ore and remove it to a series of ore passes to convey it to the bottom of the shaft from where it is hoisted to the surface. Conveyor belts or surface railway systems are used to transport the ore to treatment plants. The accompanying waste rock is then placed on waste rock dumps.

Open-pit mines usually transport ore to treatment facilities in large-capacity haultrucks.

Services

Mining activities require extensive services, both on the surface and underground, including:

- mining engineering services;
- mine planning;
- ventilation;
- provision of consumable resources;
- engineering services;
- financial, administration and human resource services; and
- environmental/permitting services.

Processing

Extracting gold from ore is a critical component of the overall economic success of the mining process. Extensive research and development has resulted in: a special elution process; linear screening to remove tramp materials; and the pump cell (for pumping pulp between stages in the carbon-in-pulp section). Processes are also constantly re-engineered in order to improve productivity and security. Consequently, modern plants are characterized by a high degree of automation and a relatively low headcount.

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A typical gold plant circuit consists of the following:

- **Delivery from the shafts and mining operations**

Delivery from the shafts and mining operations is either direct, by means of conveyor systems, or by road or rail via both public and private networks. Systems operated by AngloGold conform to operating standards utilized in the mining industry.

- **Comminution**

Comminution is the breaking up of ore to make gold available for treatment. Conventionally, this process occurs in multi-stage crushing and milling circuits. Modern technology is based on large mills fed directly with run-of-mine material.

- **Treatment**

Gold in the milled ore is dissolved by leaching in agitated tanks using cyanide with oxygen enhancement. This more cost-effective carbon-in-pulp (CIP) process has largely superseded the use of rotary drum

filtration. For refractory gold ores, as often found in North and South America, the ore treatment is more complex and among other processes requires whole-ore roasting (as practiced at Jerritt Canyon) or flotation and subsequent concentrate roasting (as at Morro Velho's Cuiab circuit) where gold is extracted by leaching with cyanide.

- **Recovery**

Filtrate produced in rotary filter plants is contacted with zinc powder to produce a gold precipitate. With the CIP process, the gold adsorbed on carbon is eluted to produce a concentrated gold-bearing solution from which the gold can be recovered either by zinc precipitation or by electro-winning. The precipitate is then smelted to produce gold bullion, or dor bars, which are transported to a refinery for refining to a good delivery status. Good delivery status refers to a bar that is accepted to contain the quantity and purity of gold as stamped on the bar, without further weighing or assaying.

- **Secondary processes**

In order to increase recovery of gold from various tailings arising from extraction processes, secondary gold recovery processes are used. These include pyrite flotation and sulphuric acid production, followed by gold recovery.

- **Uranium plants**

The only uranium plant still operating in South Africa is at the Vaal River operations. The plant employs the NIMCIX ion exchange process, followed by solvent extraction. The NIMCIX ion exchange process is the adsorption of uranium in solution onto resin beds, which are then eluted to introduce the uranium into a concentrated purified form in solution. Uranium plants are completely separate from the plants built to recover secondary gold from tailings.

- **Sulphuric acid plants**

In addition to gold and uranium production, a number of other processes have been or are being used to enhance gold recoveries. One of these processes is pyrite flotation, where the resultant pyrite concentrate is used to feed a sulphuric acid plant roaster, as at Ergo, Vaal River and Morro Velho. By employing this process, AngloGold benefits from acid sales as well as recovering gold from the roaster calcine.

Summary of metallurgical operations

South African operations

	West Wits		Vaal River			Ergo	
	Mponeng (previously No. 1 plant)	Savuka (previously No. 3 plant)	No. 1 plant	No. 2 plant	No. 8 plant	No. 9 plant	
Gold plants							
Capacity (000 tonnes/month)	180	280	180	240	240	420	4,420
Technology	ROM mills (3), cyanide, CIP, elution, electro-winning	crushers, tube mills, ball mills, cyanide, CIP	ROM mills (2), ball mills, cyanide, CIP, elution, electro-winning	cyanide, CIP, elution, electro-winning	crushers, tube mills, ball mills, cyanide, CIP, electro-winning	ROM mills (6), cyanide, CIP, electro-winning	retreatment cyanide, CIL, zinc-precipitation
Uranium plants							
Capacity (000 tonnes/month)						250	
Pyrite flotation plants							
Capacity (000 tonnes/month)				250	145	250	800
Sulphuric acid plants							
Production (tonnes/month)				7,500		6,300	15,000

Summary of metallurgical operations**East and West African operations**

	Geita	Morila	Yatela	Sadiola	Navachab
Gold plants					
Capacity (000 tonnes/month)	333	250	210	335	110
Technology	crushing, SAG milling, ball mill, gravity concentration cyanide leach, CIP, elution, electro-winning	crushing, SAG milling, ball mill, gravity concentration cyanide leach, CIP, elution, electro-winning	mineral sizing, agglomeration, heap leaching, carbon adsorption	mineral sizing, SAG mills (2), ball mill, cyanide leach, CIP, elution, electro-winning	crushing, SAG milling, cyanide leach, CIP, elution, electro-winning

For detailed discussion on Geita, Morila and Yatela acquisitions, see "Item 4B: business overview - Products, operations and geographic locations".

