

Workhorse Group Inc.
Form 10-Q
November 14, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2016

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 000-53704

WORKHORSE GROUP INC.

(Exact name of registrant as specified in its charter)

Nevada **26-1394771**
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

100 Commerce Drive, Loveland, Ohio 45140

(Address of principal executive offices) (Zip Code)

513-360-4704

Registrant's telephone number, including area code)

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 whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, \$0.001 par value per share	26,529,357
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(Class)

(Outstanding at November
14, 2016)

TABLE OF CONTENTS

PART I FINANCIAL INFORMATION

Item 1.	Financial Statements	3
	Consolidated Balance Sheets	3
	Consolidated Statements of Operations	4
	Consolidated Statements of Cash Flows	5
	Notes to Consolidated Financial Statements	6
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	17
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	22
Item 4.	Controls and Procedures	22

PART II OTHER INFORMATION

Item 1.	Legal Proceedings	23
Item 1A.	Risk Factors	23
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	30
Item 3.	Defaults Upon Senior Securities	30
Item 4.	Mine Safety Disclosures	30
Item 5.	Other Information	30
Item 6.	Exhibits	30
	SIGNATURES	33

Forward-Looking Statements

The discussions in this Quarterly Report contain forward-looking statements reflecting our current expectations that involve risks and uncertainties. When used in this Report, the words “anticipate”, “expect”, “plan”, “believe”, “seek”, “estimate” and similar expressions are intended to identify forward-looking statements. These are statements that relate to future periods and include, but are not limited to, statements about the features, benefits and performance of our products, our ability to introduce new product offerings and increase revenue from existing products, expected expenses including those related to selling and marketing, product development and general and administrative, our beliefs regarding the health and growth of the market for our products, anticipated increase in our customer base, expansion of our products functionalities, expected revenue levels and sources of revenue, expected impact, if any, of legal proceedings, the adequacy of liquidity and capital resource, and expected growth in business. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, market acceptance for our products, our ability to attract and retain customers for existing and new products, our ability to control our expenses, our ability to recruit and retain employees, legislation and government regulation, shifts in technology, global and local business conditions, our ability to effectively maintain and update our product and service portfolio, the strength of competitive offerings, the prices being charged by those competitors and the risks discussed elsewhere herein. These forward-looking statements speak only as of the date hereof. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

All references in this Form 10-K that refer to the “Company”, “WORKHORSE GROUP”, “Workhorse”, “we,” “us” or “our” a WORKHORSE GROUP INC. and unless otherwise differentiated, its wholly-owned subsidiaries, Workhorse Technologies Inc. and Workhorse Motor Works Inc.

PART I – FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****Workhorse Group, Inc.**

Consolidated Balance Sheets

September 30, 2016 and December 31, 2015

	September 30, 2016 (Unaudited)	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,049,253	\$ 7,677,163
Accounts receivable	536,600	-
Inventory	3,568,972	78,917
Prepaid expenses and deposits	144,183	3,149,289
	7,299,008	10,905,369
Property, plant and equipment, net	3,598,138	3,736,359
	\$ 10,897,146	\$ 14,641,728
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable	\$ 3,232,126	\$ 1,606,695
Accounts payable, related parties	55,904	399,542
Notes payable	-	13,534,426
Shareholder advances	1,420,773	111,700
Current portion of long-term debt	50,000	2,772,500
	4,758,803	18,424,863
Long-term debt	-	-
Stockholders' equity (deficit):		
Series A preferred stock, par value of \$.001 per share 75,000,000 shares authorized, 0 shares issued and outstanding at September 30, 2016 and December 31, 2015	-	-
	26,369	18,205

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Common stock, par value of \$.001 per share 50,000,000 shares authorized,
26,369,003 shares issued and outstanding at September 30, 2016 and 18,204,923
shares issued and outstanding at December 31, 2015

Additional paid-in capital	55,599,550	33,557,615
Stock based compensation	6,608,470	6,158,390
Accumulated deficit	(56,096,046)	(43,517,345)
	6,138,343	(3,783,135)
	\$ 10,897,146	\$ 14,641,728

See accompanying notes to the consolidated financial statements.

Workhorse Group, Inc.

