ANGLOGOLD ASHANTI LTD
Form 6-K
July 29, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 6-K
REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 or 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934
Report on Form 6-K dated
July 28, 2005

AngloGold Ashanti Limited
_
(Name of Registrant)

11 Diagonal Street
Johannesburg, 2001
(P O Box 62117)
Marshalltown, 2107
South Africa
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F: Form 40-F:

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes:
No:

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes:
No:

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes:
No:

Enclosures:
ANGLOGOLD ASHANTI : REPORT FOR THE QUARTER AND SIX MONTHS
ENDED JUNE 30, 2005 PREPARED IN ACCORDANCE WITH IFRS

Quarter 2 2005
Report
for the quarter and six months ended 30 June 2005
Group results ...

- Gold production steady at 1.569Moz.
- Strong financial performance, including $74m increase in profit attributable to equity shareholders to $96m.
- Headline earnings adjusted for the effect of unrealised non-hedge derivatives up 19% to $92m.
- Total cash costs down 2% to $278/oz, with South African total cash costs 3% lower at R60,287/kg as a result of cost cutting initiatives.
- Interim dividend of R1.70 ($0.25)/share declared.

Quarter
Six months
Quarter
Six months
ended
Jun
2005
ended
Mar
2005
ended
Jun
2005
ended
Jun
2004
ended
Jun
2005
ended
Mar
2005
ended
Jun
2005
ended
Jun
2004
Restated
Restated
SA rand / Metric
US dollar / Imperial
Operating review
Gold
Produced
- kg / oz (000)
48,792
48,808 97,600 80,972
1,569
1,569
3,138

2,603
Price received
1
- R/kg / $/oz
87,314
82,152 84,739 84,152
422
424
423
393
Total cash costs
- R/kg / $/oz
57,351
54,778 56,064 54,456
278
284
281
254
Total production costs
- R/kg / $/oz
74,728
70,639 72,683 67,924
363
366
364 317
Financial review
Gross profit
- R / $ million
931
255 1,186 971
154
57
211
142
Gross profit adjusted
for the effect of unrealised non-
hedge derivatives
2
- R / $ million
765
676 1,441 1,593
117
112
230
240
Profit attributable to equity
shareholders
- R / $ million
566
50 616 425
96

22
118
64
Headline earnings
- R / $ million
665
102 767 563
112
31
143
85
Headline earnings adjusted for the
effect of unrealised non-hedge
derivatives
3
- R / $ million
604
464 1,069 956
92
77
169
147
Capital expenditure
- R / $ million
1,068
864 1,932 1,579
167
144
311
237
Earnings per ordinary share
- cents/share
Basic
214
19 233 178
36
8
45
27
Diluted
214
19 232 171
36
8
45
26
Headline
251
39 290 236
42
12

54
36
Headline earnings adjusted for the
effect of unrealised non-hedge
derivatives
3
- cents/share
228
175 404 401
35
29
64
62
Dividends -
cents/share
170
170
25
26
Notes: *1.*
Price received includes realised non-hedge derivatives.
2.
Refer to note 5 of notes for the definition.
3.
Refer to note 4 of notes for the definition.
$ represents US dollar, unless otherwise stated.
Rounding of figures may result in computational discrepancies.

Operations **at a glance**
for the quarter ended 30 June 2005
Price received
1
Production
Total cash costs
Cash gross profit
(loss)
2
Gross profit (loss)
adjusted for the
effect of
unrealised non-
hedge derivatives
3
$/oz
%
Variance
4
oz (000)
%
Variance
4
$/oz
%
Variance
4
$m
%
Variance
4
$m
%
Variance
4
Sunrise Dam
483
14
131
–
246
(12)
30
36
21
62
Great Noligwa
433
(2)
174
(3)

270
(3)
25
(4)
21
5
TauTona
439
–
120
(8)
243
(11)
23
10
9
–
Mponeng
442
–
128
11
278
(16)
21
62
11
267
Kopanang
437
–
118
(2)
283
(8)
17
21
13
44
Morila
5
429
1
67
–
173
–
16
(6)
11
(8)

AngloGold Ashanti Mineração
417
–
61
7
161
10
15
(6)
11
(15)
Siguiri
5
426
(5)
80
86
212
(46)
14
250
9
350
Cripple Creek & Victor
359
(12)
71
(12)
227
3
12
(25)
2
(71)
Cerro Vanguardia
5
381
(1)
51
(11)
171
21
12
(20)
7
(30)
Sadiola
5
427
(3)
43

13
256
(10)
7
17
4
100
Serra Grande
5
415
–
24
–
153
4
7
–
6
–
Obuasi
424
(5)
102
11
324
(10)
5
(29)
(5)
(400)
Iduapriem
5
422
(5)
40
(13)
339
18
4
(20)
2
–
Geita
351
(6)
165
(14)
331
55
3
(88)

(9)
(190)
Tau Lekoa
438
(2)
68
5
400
(7)
3
200
(2)
60
Yatela
5
428
–
23
–
299
7
3
(25)
1
(50)
Bibiani
426
(1)
30
(9)
296
2
3
(40)
(1)
–
Navachab
427
(1)
18
(5)
362
(12)
– (100) **(1)**
–
Savuka
441
(1)
33
3
461

(17)
(1)
67
(3)
40
Other
21
(4)
16
100
10
233
AngloGold Ashanti
422
–
1,569
–
278
(2)
235
2
117
4
1
Price received includes realised non-hedge derivatives.
2
Gross profit (loss) adjusted for the effect of unrealised non-hedge derivatives plus amortisation of tangible and intangible assets, less non-cash revenues.
3
Refer to note 5 of notes for the definition.
4
Variance June 2005 quarter on March 2005 quarter – increase (decrease).
5
Attributable.
Rounding of figures may result in computational discrepancies.
1

Financial and **operating review**

OVERVIEW OF THE QUARTER

The June quarter has produced a good financial performance, with steady operational results, in line with those of last quarter. Headline earnings adjusted for the effect of unrealised non-hedge derivatives increased 19% to $92m, of which $35m relates to the net positive effect of a statutory tax rate reduction in Ghana to 25% for three years (and 28% thereafter). Profit attributable to equity shareholders was $74m higher than that of the prior quarter, due to the statutory tax rate reductions and as a result of unrealised non-hedge derivative gains in the second quarter, compared with losses in the first quarter of the year.

A combination of factors had led to a 4% increase in gross profit adjusted for the effect of unrealised non-hedge derivatives of $117m. The weakening of the rand contributed $16m to profitability, while savings arising from improved efficiencies were partly offset by lower grades and inflationary increases, with the sustained strength of the oil price continuing to have a negative impact on open-pit operations.