Summary of metallurgical operations

	North American operations		South American operations			
	Colorado ⁽¹⁾	Jerritt Canyon ⁽²⁾	Cerro Vanguardia	Morro Velho Cuiaba	Morro Velho Raposos	Serra Grande
Gold plants						
Capacity (000 tonnes/month)		113	75	63	30	62
- crushed ore production	1,512					
- total ore production	1,535					
- solution processed	2,235					
Technology	crushers, valley heap leach, gold adsorption by carbon in solution, elution, electro-winning	crushers, dry ball mill, roasting, cyanide, CIP, elution, electro-winning	crushers, ball mill in cyanide, CCD leach, CIL, elution, zinc precipitation, cyanide recovery	crushers, ball mill, gravity concentration, flotation, acid plant, calcine leach, rotary filters, CIP, elution, zinc precipitation, electro-winning	crushers, ball mill, gravity concentration, cyanide, CIP, zinc precipitation, electro-winning	crushers, ball mill, gravity concentration, cyanide, rotary filters, zinc precipitation
Pyrite flotation plants						
Capacity (000 tonnes/month)				63		

Sulphuric acid plants

Production (tonnes/month) 10,800

(1) At the Colorado plant capacity increased from 1999 as a third carbon column (gold recovery from solution) was commissioned.

(2) A sale of AngloGold's full interest in the Jerritt Canyon Joint Venture has been agreed . Closing of the sale is expected by no later than March 31, 2003.

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Summary of metallurgical operations

	Sunrise Dam	Australian operations Boddington ⁽¹⁾		Union Reefs	Tanami ⁽²⁾
		Basement	Leach plant		
Gold plants					
Capacity (000 tonnes/month)	283	Closed 45	Closed 683	233	125
Technology	crushers, ball mills, gravity concentrate, CIL, elution, electro-winning	crushers, mills, gravity concentrate, flotation, CIL, elution, electro-winning	crushers, mills, CIL, elution, electro-winning	crushers, mills, gravity concentrate, CIL, elution, electro-winning	crushers, mills, gravity concentrate , CIL , elution , electro-winning

(1) The Boddington plant is on care and maintenance, pending commencement of the expansion project;

- (2) The Tanami process plant is leased to Newmont North Flinders.

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Products, operations and geographic locations

AngloGold's main product is gold. An insignificant portion of its revenue is derived from the sales of silver, uranium oxide and sulphuric acid. AngloGold sells its products on world markets.

The operations and geographical areas in which AngloGold currently operates are shown in Diagram 1.

South African operations

AngloGold's South Africa region comprises seven underground operations located in two geographic areas on the Witwatersrand Basin:

- the West Wits area, near Carletonville, straddling the North West and Gauteng provinces (comprising Mponeng, Savuka and TauTona); and
- the Vaal River area, near Orkney, in the North West Province and Free State Province (comprising Great Noligwa, Kopanang, Tau Lekoa and Moab Khotsong, and

a surface metallurgical reclamation operation, Ergo, located near Johannesburg in Gauteng Province.

AngloGold sold its operation in the Free State with the effective date of January 1, 2002. These operations comprised the Bambanani, Joel, Tshepong and Mathjabeng mines and related surface operations. For a full discussion of the sale, see "Item 4A.: "History and development of the company" and Note 24 to the consolidated financial statements "Sales of shafts".

Geology: The Witwatersrand Basin comprises a six-kilometer thick sequence of interbedded argillaceous and arenaceous sediments that extends laterally for some 300 kilometers north-east south-west and 100 kilometers north-west south-east on the Kaapvaal Craton. The upper portion of the basin, which contains the orebodies, crops out at its northern extent near Johannesburg. Further west, south and east the Witwatersrand Basin is overlain by up to four kilometers of Archaean, Proterozoic and Mesozoic volcanic and sedimentary rocks. The Witwatersrand Basin is late Archaean in age and is considered to be in the order of 2.7 to 2.8 billion years old.