Consolidated Statements of Operations

For the Three and Nine Months Ended September 30, 2016 and 2015

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Sales	\$1,906,000	\$72,000	\$3,376,600	\$139,980
Cost of Sales	4,173,364	-	6,932,416	-
Gross loss	(2,267,364)	72,000	(3,555,816)	139,980
Operating Expenses				
Selling, general and administrative	1,968,260	1,789,435	4,755,642	2,758,245
Research and development	1,024,470	1,745,981	4,224,208	2,618,215
Total operating expenses	2,992,730	3,535,416	8,979,850	5,376,461
Interest expense, net	2,765	329,692	43,035	437,919
Net loss	\$(5,262,859)	\$(3,793,108)	\$(12,578,701)	\$(5,674,400)
Basic and diluted loss per share	\$(0.25)	\$(0.24)	\$(0.61)	\$(0.36)
Weighted average number of common shares outstanding	20,665,480	15,817,267	20,665,480	15,817,267

See accompanying notes to the consolidated financial statements.

Workhorse Group, Inc.

Consolidated Statements of Cash Flows

For the Nine Months Ended September 30, 2016 and 2015

(Unaudited)

	2016	2015
Cash flows from operating activities:		
Net loss	\$(12,578,701)	\$(5,674,400)
Adjustments to reconcile net loss from operations to cash used by operations:		
Depreciation	286,316	281,774
Stock based compensation	853,609	279,335
Legal, consulting and investment services	-	168,873
Interest expense paid in kind	-	247,500
Write down of inventory	78,917	193,778
Effects of changes in operating assets and liabilities:		
Accounts receivable	(536,600)	-
Inventory	(3,568,972)	-
Prepaid expenses and deposits	733,469	(12,364)
Accounts payable	1,737,918	406,262
Accounts payable, related parties	(343,638)	(65,797)
Net cash used by operations	(13,337,682)	(4,175,038)
Cash flows from investing activities:		
Capital expenditures	(148,095)	(32,529)
Net cash used by investing activities	(148,095)	(32,529)
Cash flows from financing activities:		
Proceeds from notes payable	-	1,172,000
Payments on long-term debt	(2,722,500)	(5,045)
Shareholder advances, net of repayments	1,309,073	1,712,200
Issuance of common and preferred stock	-	1,027,032
Exercise of warrants and options	10,271,294	-
Net cash provided by financing activities	8,857,867	3,906,187
Change in cash and cash equivalents	(4,627,910)	(301,380)
Cash at the beginning of the period	7,677,163	442,257
Cash at the end of the period	3,049,253	140,877

Supplemental disclosure of non-cash activities:

Notes payable of \$13,534,426 and Accounts Payable of \$112,487, net of \$2,271,637 in prepaid expenses related to the 2015 PPM offering, were converted to equity during the nine months ended September 30, 2016.

Certain options and warrants were exercised utilizing an allowed cashless method. These cashless exercises resulted in an increase to common stock of \$83, an increase to additional paid in capital of \$378,446 and a decrease to stock based compensation in equity of \$375,529 during the nine months ended September 30, 2016.

See accompanying notes to the consolidated financial statements.

Workhorse Group Inc.

Notes to Consolidated Financial Statements

(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

The following accounting principles and practices are set forth to facilitate the understanding of data presented in the financial statements:

Nature of operations and principles of consolidation

Workhorse Group Inc. (Workhorse, the Company, we, us or our) designs, develops, manufactures, and sells high-performance, medium-duty trucks with advanced powertrain components under the Workhorse chassis brand.

Workhorse, formerly known as Title Starts Online, Inc. and AMP Holding Inc., was incorporated in the State of Nevada in 2007 with \$3,100 of capital from the issuance of common shares to the founding shareholder. On August 11, 2008, the Company received a Notice of Effectiveness from the U.S. Securities and Exchange Commission, and on September 18, 2008, the Company closed a public offering in which it accepted subscriptions for an aggregate of 200,000 shares of its common stock, raising \$50,000 less offering costs of \$46,234. With this limited capital, the Company did not commence operations and remained a “shell company” (as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended).

On December 28, 2009, the Company entered into and closed a Share Exchange Agreement with the Shareholders of Advanced Mechanical Products, Inc. (n/k/a AMP Electric Vehicles, Inc.) (AMP) pursuant to which the Company acquired 100% of the outstanding securities of AMP in exchange for 14,890,904 shares of the Company’s common stock. Considering that, following the merger, the AMP Shareholders control the majority of the outstanding voting common stock of the Company, and effectively succeeded the Company’s otherwise minimal operations to those that are AMP. AMP is considered the accounting acquirer in this reverse-merger transaction. A reverse-merger transaction is considered and accounted for as a capital transaction in substance; it is equivalent to the issuance of AMP securities for net monetary assets of the Company, which are de minimis, accompanied by a recapitalization. Accordingly, goodwill or other intangible assets have not been recognized in connection with this reverse merger transaction. AMP is the surviving entity and the historical financials following the reverse merger transaction will be those of AMP. The Company was a shell company immediately prior to the acquisition of AMP pursuant to the terms of the Share Exchange Agreement. As a result of such acquisition, the Company operations are now focused on the design,

marketing and sale of vehicles with an all-electric power train and battery systems. Consequently, we believe that acquisition has caused the Company to cease to be a shell company as it now has operations. The Company formally changed its name to AMP Holding Inc. on May 24, 2010.