As noted, production was consistent quarter-on-quarter, due to solid performances from the Brazilian, Malian and Australian assets and to significantly improved performances at several other operations, including Siguiri in Guinea, which posted a 37,000oz production increase following the first full quarter of operation of the newly commissioned carbon-in-pulp plant. Obuasi in Ghana also continued on its course of operational improvement, with production up 11% to 102,000oz and total cash costs down 10% to $324/oz.

An 11% production improvement at Mponeng helped to offset production declines at several other South African operations, including TauTona and Great Noligwa. After several excellent quarters, production at Geita in Tanzania decreased 14% to 165,000oz and total cash costs climbed 55% to $331/oz, as a result of both lower grades mined and reduced mining contractor efficiencies as the operation starts the transition to owner-mining.

In Australia, the Sunrise Dam mine enjoyed another record production quarter of 131,000oz, equal to that of the first quarter, with total cash costs improving 11% to A$320/oz ($246/oz).

At the AngloGold Ashanti Mineração operation in Brazil, gold production increased 7% to 61,000oz, with total cash costs climbing 10% to $161/oz, largely as a consequence of the 7%

appreciation of the Brazilian real over the quarter. The Cerro Vanguardia mine in Argentina saw lower tonnage and feed grade, as planned in the production programme, with total cash costs 21% higher at $171/oz, mainly due to retroactive January 2005 wage increases paid out during the second quarter.

Turning to costs, globally increasing mining contractor rates, the strong oil price and the generally higher price of consumables continue to require that cost containment remains a key management focus across the group. The stringent cost savings programmes noted last quarter are beginning to take effect and the South African region in particular made strides over the quarter in achieving its cost cutting targets, with local total cash costs at R60,287/kg constituting a 3% improvement quarter-on-quarter.

Looking ahead, production for the third quarter is estimated to be 1.551Moz at a total cash cost of $279/oz, assuming the following exchange rates to the US dollar: R6.60; A$0.76; BRL2.4 and Argentinean peso 2.80. Capital expenditure for the quarter is estimated at $277m and will be managed in line with profitability.

After serving more than 30 years with AngloGold Ashanti and the Anglo American and De Beers companies, CFO Jonathan Best will retire at the end of July 2005. He is succeeded by Srinivasan Venkatakrishnan, currently deputy CFO, whose professional history includes a senior position with Deloitte and Touche in London, as well as the role of Finance Director of Ashanti from 2000, during which period he led the financial restructuring of the company.

During the quarter under review, the company also indicated that Dr Sam Jonah will move to a non-executive role on the Board of Directors. AngloGold Ashanti's two Chief Operating Officers, Neville Nicolau (Africa) and Roberto Carvalho Silva (International) will now report directly to CEO Bobby Godsell.

OPERATING RESULTS FOR THE QUARTER

SOUTH AFRICA

At **Great Noligwa**, volume mined improved by 13%, although yield dropped 7% as anticipated due to lower face values. Gold production fell 4% to 5,401kg (174,000oz) and total cash costs consequently increased 4% to R55,453/kg ($270/oz). Gross profit adjusted for the effect of unrealised non-hedge derivatives increased 9% to R133m ($21m).

The Lost-Time Injury Frequency Rate (LTIFR) was 15.66 lost-time injuries per million hours worked (9.51 for the previous quarter). Although Great Noligwa achieved 500,000 fatality-free shifts on 1 June 2005, one employee regrettably lost his life due to a fall of ground incident later in the month.

At **Kopanang**, volume mined improved by 2% quarter-on-quarter. Tonnes treated increased 6%, but this benefit was offset by a 7% yield reduction due to the release of lower grade underground ore. Gold production fell 2% to 3,659kg (118,000oz) as a result of a marginal gold lock-up underground, but total cash costs nevertheless improved 2% to R58,208/kg ($283/oz) as a result of implemented cost savings initiatives. Gross profit adjusted for the effect of unrealised non-hedge derivatives improved 59% to R83m ($13m), reflecting the improved total cash costs and a higher received price.

The LTIFR was 12.89 (12.45).

Tau Lekoa's volume mined increased 6% quarter-on-quarter, favourably impacting gold production, which increased 5% to 2,126kg (68,000oz). The implementation of cost saving initiatives together with the increased gold production resulted in a 1% improvement in total cash costs to R82,469/kg ($400/oz). Gross loss adjusted for the effect of unrealised non-hedge derivatives improved significantly from R32m last quarter to R11m ($2m) for the second quarter.

The LTIFR was 12.79 (10.77).

Moab Khotsong's improved gold production of 230kg (7,000oz) is not included in the South Africa region's production, as the revenue continues to be capitalised against pre-production costs. Commercial production is scheduled for 2006.

The LTIFR was 17.45 (9.60).

At **Mponeng**, gold production improved 11% to 3,968kg (128,000oz), due to a 4% increase in volume mined and improvements in grade.

Yield climbed 14% to 9.5g/t. Total cash costs declined 10% to R57,209/kg ($278/oz) as a consequence of the quarter's increased production, and gross profit adjusted for the effect of unrealised non-hedge derivatives accordingly improved to R73m ($11m), also reflecting the impact of a higher received price.

The LTIFR was 9.90 (15.82). Regrettably, one employee died in a fall of ground incident.

Gold production at **Savuka** rose 4% to 1,038kg (33,000oz), after an improved mining mix led to a significant increase in grade. The production improvement, together with the implementation of cost savings initiatives, resulted in a 12% decrease in total cash costs to R94,685/kg ($461/oz). Gross loss adjusted for the effect of unrealised non-hedge derivatives declined 41% to R19m ($3m). In spite of this quarter's operational improvement, Savuka is entering orderly closure mode with likely closure in March 2006.

The LTIFR was 16.75 (13.59).

At **TauTona**, volume mined was in line with that of the previous quarter, although increased off-reef mining due to geological constraints and a 4% drop in face values resulted in an 8% drop in both gold production to 3,747kg (120,000oz) and yield. Total cash costs, at R49,773/kg ($243/oz), reflected a 5% improvement due to labour reductions and cost management interventions. Gross profit adjusted for the effect of unrealised non-hedge derivatives was held to the previous quarter's level of R59m ($9m).

The LTIFR was 9.35 (8.84). TauTona achieved 500,000 fatality-free shifts on 19 April 2005.