In the Witwatersrand Basin, gold occurs in laterally extensive quartz pebble conglomerate horizons termed reefs that are generally less than two meters thick and are widely considered to represent laterally extensive braided fluvial deposits. Separate fan systems were developed at different entry points and these are preserved as distinct goldfields. There is still much debate about the origin of the gold mineralization in the Witwatersrand Basin. Gold was generally considered to have been deposited syngenetically with the conglomerates but there has been a swing to an epigenetic origin theory. However, the most fundamental control to the gold distribution in the Basin remains the sedimentary features, such as facies variations and channel directions. Gold generally occurs in native form often associated with pyrite and carbon, with quartz being the main gangue mineral.

- **West Wits operations**

General description: The West Wits operations comprise Mponeng, Savuka and TauTona mines. Savuka and TauTona share a processing plant, whereas Mponeng has its own individual processing plant. These operations comprise crushers, mills, CIP and zinc precipitation and smelting facilities.

Geology: Two reef horizons are exploited at the West Wits operations, the Ventersdorp Contact Reef (VCR) located at the top of the Central Rand Group and the Carbon Leader Reef (CLR) near the base. The separation between the two reefs increases from east to west from 400 to 900 meters due to the VCR unconformity. TauTona and Savuka mine both reefs whereas Mponeng only mines the VCR. The structure is relatively simple; faults of greater than 70 meters are rare. The CLR consists of one or more conglomerate units and varies from several centimeters to more than three meters in thickness. Regionally, the VCR dips at approximately 21 degrees but may vary between 5 and 50 degrees, accompanied by changes in thickness of the conglomerate units. Where the conglomerate has the attitude of the regional dip, it tends to be thick, well-developed and accompanied by higher gold accumulations. Where the attitude departs significantly from the regional dip, the reef is thin.

Operating and production data for West Wits operations

	Mponeng	Elandsrand ⁽¹⁾	TauTona	Savuka	Deelkraal ⁽¹⁾
2000					
Pay limit (oz/t)	0.29	0.26	0.48	0.38	0.34
Pay limit (g/t)	9.80	9.07	16.60	13.16	11.64
Recovered grade (oz/t)	0.235	0.186	0.330	0.245	0.209
Recovered grade (g/t)	8.05	6.37	11.30	8.39	7.17
Gold production (000 oz)	402	355	599	272	175
Total cash costs (\$/oz) ⁽²⁾	238	281	172	247	294
Total production costs (\$/oz) ⁽²⁾	279	327	219	335	423
Capital expenditure (\$ million)	28.9	18.9	5.9	1.0	1.6
Employees ⁽³⁾	4,924	5,690	5,864	4,067	3,491
Outside contractors ⁽³⁾	565	320	342	112	105
2001					
Pay limit (oz/t)	0.26	0.31	0.51	0.35	0.51
Pay limit (g/t)	8.80	10.6	17.40	11.92	17.5
Recovered grade (oz/t)	0.225	0.179	0.348	0.232	0.220
Recovered grade (g/t)	7.71	6.13	11.94	7.97	7.55
Gold production (000 oz)	366	20	622	240	13
Total cash costs (\$/oz) ⁽²⁾	223	362	154	248	331
Total production costs (\$/oz) ⁽²⁾	281	362	180	354	385
Capital expenditure (\$ million)	29.4	1.5	7.2	0.4	-
Employees ⁽³⁾	5,260	-	5,047	3,645	-
Outside contractors ⁽³⁾	486	-	285	337	-
2002					
Pay limit (oz/t)	0.24	-	0.47	0.38	-
Pay limit (g/t)	7.54	-	14.54	11.90	-
Recovered grade (oz/t)	0.252	-	0.340	0.206	-
Recovered grade (g/t)	8.63	-	11.66	7.07	-

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Gold production (000 oz)	466	-	643	236	-
Total cash costs (\$/oz) ⁽²⁾	178	-	132	245	-
Total production costs (\$/oz) ⁽²⁾	240	-	154	301	-
Capital expenditure (\$ million)	31.7	-	10.9	5.7	-
Employees ⁽³⁾	5,237	-	5,397	4,396	-
Outside contractors ⁽³⁾	456	-	318	514	-

(1) *Elandsrand and Deelkraal operations were sold effective February 1, 2001 to Harmony Gold Mining Company Limited.*

(2) *Total cash costs and total production costs are non-GAAP measures. For further information on these non-GAAP measures, see "Item 5A.: Operating results - Total cash costs and total production costs".*

(3) *Average for the year.*