Since the acquisition, the Company has devoted the majority of its resources to the development of an all-electric drive system capable of moving heavy large vehicles ranging from full size SUV's up to and including Medium Duty Commercial trucks. Additionally, in February 2013, the Company formed a new wholly owned subsidiary, Workhorse Motor Works Inc. (f/k/a AMP Trucks Inc.), an Indiana corporation. On March 13, 2013, Workhorse Motor Works Inc. closed on the acquisition of an asset purchase of assets from Workhorse Custom Chassis, LLC. The assets included in this transaction included: The Workhorse brand, access to the dealer network of 440 dealers nationwide, intellectual property, and all physical assets which included the approximately 250,000 sq. ft. of facilities on 48 acres of land in Union City, Indiana. This acquisition allows the Company to position itself as a medium duty OEM capable of producing new chassis with electric, propane, compressed natural gas, and hybrid configurations, as well as gasoline drive systems.

On April 16, 2015, the Company filed Articles of Merger with the Secretary of State of the State of Nevada to change the name from "AMP Holding Inc." to "Workhorse Group Inc.". The Company believed that this change will allow investors, customers and suppliers to better associate the Company with the Workhorse brand, which is well known in the market.

Basis of presentation

The financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has limited revenues and a history of negative working capital and stockholders' deficits. These conditions raise substantial doubt about the ability of the Company to continue as a going concern.

In view of these matters, continuation as a going concern is dependent upon the continued operations of the Company, which, in turn, is dependent upon the Company's ability to meet its financial requirements, raise additional capital, and successfully carry out its future operations. The financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary, should the Company not continue as a going concern.

The Company has continued to raise capital. Management believes the proceeds from these offerings, future offerings, and the Company's anticipated revenue, provides an opportunity to continue as a going concern. If additional funding is required, the Company plans to obtain working capital from either debt or equity financing from the sale of common stock, preferred stock, and/or convertible debentures. Obtaining such working capital is not assured. The Company is currently starting production and is switching focus from R&D to manufacturing.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Certain reclassifications were made to the prior year financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported results of operation or stockholders' equity (deficit).

Financial instruments

The carrying amounts of financial instruments including cash, inventory, accounts payable and short-term debt approximate fair value because of the relatively short maturity of these instruments.

Accounts receivable

Accounts receivable consist of collectible amounts for products and services rendered. The Company carries its accounts receivable at invoice amount less an allowance for doubtful accounts. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for doubtful accounts based on a history of past write-offs and collections and current credit conditions. The Company generally does not require collateral for accounts receivable.

Inventory

Inventory is stated at the lower of cost or market under the average method, and consist of parts and work in process.

Property, plant and equipment, net

Property and equipment is recorded at cost. Major renewals and improvements are capitalized while replacements, maintenance and repairs, which do not improve or extend the lives of the respective assets, are expensed. When property and equipment is retired or otherwise disposed of, a gain or loss is realized for the difference between the net book value of the asset and the proceeds realized thereon. Depreciation is calculated using the straight-line method, based upon the following estimated useful lives:

Buildings: 15 - 30 years

Leasehold improvements: 7 years

Software: 3 - 6 years

Equipment: 5 years

Vehicles and prototypes: 3 - 5 years

Capital stock

On April 22, 2010, the directors of the Company approved a forward stock split of the common stock of the Company on a 14:1 basis. On May 12, 2010, the stockholders of the Company voted to approve the amendment of the certificate of incorporation resulting in a decrease of the number of shares of common stock. Management filed the certificate of amendment decreasing the authorized shares of common stock with the State of Nevada on September 8, 2010. On February 11, 2015, the Company filed a certificate of amendment to its articles of incorporation to increase the authorized shares of common stock to 50,000,000.

On December 9, 2015, the Company filed a Certificate of Amendment to its Certificate of Incorporation to implement a one-for-ten reverse split of the Corporation's issued and outstanding common stock (the "Reverse Stock Split"), as authorized by the stockholders of the Company. The Reverse Stock Split became effective at the open of trading on December 11, 2015 (the "Effective Date"). As of the Effective Date, every ten shares of issued and outstanding common stock were combined into one newly issued share of common stock. No fractional shares were issued in connection with the Reverse Stock Split. Total cash payments made by the Company to stockholders in lieu of fractional shares was not material.