ARGENTINA

At **Cerro Vanguardia** (92.5% attributable), gold production decreased in line with previously reported expectations by 11% to 51,000oz due to a decline in feed grade, as well as a decrease in ore treated after a maintenance-related milling stoppage in May.

3

Total cash costs, at $171/oz, were 21% higher quarter-on-quarter, owing in part to lower gold production, although retroactive January wage increases paid out during the second quarter and higher plant maintenance costs also contributed.
Gross profit adjusted for the effect of unrealised non-hedge derivatives declined to $7m, primarily as a result of 9% decrease in gold revenue.
The LTIFR was 3.74 (2.14).

AUSTRALIA

For the third consecutive quarter, **Sunrise Dam** maintained a record production level of 131,000oz. Volume treated also increased this quarter, helping to partly offset the effect of a slight decline in recovered grade to 4.28g/t. Total cash costs improved by 11% to A$320/oz ($246/oz), which more than offset the effect of higher mining costs.
Gross profit adjusted for the effect of unrealised non-hedge derivatives increased 59% to A$27m ($21m) as a result of a significantly higher realised price.
It is expected that grades at Sunrise Dam will decline from the third quarter of this year, as mining moves from the high grade southern section of the pit to the lower grade northern section. Mining of this section will take approximately 18 months, and will be supplemented by the underground project, where 954m of underground capital development and 895m of operational development were completed this quarter. The project's development inclines and trial mining will access the higher grade ore.
The LTIFR was 4.89 (0.00).

BRAZIL

At **AngloGold Ashanti Mineração**, gold production increased 7% to 61,000oz, primarily due to improved throughput at Cuiabá mine and increased heap-leaching activity at Córrego do Sìtio mine after heavy rains in the first quarter resulted in an accrual of waste material.
Total cash costs, at $161/oz, were 10% higher as a consequence of the 7% appreciation of the Brazilian real and the increase in mined waste material over the quarter, although the improved gold production worked to partially offset these effects. Gross profit adjusted for the effect of unrealised non-hedge derivatives decreased 15% to $11m as a consequence of increased cost of sales, which offset the effect of the higher quantity of gold sold.

The LTIFR was 1.45 (2.25). Regrettably, one of the mining contractor's employees died in a heavy mobile equipment incident at the Córrego do Sìtio mine.

At **Serra Grande** (50% attributable), gold production was maintained at last quarter's level of 24,000oz, although total cash costs rose 4% to $153/oz due to the appreciation of the Brazilian real. Gross profit adjusted for the effect of unrealised non-hedge derivatives was nevertheless maintained at last quarter's level of $6m as a consequence of a 4% increase in gold sold.

The LTIFR was 0.00 (4.88).

GHANA

As anticipated and reported last quarter, the higher grade hard rock stockpile at **Bibiani** was depleted and production consequently decreased 9% to 30,000oz. Going forward, production will likely focus on the lower grade satellite pits and old tailings treatment, although a study on the underground potential is presently being reviewed.

Total cash costs increased marginally quarter-on-quarter to $296/oz and gross loss adjusted for the effect of unrealised non-hedge derivatives also increased from last quarter's break-even point to $1m.

The LTIFR was 0.00 (2.13).

At **Iduapriem** (85% attributable), gold production decreased by 13% to 40,000oz after crushing and conveyor problems negatively affected plant throughput. Total cash costs consequently increased 18% to $339/oz. The crusher problems have been addressed and recommendations from the previously reported mine-to-mill study will be implemented during the second half of the year, leading management to expect significant improvements in plant throughput and a related boost in production over the next two quarters.

Gross profit adjusted for the effect of unrealised non-hedge derivatives at $2m, remained unchanged quarter-on-quarter.

The LTIFR was 1.15 (0.00).

As a result of increased tonnages and improved grade, gold production at **Obuasi** climbed 11% to meet a management target of 102,000oz for the quarter. Total cash costs consequently improved by 10% to $324/oz. In spite of these operational improvements, gross loss adjusted for the effect of unrealised non-hedge derivatives increased from $1m to $5m due to a lower price received.

Over the quarter, development and ore definition drilling improved by 16% and 15%, respectively, and in the second half of the year further improvements in the mining mix and flexibility are anticipated.

Regrettably, two employees lost their lives this quarter, one as a result of a fall and the other in a materials handling accident. The LTIFR was 3.56 (4.73).

REPUBLIC OF GUINEA

At **Siguiri** (85% attributable), gold production increased 86% from that of the previous quarter to 80,000oz and total cash costs declined 46% to $212/oz. Gross profit adjusted for the effect of unrealised non-hedge derivatives rose by $7m to $9m, due primarily to increased gold income.

The new carbon-in-pulp plant recorded a significantly improved performance, although a series of pipeline failures prevented the plant from operating at full capacity. This issue is being addressed. As the plant begins to operate at optimal levels, likely at the end of the third quarter, the last of the heap-leach gold will be recovered, and production levels will normalise.

On 27 July 2005, AngloGold Ashanti reached an agreement with the government of Guinea to amend the Convention de Base (stability agreement) and resolve all outstanding disputes for a sum of $7m. In addition, the company has agreed, as part of the settlement, to meet historical and follow-up fees and costs of a consultant that the government retained to advise and assist it in its negotiations and resolution of the dispute. In consideration of the above settlement, the government has irrevocably confirmed its waiver and abandonment of all claims and disputes of any nature whatsoever against the AngloGold Ashanti group of companies.

The LTIFR was 0.64 (0.50).

MALI

At **Morila** (40% attributable), production was maintained at last quarter's level of 67,000oz, as an increase in tonnage throughput offset the effect of a planned reduction in recovered grade. Total cash costs, at $173/oz, remain

unchanged quarter-on-quarter. Gross profit adjusted for the effect of unrealised non-hedge derivatives declined by 8% to $11m due to lower level of gold sold quarter-on-quarter.
The LTIFR was 1.16 (1.24).
At **Sadiola** (38% attributable), gold production increased by 13% to 43,000oz due to a 14% improvement in recovered grade. Although tonnage throughput was negatively affected this quarter by a mill breakdown, Sadiola remains on track to meet its annual attributable production target.
Total cash costs declined by 10% to $256/oz and gross profit adjusted for the effect of unrealised non-hedge derivatives increased to $4m, a result of the improvements in recovered grade and production.
The LTIFR was 0.00 (1.16).
At **Yatela** (40% attributable), production was maintained at last quarter's level of 23,000oz, although total cash costs climbed 7% to $299/oz due to increased mining contractor costs. Gross profit adjusted for the effect of unrealised non-hedge derivatives, at $1m, was 50% below that of the previous quarter due to the increased operating costs and lower gold sold.
The LTIFR was 0.00 (0.00).
NAMIBIA
At **Navachab**, gold production decreased by 5% to 18,000oz due to an 8% decrease in tonnage throughput, which was adversely affected in April by a crusher failure that resulted in significant downtime. Total cash costs declined by 12% to $362/oz as a result of the reduced production, and the gross loss adjusted for the effect of unrealised non-hedge derivatives was $1m, compared to last quarter's break-even position.
5

Going forward, tonnage throughput and production are expected to climb, as the crusher problem has been resolved and the mine is currently producing according to plan. Navachab is expected to achieve its production target for the year.

The LTIFR was 8.49 (0.00).

TANZANIA

Production at **Geita** declined as anticipated by 14% to 165,000oz due to a 20% decrease in recovered grade. As previously reported, grades and production are both expected to decline for the remainder of the year as the high-grade ore in the current cut-back will be exhausted before the higher grade ore of the next mining phase in the Nyankanga pit can be accessed.

Total cash costs, at $331/oz, were 55% higher than those of the previous quarter, reflecting both decreased mining contractor efficiency and lower grades. As a result of the decrease in production and higher operating costs, a gross loss adjusted for the effect of unrealised non-hedge derivatives of $9m was incurred.

To help address these concerns, the AngloGold Ashanti board last quarter approved a move to owner-mining at Geita. The transition will be completed at the end of July 2005, with limited cost benefit evident from the fourth quarter of this year, and the full gains expected from the start of 2006.

The LTIFR was 0.48 (1.06).

USA

At **Cripple Creek & Victor** (67% ownership with 100% interest in production until initial loans are repaid), gold production decreased 12% to 71,000oz, as ore placed at significant distance to the leach pad liner in the first quarter resulted in delayed recoveries in the second. A production increase should be evident from next quarter.

As a result of the decreased production, total cash costs, at $227/oz, were 3% higher quarter-on-quarter. Gross profit adjusted for the effect of unrealised non-hedge derivatives declined to $2m as a result of the lower production and lower realised price.

The LTIFR was 0.00 (0.00). In June, CC&V achieved 19 months without a lost-time accident.

Notes:

- All references to price received includes realised non-hedge derivatives.
- In the case of joint venture operations, all production and financial results are attributable to AngloGold Ashanti.

- Rounding of figures may result in computational discrepancies.

6

Exploration

Total exploration expenditure during the second quarter amounted to $19m ($12m expensed and $7m capitalised), versus $15m in the previous quarter. Of the $19m, $9m ($2m expensed, $7m capitalised) was spent on brownfields exploration activities at existing mines, while the remaining $10m funded greenfields exploration in Tanzania, Alaska, China, Mongolia, Colombia, Peru, Russia and the DRC.

Brownfields

In **Ghana** at Obuasi, site establishment is in progress for the first two of six surface diamond holes of the Obuasi Ultra Deeps project. These are planned to intersect the Obuasi Fissure 3,400m below surface and are expected to be completed by January 2007.

At Sadiola in **Mali,** the contract for the pre-feasibility study of the Deep Sulphides project will be awarded in the third quarter. Testing of the sulphide potential below the oxide mineralisation at the FE3, FE3 South and FE4 satellite pits over the second quarter did not yield economic intercepts.

At Morila, the third drilling phase has been completed on the underground Samacline target located 500m west of the current pit at a depth of 400m below surface. A preliminary scoping study investigating the underground mining potential of this target is in progress.

At Siguiri in **Guinea,** drilling results remain encouraging on both the oxide and sulphide extensions of the existing pits. Reconnaissance drilling on a previously delineated 2km soil geochemical anomaly at Foulata, which is situated 45km west of the plant, has delineated a potential oxide Mineral Resource.

In **Tanzania** at Geita, diamond drilling of the Geita Hill North East Extension zone continues to intersect mineralisation down dip and along strike. Drilling of the Geita Hill footwall zone is underway to confirm potential additional mineralisation outside the current pit limits.

In **Brazil**, drilling at various sites at Córrego do Sítio continues to define sulphide mineralisation below existing oxide Mineral Resources and a pre-feasibility study and trial mining is planned to commence in 2006.

At Crixás, down-plunge drill testing of the Forquilha Sul
and Mina I-West ore-bodies

intersected sub-economic mineralisation, effectively closing off known ore shoots at depth. Exploration continues to look for further orebodies down plunge.

In **Australia,** AngloGold Ashanti has divested its interests in selected tenements north of Sunrise Dam Gold Mine to Crescent Gold Limited.

Greenfields

In the **DRC**, drilling re-commenced in mid-April at Adidi and preliminary results confirm historical grade and tonnage estimates (1.2Moz at 9.9g/t). Preliminary drilling was also carried out on two additional targets derived from mapping and geochemical sampling during the first quarter.

In **Alaska,** results from the initial drilling programme on the Lost Mine South project in the Pogo area delineated a near-surface, broad, shallow dipping gold zone with grades in the 1-2g/t range; follow-up drilling is planned for the third quarter. Two additional high grade targets are planned to be drill tested in Alaska during the summer.

In South America, greenfields exploration is focussed in **Colombia**. Diamond drilling has commenced at the San Carlos project in the Bolivar department and AngloGold Ashanti is planning to drilltest a further three prospects in Colombia in the second half of 2005.

7

Review of the **gold market**

Whilst the quarter saw a wide range of $30/oz in the spot gold price, and some interesting changes in investor interest in buying gold, the most significant moves during this period occurred in the currency markets.

The $/euro exchange rate broke down decisively from the euro strength displayed in late 2004 and early 2005. Having tested $1.35/€ twice during the first quarter of the year, the European currency retreated by almost 10% against the dollar, and closed the quarter at $1.21/€. The weakness of the euro and resurgence of the US dollar contributed to a shift also in the local currency and the rand weakened against the US dollar by 8% during this quarter. At its weakest point of R6.96/$1, the South African currency had lost some 19% against the US dollar since the rate of R5.65/$1 at which the rand opened in 2005. The average $/euro exchange rate for the quarter of $1.26/€ reflected the US currency being 4% stronger than in the first quarter of 2005. The South African currency weakened against the US dollar on average by 7% quarter on quarter.