All references in the financial statements and MD&A to number of common shares, price per share and weighted average shares of common stock have been adjusted to reflect the Reverse Stock Split on a retroactive basis for all prior periods presented, unless otherwise noted, including reclassifying an amount equal to the reduction in par value of common stock to additional paid in capital.

The capital stock of the Company is as follows:

Preferred Stock - The Company has authorized 75,000,000 shares of preferred stock with a par value of \$.001 per share. These shares may be issued in series with such rights and preferences as may be determined by the Board of Directors. There are no shares of preferred stock outstanding.

Common Stock - The Company has authorized 50,000,000 shares of common stock with a par value of \$0.001 per share.

Revenue recognition / customer deposits

It is the Company's policy that revenues will be recognized in accordance with SEC Staff Bulletin (SAB) No. 104, "Revenue Recognition". Under SAB 104, product revenues (or service revenues) are recognized when persuasive evidence of an arrangement exists, delivery has occurred (or service has been performed), the sales price is fixed and determinable, and collectability is reasonably assured.

Income taxes

With the consent of its shareholders, at the date of inception, the Company elected under the Internal Revenue Code to be taxed as an S corporation. Since shareholders of an S corporation are taxed on their proportionate share of the Company's taxable income, an S corporation is generally not subject to either federal or state income taxes at the corporate level. On December 28, 2009, pursuant to the merger transaction the Company revoked its election to be taxed as an S-corporation.

As no taxable income has occurred from the date of this merger to September 30, 2016 cumulative deferred tax assets of approximately \$15.5 million are fully reserved, and no provision or liability for federal or state income taxes has been included in the financial statements. Carryover amount are:

Approximate net operating loss (\$ millions)	Carryover to be used against taxable income generated through year
3.6	2030
6.7	2031
3.9	2032
4.7	2033
6.1	2034
9.0	2035
11.7	2036

Research and development costs

The Company expenses research and development costs as they are incurred. Research and Development costs were approximately \$4.2 million and \$2.6 million for the nine-months period ended September 30, 2016 and 2015 respectively, consisting primarily of personnel costs for our teams in engineering and research, prototyping expense, and contract and professional services. Union City plant expenses prior to the start of production are also included in research and development expenses. The Company began increased production during the nine months ended September 30, 2016, decreasing emphasis on R&D.

Basic and diluted loss per share

Basic loss per share is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. For all periods, all of the Company's common stock equivalents were excluded from the calculation of diluted loss per common share because they were anti-dilutive, due to the Company's net losses.

Stock based compensation

The Company accounts for its stock based compensation in accordance with “Share-Based Payments” (codified in FASB ASC Topic 718 and 505). The Company recognizes in its consolidated statement of operations the grant-date fair value of stock options and warrants issued to employees and non-employees. The fair value is estimated on the date of grant using a lattice-based valuation model that uses assumptions concerning expected volatility, expected term, and the expected risk-free rate of return. For the awards granted, the expected volatility was estimated by management as 50% based on a range of forecasted results. The expected term of the awards granted was assumed to be the contract life of the option or warrant (one, two, three, five or ten years as determined in the specific arrangement). The risk-free rate of return was based on market yields in effect on the date of each grant for United States Treasury debt securities with a maturity equal to the expected term of the award.

Related party transactions

Certain stockholders and stockholder family members have advanced funds or performed services for the Company. These services are believed to be at market rates for similar services from non-related parties. Related party accounts payable are segregated in the balance sheet.

Subsequent events

The Company evaluates events and transactions occurring subsequent to the date of the consolidated financial statements for matters requiring recognition or disclosure in the consolidated financial statements. The accompanying consolidated financial statements consider events through November 14, 2016, the date on which the consolidated financial statements were available to be issued.

2. INVENTORY

As of September 30, 2016 and December 31, 2015, our inventory consisted of the following:

	2016 (Unaudited)	2015
Parts	\$2,075,560	\$78,917
Work in Progress	1,493,412	-
	\$3,568,972	\$78,917

3. PROPERTY, PLANT AND EQUIPMENT, NET

As of September 30, 2016 and December 31, 2015, our property, plant and equipment, net, consisted of the following:

	September 30, 2016 (Unaudited)	December 31, 2015
Land	\$ 300,000	\$ 300,000
Buildings	3,800,000	3,800,000
Leasehold Improvements	19,225	19,225
Software	62,912	27,721
Equipment	808,512	724,507
Vehicles and prototypes	227,864	198,965
	5,218,513	5,070,418
Less accumulated depreciation	(1,620,375)	(1,334,059)
	\$ 3,598,138	\$ 3,736,359

4. LONG-TERM DEBT

Long-term debt consists of the following:

	September 30, 2016 (Unaudited)	December 31, 2015
Secured debenture payable to Workhorse Custom Chassis, LLC, due March 2016 plus interest at 10%. The debenture is secured by the real estate and related assets of the	\$ -	\$ 2,722,500

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plant located in Union City, Indiana. Note was paid on February 2016.