Gold

The statistics of the gold spot price in US dollars reveal little of the changes in the gold market during the period under review. The average spot price for the quarter of $427/oz was unchanged from the average price of gold for the first quarter of 2005. The high of $444/oz was within two dollars of the high for the first quarter, and the low of $413/oz was similarly close to the first quarter. However, the behaviour of the gold price was remarkable for its divergence from movements in the value of the US dollar during this quarter. See *Graph 1 : Euro / US$ Exchange Rate & US$ Gold Spot Price: January 2004 – July 2005 Indexed.*

The distinctive feature of the gold price rally of the past four years has been the extent to which the gold price has risen in proportion to the weakening of the US dollar against the euro, and fallen back when the US dollar has strengthened against the euro. During this quarter however, as the US dollar strengthened against the euro, the US dollar spot price of gold actually finished June some 2% firmer on the quarter. As a direct consequence of the stronger $/weaker euro, and a stronger spot gold price, the euro price of gold rose by 12% during this quarter to a high of

€368/oz.

In effect, traders on the New York Comex elected to remain long gold as the US currency strengthened. There appeared to be no single justification for this change of trading strategy on Comex. One important element was that of short covering on the Comex. Certain investors had gone significantly short gold early in the quarter when US dollar strength first emerged, taking Comex to a net long position of only 5.6Moz, the lowest net long position since mid-2003. When this short move attracted no further selling interest, the market saw sustained short covering in June notwithstanding the strong US dollar. This reaction on Comex took the net long gold position on the exchange back up to almost 18Moz net long at the end of June. In effect, investors were buying US dollars and buying gold during the same period. See *Graph 2* : *New York Comex Gold Net Open Position vs IMM US$ Net Open Position 2001 – 2005*.

The correction in the spot gold market was still under-way at the end of the quarter, when the gold price closed at $434/oz. After the end of the quarter, the price fell as low as $421/oz, although it has since recovered slightly to trade at around $425/oz.

The sustained investor interest in gold during this quarter does not necessarily reflect a complete break between gold price movement and changes in the value of the US dollar. It is very likely that gold will again respond positively to renewed US dollar weakness in the future, but off a higher base. The events of this quarter confirm the fact that the New York Comex remains the primary market place for investor and speculator activity in gold, and for the spot pricing of the metal. Se*e Graph 3 : New York Comex Net Open Interest Position and Gold Price: January 2004-July 2005.*

The combination of a strong spot gold price and a weaker rand during the quarter produced sharply higher rand gold prices and some relief for local gold producers. From a low of R81,500/kg during the quarter, the local price reached almost R96,500/kg, while the average of R87,800/kg for the quarter was R5,000/kg or 6% higher than the average price for the first quarter. During July, however, a degree of recovery in the rand has taken the local gold price back below R90,000/kg.

8

Physical Demand

Physical offtake of gold continued to improve during the first quarter of 2005, following the healthy performance of demand in 2004.

Consumption of gold in jewellery in the first quarter increased by 17% year-on-year, largely on the back of growth in Indian demand. Gold jewellery offtake in the developed markets of the USA, Europe and Japan remained flat to down.

Net bullion supply on the market increased by 23%, driven particularly by higher official sales of 254t during the first quarter and significantly reduced de-hedging by gold producers, and the market remained effectively in balance.

However, gold offtake in the second quarter suffered from the combination of higher gold prices in local currencies (on the back of the stronger US dollar) and seasonally low demand for jewellery. Offtake in India has fallen particularly during this quarter due to these two factors. Nevertheless, the major physical gold markets seem to have adjusted to higher gold prices in general, and demand would be expected to increase again should gold weaken from the higher spot price levels at which it traded at the end of the second quarter.

Official Sector

The official sector contributed to better sentiment towards gold during this quarter with the announcement by the G8 of a debt relief programme for heavily indebted poor countries which would not be funded by the revaluation or sale of the gold reserves of the IMF, as had been proposed in recent months. Although most commentators had expressed doubt that the proposal by UK's Gordon Brown, for the funding of debt relief by the sale of IMF gold reserves would succeed, the announcement removed a residual uncertainty that new sales might cap the gold market for a time.

The high level of official gold sales during the early months of 2005 has led to less official selling since then, and assisted the physical market in the second quarter, when physical demand has fallen.

Currencies

At the end of June, the US dollar had gained 11% against the euro since the beginning of 2005, most of this during the second quarter of the year. During July, the US dollar gained further to reach a high of $1.186/€, a level last seen in mid-2004.

During the four years of correction in the US currency against the euro since 2001, the market has seen several US dollar rallies led by economic good news from the USA, where cyclical strength in the US economy has outweighed the structural problems in that economy. However, during the second quarter of 2005, the cyclical advantages of sound economic growth and rising interest rates in the USA were complemented by recognition of major negative factors in European economies, and the fact that these weaknesses were fundamentally at odds with a stronger euro. Sentiment towards the euro was also damaged by political uncertainties raised by the referenda in France and Holland in June, in which voters rejected the new European Constitution. The US dollar was the direct beneficiary of the market's concern about the European currency, and market fears about the US trade and fiscal deficits receded during the period under review.

Whilst the dollar has moved largely on good news in the US economy and bad news in Europe, the stronger US currency has now broken through the technical trend lines of the correction of the past four years. This technical break has occurred in respect of the exchange rate both against the euro and against a trade-weighted currency index. It will be interesting to see what this means for the US currency during the rest of this year, particularly if cyclically favourable circumstances in the US should weaken. Market commentary is divided between institutions that now see a stronger dollar by the end of 2005, and those who still expect dollar weakness to resume, albeit with more modest year-end targets.

Whilst South Africa suffered no particular negative economic shift during this quarter, the local currency lost ground sharply against the US dollar. This move was driven by the stronger dollar, but also by some public recognition by leading monetary and political figures of the harm done to sectors of the South African economy by a strong local currency.

Whilst the further movement of the dollar against the euro will obviously influence rand exchange rates, the market seems more persuaded now of the likelihood of a weaker rand going forward.

Hedging

As at 30 June 2005, the net delta hedge position of AngloGold Ashanti was 10.32Moz or 321t valued at the spot gold price at the end of the quarter of $434.50/oz. This net delta position reflects a decrease of some 400,000oz or 12.5t in the net size of the AngloGold Ashanti hedge compared with the position at the end of the previous quarter. The net reduction reflects the maturing of price contracts during the past quarter.

The marked-to-market value of the hedge position as at 30 June 2005 was negative $1,032m, little changed from the negative value of $1,066m recorded at the end of March 2005. However, this value of $1,032m was calculated off a closing spot price $7/oz higher than the closing price at the end of March at which the previous valuation was calculated. The marked-to-market value of the hedge at 27 July 2005 at a spot price of $422.80/oz was negative $925.620m. The price received by the company for the quarter under review was $422/oz, compared with an average spot price for the period of $427/oz. The company continues to manage its hedged positions actively, and to reduce overall levels of pricing commitments in respect of future gold production by the company.

GRAPH 1

EURO / US$ EXCHANGE RATE & US$ GOLD SPOT PRICE

JANUARY 2004 – JULY 2005 INDEXED

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GRAPH 2
NEW YORK COMEX GOLD NET OPEN POSITION VS IMM US$ NET OPEN POSITION
2001 – 2005
GRAPH 3
NEW YORK COMEX NET OPEN INTEREST POSITION AND GOLD PRICE
JANUARY 2004-JULY 2005
11

Hedge position

As at 30 June 2005, the group had outstanding the following forward-pricing commitments against future production. The total net delta tonnage of the hedge of the company on this date was 10.32Moz or 321t (at 31 March 2005: 10.72Moz or 334t).

The marked-to-market value of all hedge transactions making up the hedge positions was a negative $1.032bn (negative R6.94bn) as at 30 June 2005 (as at 31 March 2005: $1.066bn or R6.62bn). This value at 30 June 2005 was based on a gold price of $434.50/oz, exchange rates of R/$6.7240 and A$/$0.7560 and the prevailing market interest rates and volatilities at that date.

As at 27 July 2005, the marked-to-market value of the hedge book was a negative $925.620m (negative R6.192bn), based on a gold price of $422.80/oz and exchange rates of R/$6.69 and A$/$0.7546 and the prevailing market interest rates and volatilities at the time.

These marked-to-market valuations are not predictive of the future value of the hedge position, nor of future impact on the revenue of the company. The valuation represents the cost of buying all hedge contracts at the time of valuation, at market prices and rates available at the time.

Year
2005
2006
2007
2008
2009
2010-2014
Total
DOLLAR GOLD
Forward contracts
Amount (kg)
11,511
16,654
32,993
30,076
26,288
53,566
171,088
US$/oz
$310
$316
$344
$365
$380

$402
$366
Put options purchased
Amount (kg)
4,408
8,592
1,455
14,455
US$/oz
$333
$345
$292
$336
Put options sold
Amount (kg)
5,132
4,354
855
1,882
9,409
21,632
US$/oz
$411
$339
$390
$400
$430
$403
Call options purchased
Amount (kg)
11,860
11,211
6,357
29,428
US$/oz
$329
$333
$344
$334
Call options sold
Amount (kg)
18,607
31,224
27,560
27,516
26,211
76,048
207,166
US$/oz
$360
$381

$374
$380
$407
$468
$413
RAND GOLD
Forward contracts
Amount (kg)
* 1,218
2,449
933
2,164
Rand per kg
R109,988
R97,520
R116,335
R160,520
Put options purchased
Amount (kg)
1,875
1,875
Rand per kg
R93,602
R93,602
Put options sold
Amount (kg)
7,620
1,400
9,020
Rand per kg
R91,907
R88,414
R91,365
Call options purchased
Amount (kg)
Rand per kg
Call options sold
Amount (kg)
9,889
4,517
311
2,986
5,972
23,675
Rand per kg
R93,515
R102,447
R108,123
R202,054
R223,756
R141,953

A DOLLAR GOLD
Forward contracts
Amount (kg)
* 1,885
1,555
8,398
3,110
3,390
3,110
17,678
A$ per oz
A$615
A$762
A$650
A$678
A$665
A$689
A$744
Put options purchased
Amount (kg)
A$
per
oz
Put options sold
Amount (kg)
A$
per
oz
Call options purchased
Amount (kg)
3,110
6,221
3,732
3,110
1,244
3,110
20,527
A$ per oz
A$724
A$673
A$668
A$680
A$694
A$712
A$688
Call options sold
Amount (kg)
A$
per
oz
Delta (kg)

14,198
32,959
59,879
54,809
50,663
108,569
321,077
** Total net gold:
Delta (oz)
456,476
1,059,655
1,925,152
1,762,148
1,628,851
3,490,569
10,322,850

* *Long position.*

**

The Delta of the hedge position indicated above is the equivalent gold position that would have the same marked-to-market sensitivity for a small change in the gold price. This is calculated using the Black-Scholes option formula with the ruling market prices, interest rates and volatilities as at 30 June 2005.

Rounding of figures may result in computational discrepancies.

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Year
2005
2006
2007
2008
2009
2010-2014
Total
DOLLAR
SILVER
Forward
contracts
Amount
(kg)
$ per oz
Put options purchased
Amount (kg)
21,772
43,545
43,545
24,883
133,745
$ per oz
$7.11
$7.11
$7.40
$7.40
$7.26
Put options sold
Amount (kg)
21,772
43,545
43,545
24,883
133,745
$ per oz
$6.02
$6.02
$5.93
$5.75
$5.94
Call
options
purchased
Amount
(kg)
$ per oz
Call options sold
Amount (kg)
21,772
43,545

43,545
24,883
133,745
$ per oz
$8.11
$8.11
$8.40
$8.00
$8.19
The following table indicates the group's currency hedge position at 30 June 2005
Year
2005
2006
2007
2008
2009
2010-2014
Total
RAND DOLLAR (000)
Forward
contracts
Amount
($) 7,488
7,488
US$/R
R6.34
R6.34
Put
options
purchased
Amount
($)
60,000
60,000
US$/R
R6.97
R6.97
Put
options
sold
Amount
($)
60,000
60,000
US$/R
R6.69
R6.69
Call
options
purchased
Amount

($)
US$/R
Call
options
sold
Amount
($)
115,000
115,000
US$/R
R7.13
R7.13
A DOLLAR (000)
Forward contracts
Amount ($)
15,970
39,222
55,192
A$/US$ A$0.61
A$0.75
A$0.70
Put
options
purchased
Amount
($)
A$/US$
Put options sold
Amount ($)
A$/US$
Call
options
purchased
Amount
($)
A$/US$
Call options sold
Amount ($)
50,000
20,000
70,000
A$/US$ A$0.75
A$0.74
A$0.75
BRAZILIAN REAL (000)
Forward contracts
Amount ($)
12,000
24,000
4,000
40,000

US$/BRL
BRL2.94
BRL3.18
BRL3.31
BRL3.12
Put
options
purchased
Amount
($)
US$/BRL
Put options sold
Amount ($)
US$/BRL
Call
options
purchased
Amount
($)
US$/BRL
Call options sold
Amount ($)
10,000
20,000
30,000
US$/BRL
BRL3.03
BRL3.29
BRL3.20
Rounding of figures may result in computational discrepancies.
13