Note payable to the City of Loveland, due in annual installments of \$10,241 including interest with the final payment due October 2016. Interest rate amended to 8.00%. The note is unsecured and contains restrictions on the use of proceeds.	50,000	50,000
	50,000	2,772,500
Less current portion	50,000	2,772,500
Long term debt	\$ -	\$ -

The note payable to the City of Loveland contains job creation incentives whereby each annual payment may be forgiven by the City upon the Company meeting minimum job creation benchmarks. This loan agreement amended the incentives to 30 full time employees within the City of Loveland with payroll totaling \$135,000 by October 31, 2013 and 40 employees with payroll totaling \$175,000 by July 31, 2014, continuing with an average of 40 employees with payroll totaling \$175,000 thereafter. The proceeds from this loan were to be used for qualified disbursements only, and the Company has been notified it did not meet the requirements for qualified disbursements and for forgiveness of the 2012 principal and interest payment, which is past due. In 2013 the Company made payments to an escrow account totaling \$22,900.

5. SHAREHOLDER AND RELATED PARTY ADVANCES

As of September 30, 2016, the Company had deposits for approximately \$1.4 million that were not yet issued as common stock. The stock is expected to be issued during the fourth quarter of 2016.

6. LEASE OBLIGATIONS

On October 1, 2011, the Company began leasing operating facilities under an agreement expiring on March 30, 2018. Total rent expense under these operating type leases for the nine months ended September 30, 2016 and 2015 was \$120,000 and \$116,000, respectively.

After September 30, 2016, the Company purchased the operating facilities. See Note 10.

7. STOCK BASED COMPENSATION*Options to directors, officers and employees*

The Company maintains, as adopted by the board of directors, the 2014 Stock Incentive Plan, the 2014 Stock Compensation Plan, 2013 Incentive Stock Plan, the 2012 Incentive Stock Plan, the 2011 Incentive Stock Plan and the 2010 Stock Incentive Plan (the plans) providing for the issuance of up to 1,100,000 options to employees, officers, directors or consultants of the Company. Incentive stock options granted under the plans may only be granted with an exercise price of not less than fair market value of the Company's common stock on the date of grant (110% of fair market value for incentive stock options granted to principal stockholders). Non-qualified stock options granted under the plans may only be granted with an exercise price of not less than 85% of the fair market value of the Company's common stock on the date of grant. Awards under the plans may be either vested or unvested options. The unvested options vest ratably over two years for options with a five or three-year term and after one year for options with a two-year term.

In addition to the plans, the Company has granted, on various dates, stock options to directors, officers and employees to purchase common stock of the Company. The terms, exercise prices and vesting of these awards vary.

The following table summarizes option activity for directors, officers and employees:

	Options Available for Grant	Outstanding Stock Options			
		Number of Options	Weighted Average Exercise Price per Option	Weighted Average Grant Date Fair Value per Option	Weighted Average Remaining Exercise Term in Months
Balance, December 31, 2014	80,907	1,667,068	\$ 2.34	\$ 1.52	41
Additional stock reserved	1,120,000	-	\$ -	\$ -	-
Granted	(443,436)	443,436	\$ 1.93	\$ 1.29	55
Exercised	-	(130,070)	\$ 1.30	\$ 0.75	-
Forfeited	-	-	\$ -	\$ -	-
Expired	-	-	\$ -	\$ -	-
Balance December 31, 2015	757,471	1,980,434	\$ 2.21	\$ 1.46	49
Additional stock reserved	500,000	-	\$ -	\$ -	-
Granted	(794,500)	794,500	\$ 6.38	\$ 2.82	58
Exercised	-	(120,250)	\$ 1.70	\$ 0.46	-

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Forfeited	-	-	\$ -	\$ -	-
Expired	-	-	\$ -	\$ -	-
Balance September 30, 2016	462,971	2,654,684	\$ 2.46	\$ 1.53	43

The Company recorded \$823,253 and \$210,379 compensation expense for stock options to directors, officers and employees for the nine months ended September 30, 2016 and 2015 respectively. As of September 30, 2016, unrecognized compensation expense of \$ 2,676,808 is related to non-vested options granted to directors, officers and employees which is anticipated to be recognized over the next 42 months, commensurate with the vesting schedules.

Options to consultants

The Company has also granted, on various dates, stock options to purchase common stock of the Company to consultants for services previously provided to the Company. The terms, exercise prices and vesting of these awards vary.

The following table summarizes option activity for consultants:

	Outstanding Stock Options				
	Options Available for Grant	Number of Options	Weighted Average Exercise Price per Option	Weighted Average Grant Date Fair Value per Option	Weighted Average Remaining Exercise Term in Months
Balance, December 31, 2014	39,327	399,273	\$ 1.27	\$ 1.31	50
Additional stock reserved	-	-	\$ -	\$ -	-
Granted	-	-	\$ -	\$ -	-
Exercised	-	(32,524)	\$ 0.10	\$ 0.98	-
Forfeited	59,976	(59,976)	\$ -	\$ -	-
Expired	-	-	\$ -	\$ -	-
Balance December 31, 2015	99,303	306,773	\$ 0.36	\$ 1.01	41
Additional stock reserved	-	-	\$ -	\$ -	-
Granted	(9,000)	9,000	\$ 4.99	\$ 0.44	52
Exercised	-	(62,500)	\$ 0.63	\$ 0.72	-
Forfeited	-	-	\$ -	\$ -	-
Expired	-	-	\$ -	\$ -	-
Balance September 30, 2016	90,303	253,273	\$ 0.49	\$ 1.05	37

The Company recorded \$31,356 and \$36,011 compensation expense for stock options to consultants for the nine months ended September 30, 2016 and 2015 respectively. As of September 30, 2016, unrecognized compensation expense of \$137,941 is related to non-vested options granted to consultants which is anticipated to be recognized over the next 29 months, commensurate with the vesting schedules.

Warrants to placement agent and consultants

The Company has compensated the placement agents for assisting in the sale of the Company's securities by paying the placement agent commissions and issuing the placement agent common stock purchase warrants to purchase shares of the Company's common stock. The warrants have a five-year term and various exercise prices.

The Company has also granted, on various dates, stock warrants to purchase common stock of the Company to consultants for services previously provided to the Company. The terms, exercise prices and vesting of these awards vary.

The following table summarizes warrant activity for the placement agent and consultants:

Warrants

Weighted
Average
Exercise Price
per Warrant

Net profit (loss)

53

(70)

29

31

,721

Amortisation of goodwill

8

4

4

53

68

Impairment of mining assets

52

47
profit on disposal of assets and subsidiaries
(36)
(7)
(280)
(53)
(336)
current and deferred taxation on exceptional items

(81)
(106)
headline earnings (loss)

74
(22)
74
38
,794
unrealised non-hedge derivatives and fair value
gains (losses) on interest rate swaps

14
(307)
06
(311)

(170)
30
(243)
45
80
22
97
,001
,628
earnings (loss) per ordinary share (cents)

Basic
6
(28)
27
75
73
Diluted
6
(28)
26
75

69
Headline
04
9)
03
18
05
Adjusted headline

06
27
23
05
31

Dividends
Rm
53
37
cents per share

70
75

The results have been prepared in accordance with International Financial Reporting Standards (IFRS)

Adjusted headline earnings

Adjusted operating profit

The operating profit has been adjusted by the following to arrive at adjusted operating profit:
The net profit has been adjusted by the following to arrive at headline earnings:
Deferred tax on unrealised non-hedge derivatives and fair value gains (losses) on interest rate swaps
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6

Group
Income statement
Quarter
Quarter
Quarter Nine months Nine months
ended
ended
ended
ended
ended
September
June
September
September
September
2004
2004
2003
2004
2003
US Dollar million
Notes
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Gross income
53
63
05
,704
,482
Cost of sales
572)
470)
881)
,423)
,107)
1
3
24
81
75
Non-hedge derivatives
6
57)
2
51)
8

operating profit

7
6
76
30
63
Corporate administration and other expenses

(3)
(6)
(5)
(40)
(27)

Market development costs

(5)
(3)
(4)
(2)
(2)

Exploration costs

(2)
(1)
(9)
(31)
(28)

Interest receivable

0
1
3
4

Other net income (expenses)

(5)
(4)
(5)
(17)

Finance costs

(20)
(7)
(11)
(58)
(28)

Fair value gains (losses) on interest rate swaps

(2)
(1)

Profit (loss) before exceptional items

2
(17)

51	
16	
76	
	Amortisation of goodwill
7)	
3)	
7)	
23)	
21)	
	Impairment of mining assets
1)	
35)	
1)	
47)	
	Profit on disposal of assets and subsidiaries
8	
5	
	Profit (loss) on ordinary activities before taxation
9	
25)	
47	
01	
53	
	Taxation
13)	
5	
46)	
9)	
22)	
	Profit (loss) on ordinary activities after taxation
6	
10)	
01	
2	
31	
	Minority interest
5)	
2)	
4)	
16)	
2)	
	Net profit (loss)
0	
2)	
7	
6	