Group
income statement
Quarter
Quarter
Quarter
Six months
Six months
ended
ended
ended
ended
ended
June
March
June
June
June
2005
2005
2004
2005
2004
Restated
Restated
SA Rand million
Notes
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Revenue
4,563
4,016
3,754
8,579
7,095
Gold income
4,404
3,858
3,559
8,261
6,693
Cost of sales
2
(3,620)
(3,415)
(2,925)
(7,036)
(5,338)
Non-hedge derivatives

147
(188)
(379)
(40)
(384)
Gross Profit
931
255
255
1,186
971
Corporate administration and other expenses
(103)
(99)
(105)
(201)
(181)
Market development costs
(21)
(21)
(22)
(42)
(48)
Exploration costs
(78)
(60)
(72)
(138)
(131)
Amortisation of intangible assets
-
-
(54)
-
(106)
Impairment of tangible assets
(45)
-
-
(45)
-
Other operating expenses
(38)
(23)
(22)
(63)
(27)
Other operating income
8
4
-

12
-
Operating profit (loss)
654
56
(21)
709
478
Interest receivable
39
54
80
93
172
Other net (expense) income
(4)
7
(7)
4
(8)
(Loss) profit on disposal of assets and subsidiaries
-
(1)
7
(1)
27
Finance costs and unwinding of decommissioning
and restoration obligations
(159)
(148)
(124)
(308)
(282)
Fair value adjustment on option component of convertible bond
79
115
397
194
248
Fair value gains (losses) on interest rate swaps
11
(16)
(15)
(5)
(33)
Share of associates profit (loss)
2
1
(2)
3
(1)

Profit before taxation
621
68
316
689
602
Taxation
3
62
59
87
121
(64)
Profit after taxation
683
127
403
810
538
Discontinued operations
7
(69)
(51)
(52)
(121)
(52)
614
76
351
690
486
Allocated as follows
Equity Shareholders
566
50
326
616
425
Minority interest
48
26
25
74
61
614
76
351
690
486
Basic earnings per ordinary share (cents)
Profit from continuing operations

1
240
38
149
278
200
Loss from discontinued operations
1
(26)
(19)
(21)
(46)
(22)
Profit
214
19
129
233
178
Diluted earnings per ordinary share (cents)
Profit from continuing operations
2
240
38
141
278
192
Loss from discontinued operations
2
(26)
(19)
(19)
(46)
(21)
Profit
214
19
121
232
171
Dividends
3
- Rm
450
449
- cents per share
170
170
1
Calculated on the basic weighted average number of ordinary shares.
2

Calculated on the diluted weighted average number of ordinary shares.
3
Dividends are translated at actual rates on date of payment. The current period is only indicative.
Rounding of figures may result in computational discrepancies.
14

Group
income statement
Quarter
Quarter
Quarter
Six months
Six months
ended
ended
ended
ended
ended
June
March
June
June
June
2005
2005
2004
2005
2004
Restated
Restated
US Dollar million
Notes
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Revenue
708
668
570
1,377
1,065
Gold income
684
642
541
1,326
1,005
Cost of sales
2
(565)
(568)
(445)
(1,133)
(801)
Non-hedge derivatives

35
(17)
(62)
18
(62)
Gross Profit
154
57
34
211
142
Corporate administration and other expenses
(16)
(16)
(16)
(32)
(27)
Market development costs
(3)
(4)
(3)
(7)
(7)
Exploration costs
(12)
(10)
(11)
(22)
(20)
Amortisation of intangible assets
-
-
(8)
-
(16)
Impairment of tangible assets
(7)
-
-
(7)
-
Other operating expenses
(6)
(4)
(3)
(10)
(4)
Other operating income
1
1
-

2
-
Operating profit (loss)
111
24
(7)
135
68
Interest receivable
6
9
12
15
26
Other net (expense) income
(1)
1
(1)
-
(2)
Profit on disposal of assets and subsidiaries
-
-
-
-
4
Finance costs and unwinding of decommissioning
and restoration obligations
(25)
(24)
(19)
(50)
(42)
Fair value adjustment on option component of convertible bond
13
19
61
32
38
Fair value gains (losses) on interest rate swaps
2
(3)
(2)
(1)
(5)
Share of associates profit (loss)
-
-
-
-
-

Profit before taxation
107
26
44
132
87
Taxation
3
9
9
15
18
(7)
Profit after taxation
116
35
58
150
80
Discontinued operations
7
(12)
(9)
(8)
(21)
(8)
103
26
50
130
72
Allocated as follows
Equity Shareholders
96
22
48
118
64
Minority interest
7
4
2
12
8
103
26
50
130
72
Basic earnings per ordinary share (cents)
Profit from continuing operations

1
41
12
22
52
30
Loss from discontinued operations
1
(5)
(3)
(3)
(8)
(3)
Profit
36
8
19
45
27
Diluted earnings per ordinary share (cents)
Profit from continuing operations
2
41
12
21
52
29
Loss from discontinued operations
2
(5)
(3)
(3)
(8)
(3)
Profit
36
8
18
45
26
Dividends
3
- $m
66
68
- cents per share
25
26
1
Calculated on the basic weighted average number of ordinary shares.
2

Calculated on the diluted weighted average number of ordinary shares.
3
Dividends are translated at actual rates on date of payment. The current period is only indicative.
Rounding of figures may result in computational discrepancies.
15

Group
balance sheet
As at
As at
As at
As at
June
March
June
December
2005
2005
2004
2004
Restated
Restated
SA Rand million
Notes
Unaudited
Unaudited
Unaudited
Audited
ASSETS
Non-current assets
Tangible assets
37,528
35,634
34,079
33,195
Intangible assets
2,727
2,569
2,524
2,347
Investments in associates
254
43
43
43
Investment properties
60
51
42
44
Other investments
550
190
91
179
Inventories
789

677
140
124
Derivatives
403
458
832
1,055
Deferred taxation
215
-
-
-
Other non-current assets
170
524
351
487
42,696
40,146
38,102
37,474
Current assets
Inventories
2,619
2,365
2,371
2,363
Trade and other receivables
2,025
1,726
1,873
1,747
Derivatives
3,053
3,512
1,904
2,767
Current portion of other non-current assets
5
5
385
5
Cash and cash equivalents
1,835
1,744
3,458
1,758
9,537
9,352
9,991