19
operating profit
7
6
76
30
63
Unrealised non-hedge derivatives
2
40)
07
41)
Adjusted operating profit
8
08
36
37
22
Headline earnings
Net profit (loss)
0
12)
7
6
19
Amortisation of goodwill
3
1
Impairment of mining assets
5
7
Profit on disposal of assets and subsidiaries
5)
38)
9)
45)
Current and deferred taxation on exceptional items
1)
11)
14)

Headline earnings (loss)

4

5)

0

2

28

Unrealised non-hedge derivatives and fair value

gains (losses) on interest rate swaps

2)

4

41)

08

42)

28)

8

37)

1

3

1

7

53

07

Earnings (loss) per ordinary share (cents)

Basic

5

5)

4

7

8

Diluted

5

5)

3

7

8

Headline

7

2)

0

3

02

Adjusted headline

6

0

0

2

3

Dividends ~

\$m

8
13
cents per share

6
1
The results have been prepared in accordance with International Financial Reporting Standards (IFRS).
Dividends are translated at actual rates on date of payment.

Adjusted headline earnings

Adjusted operating profit

The operating profit has been adjusted by the following

to arrive at adjusted operating profit:

Deferred tax on unrealised non-hedge derivatives and fair

value gains (losses) on interest rate swaps

The net profit has been adjusted by the following to

arrive at headline earnings:

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7

Group
Balance sheet
 As at
 As at
 As at
 As at
 September
 June
 December
 September
 2004
 2004
 2003
 2003
Amount in Rand million
Unaudited
Unaudited
Audited
Unaudited
ASSETS
Non-current assets
 Tangible assets
5,450
 4,079
 8,427
 7,711
 Intangible assets
636
 524
 749
 735
 Investments in associates
2
 3
 7
 51
 Other investments
39
 33
 6
 93
 Inventories
 (1)
42
 37
 7
 4
 Other non-current assets
93
 20
 1,011

44	
Derivatives	
96	
32	
30	
63	
9,798	
8,268	
2,997	
2,211	
Current assets	
Inventories	
531	
374	
003	
767	
Trade and other receivables	
790	
873	
461	
316	
Cash and cash equivalents	
846	
458	
367	
765	
Current portion of other non-current assets	
90	
85	
9	
2	
Derivatives	
984	
904	
515	
762	
541	
994	
405	
672	
TOTAL ASSETS	
9,339	
8,262	
2,402	
1,883	
EQUITY AND LIABILITIES	
Equity	
0,178	
9,782	
1,222	
1,056	

Non-current liabilities

Borrowings

360

,088

,383

,758

Provisions

162

,117

,832

,744

Deferred taxation

463

,268

,986

,011

Derivatives

854

,123

,194

,647

1,839

,0,596

3,395

3,160

Current liabilities

Current portion of borrowings

078

,125

,340

,264

Trade and other payables

841

,940

,339

,049

Taxation

30

,57

,64

,67

Derivatives

273

,662

,942

,087

322

,884

,785

,667

TOTAL EQUITY AND LIABILITIES

9,339
8,262
2,402
1,883

he results have been prepared in accordance with International Financial Reporting Standards (IFRS).

)

elates to heap leach operations.

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8

Group
Balance sheet
As at
As at
As at
As at
September
June
December
September
2004
2004
2003
2003
US Dollar million
Unaudited
Unaudited
Audited
Unaudited
ASSETS
Non-current assets
Tangible assets
4,474
4,473
4,764
4,552
Intangible assets
1,007
1,005
1,112
1,094
Investments in associates

2
Other investments
1,007
1,001
1,113
1,088
Inventories
(1)
2
2

Other non-current assets
6
3
53

21
Derivatives
23
34
4
1
,146
,145
,450
,200
Current assets
Inventories
91
81
00
55
Trade and other receivables
76
01
19
89
Cash and cash equivalents
40
55
05
42
Current portion of other non-current assets
0
2

Derivatives
06
06
77
98
,473
,605
,410
,393
TOTAL ASSETS
,619
,750
,860
,593
EQUITY AND LIABILITIES
Equity
,116
,177
,684
,593

Non-current liabilities

Borrowings

291

,299

07

30

Provisions

34

40

75

51

Deferred taxation

307

,328

98

78

Derivatives

40

41

29

37

372

,308

,009

,896

Current liabilities

Current portion of borrowings

21

41

51

26

Trade and other payables

39

71

50

95

Taxation

0

5

5

9

Derivatives

51

28

41

45

131

,265

,167

,104

TOTAL EQUITY AND LIABILITIES

619
750
860
593

he results have been prepared in accordance with International Financial Reporting Standards (IFRS).