8,640
Non-current assets held for sale
100
-
-
-
9,637
9,352
9,991
8,640
TOTAL ASSETS
52,333
49,498
48,093
46,114
EQUITY AND LIABILITIES
Equity
Ordinary share capital and premium
9
19,006
18,995
18,980
18,987
Retained earnings and other reserves
10
1,410
(193)
70
(1,200)
Shareholders' equity
20,416
18,802
19,050
17,787
Minority interests
11
401
367
350
327
20,817
19,169
19,400
18,114
Non-current liabilities
Borrowings
10,500
9,934
8,088
7,262
Provisions

2,729
2,548
2,117
2,339
Derivatives
2,130
2,191
2,393
3,032
Deferred taxation
8,231
7,885
8,211
7,542
23,590
22,558
20,809
20,175
Current liabilities
Trade and other payables
2,919
2,580
2,940
2,650
Current portion of borrowings
1,141
889
2,125
1,800
Derivatives
3,551
3,948
2,662
3,007
Taxation
315
354
157
368
7,926
7,771
7,884
7,825
Total liabilities
31,516
30,329
28,693
28,000
TOTAL EQUITY AND LIABILITIES
52,333
49,498

48,093
46,114
Net asset value - cents per share
7,715
7,108
7,205
6,726
Rounding of figures may result in computational discrepancies.
16

Group
balance sheet
As at
As at
As at
As at
June
March
June
December
2005
2005
2004
2004
Restated
Restated
US Dollar million
Notes
Unaudited
Unaudited
Unaudited
Audited
ASSETS
Non-current assets
Tangible assets
5,615
5,727
5,473
5,880
Intangible assets
408
413
405
416
Investments in associates
38
7
7
8
Investment properties
9
8
7
8
Other investments
82
31
14
32
Inventories
118

109
22
22
Derivatives
60
74
134
187
Deferred taxation
32
-
-
-
Other non-current assets
26
84
56
86
6,388
6,453
6,118
6,639
Current assets
Inventories
392
380
381
419
Trade and other receivables
303
277
301
309
Derivatives
457
564
306
490
Current portion of other non-current assets
1
1
62
1
Cash and cash equivalents
275
280
555
312
1,427
1,502
1,604

1,531
Non-current assets held for sale
15
-
-
-
1,442
1,502
1,604
1,531
TOTAL ASSETS
7,830
7,955
7,723
8,170
EQUITY AND LIABILITIES
Equity
Ordinary share capital and premium
9
2,843
3,053
3,048
3,364
Retained earnings and other reserves
10
211
(31)
12
(213)
Shareholders' equity
3,054
3,022
3,060
3,151
Minority interests
11
60
59
56
58
3,114
3,081
3,116
3,209
Non-current liabilities
Borrowings
1,571
1,597
1,299
1,286
Provisions

408
409
340
415
Derivatives
319
352
384
537
Deferred taxation
1,231
1,267
1,319
1,336
3,529
3,625
3,342
3,574
Current liabilities
Trade and other payables
437
415
471
470
Current portion of borrowings
171
143
341
319
Derivatives
531
634
428
533
Taxation
47
57
25
65
1,186
1,249
1,265
1,387
Total liabilities
4,715
4,874
4,607
4,961
TOTAL EQUITY AND LIABILITIES
7,830
7,955

7,723
8,170
Net asset value - cents per share
1,154
1,142
1,157
1,191
Rounding of figures may result in computational discrepancies.
17

Group
cash flow statement
Quarter
Quarter
Quarter
Six months
Six months
ended
ended
ended
ended
ended
June
March
June
June
June
2005
2005
2004
2005
2004
Restated
Restated
SA Rand million
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Cash flows from operating activities
Cash generated from operations
1,191
825
787
2,016
1,323
Cash utilised by discontinued operations
(62)
(51)
(6)
(113)
7
Environmental, rehabilitation and other expenditure
(16)
(12)
(13)
(29)
(30)
Taxation paid
(34)

(61)
(56)
(95)
(161)
Net cash inflow from operating activities
1,078
701
712
1,779
1,139
Cash flows from investing activities
Capital expenditure
(1,068)
(864)
(1,012)
(1,932)
(1,579)
Proceeds from disposal of tangible assets
-
-
9
-
35
Investments acquired
(89)
-
(2)
(89)
(2)
Acquisition of subsidiary net of cash
-
-
(802)
-
(802)
Net loans (advanced) repaid
(29)
(1)
74
(31)
76
Utilised in hedge restructure
-
(415)
-
(415)
-
Net cash outflow from investing activities
(1,186)
(1,280)
(1,733)

(2,466)
(2,272)
Cash flows from financing activities
Proceeds from issue of share capital
10
8
1
18
12
Share issue expenses
-
-
(1)
-
(1)
Proceeds from borrowings
545
2,568
60
3,113
6,797
Repayment of borrowings
(407)
(1,488)
(1,379)
(1,895)
(4,571)
Interest received
27
45
61
72
133
Finance costs
(68)
(221)
(78)
(288)
(253)
Dividends paid
(31)
(488)
(59)
(519)
(817)
Net cash inflow (outflow) from financing activities
77
424
(1,395)
501
1,300

Net (decrease) increase in cash and cash equivalents
(31)
(155)
(2,416)
(186)
167
Translation
123
141
6
264
(76)
Opening cash and cash equivalents
1,744
1,758
5,868
1,758
3,367
Closing cash and cash equivalents
1,835
1,744
3,458
1,835
3,458
Cash generated from operations
Profit before taxation
621
68
316
689
602
Adjusted for:
Non-cash movements
126
(32)
(39)
95
(8)
Movement on non-hedge derivatives
(185)
427
386
242
568
Deferred stripping costs
17
8
(40)
25
(114)
Amortisation of tangible assets

787
732
600
1,519
1,046
Amortisation of intangible assets
3
3
54
6
106
Impairment of tangible assets
45
-
-
45
-
Interest receivable
(39)
(54)
(81)
(93)
(172)
Loss (profit) on disposal of assets and subsidiaries
-
1
(7)
1
(27)
Finance costs and unwinding of decommissioning and
restoration obligations
159
148
124
308
282
Fair value adjustment on option component of convertible bond
(79)
(115)
(397)
(194)
(248)
Movement in working capital
(267)
(361)
(130)
(628)
(712)
1,191
825
787

2,016
1,323
Movement in working capital
(Increase) decrease in inventories
(339)
(567)
(157)
(906)
39
Increase in trade and other receivables
(268)
-
(168)
(267)
(225)
Increase (decrease) in trade and other payables
340