)

elates to heap leach operations.

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9

Group
Cash flow statement
Quarter
Quarter
Quarter Nine months
Nine months
ended
ended
ended
ended
ended
September
June
September
September
September
2004
2004
2003
2004
2003
A Rand million
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Cash flows from operating activities
Cash generated from operations
367
81
1,043
1,698
1,626
Interest received
3
1
6
86
61
Environmental and other expenditure
(38)
(3)
(41)
(58)
(25)
Dividends received from associates

finance costs
(189)
78)
57)
442)
211)
taxation paid
(32)
56)
51)
93)
577)
Net cash inflow from operating activities
1,161
95
30
1,181
783
Cash flows from investing activities
capital expenditure
(1,004)
1,012)
661)
2,583)
1,687)
proceeds from disposal of mining assets
4
9
8
investments acquired
(98)
2)
101)
3)
proceeds from disposal of investments
51
51
Acquisition) disposal of subsidiary
(235)
802)
1,037)
Net loans advanced

0
4
2
26
2

Net cash outflow from investing activities

(1,273)
(1,733)
(293)
(3,546)
(1,301)

Cash flows from financing activities

proceeds from issue of share capital

1
6
1
share issue expenses

)
)
)
)
)
proceeds from borrowings

73
0
,182
,970
,330

repayment of borrowings

(257)
(1,379)
(866)
(4,828)
(780)

dividends paid

(153)
(59)
(882)
(1,270)
(2,442)

Net cash (outflow) inflow from financing activities

(533)
(1,378)
54
87
(353)

Net (decrease) increase in cash and cash equivalents

(645)
(2,416)

,591
 478)
 29
 translation
3
 56)
 43)
 408)
 opening cash and cash equivalents
458
 ,868
 ,330
 ,367
 ,544
losing cash and cash equivalents
846
 ,458
 ,765
 ,846
 ,765
cash generated from operations
 profit (loss) on ordinary activities before taxation
64
 33)
 ,090
 65
 ,757
 adjusted for:
 on-cash movements
13)
 28)
 25)
 33
 movement on non-hedge derivatives
5
 25
 337)
 59
 351)
 amortisation of mining assets
60
 00
 91
 ,706
 ,284
 referred stripping costs
15)
 40)
 104)

29)
 235)
 Interest receivable
53)
 72)
 56)
 219)
 91)
 Finance costs
29
 12
 7
 85
 17
 Amortisation of goodwill
8
 4
 4
 53
 68
 Impairment of mining assets

 52
 47
 Profit on disposal of assets and subsidiaries
36)
 7)
 280)
 53)
 336)
 Movement in working capital
70
 30)
 48)
 442)
 167)
367
 81
 ,043
 ,698
 ,626
Movement in working capital
 (increase) decrease in inventories
162)
 57)
)
 23)
 4
 (decrease) (increase) in trade and other receivables

73
(168)
07
8
92
increase (decrease) in trade and other payables

59
95
(254)
(367)
(413)
70
(130)
(48)
(142)
(167)

The results have been prepared in accordance with International Financial Reporting Standards (IFRS).
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0

Group
Cash flow statement
Quarter
Quarter
Quarter Nine months
Nine months
ended
ended
ended
ended
ended
September
June
September
September
September
2004
2004
2003
2004
2003
US Dollar million
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Cash flows from operating activities
Cash generated from operations
96
01
45
17
57
Interest received

8
0
Environmental and other expenditure
(5)
(2)
(5)
(10)
(5)
Dividends received from associates

finance costs
(29)
12)
9)
57)
27)
taxation paid
(5)
9)
11)
29)
33)
Net cash inflow from operating activities
65
7
26
39
53
Cash flows from investing activities
capital expenditure
(56)
53)
88)
393)
216)
proceeds from disposal of mining assets

investments acquired
(15)

15)
proceeds from disposal of investments

5
5
Acquisition) disposal of subsidiary
(39)
26)
165)
Net loans advanced

1

9

Net cash outflow from investing activities

(200)

(267)

(41)

(547)

(166)

Cash flows from financing activities

proceeds from issue of share capital

share issue expenses

proceeds from borrowings

2

(2

96

,061

14

repayment of borrowings

(51)

(213)

(48)

(736)

(100)

dividends paid

(58)

(9)

(119)

(190)

(309)

Net cash (outflow) inflow from financing activities

(76)

(200)

(32

(38

(39)

Net (decrease) increase in cash and cash equivalents

(111)

(380)

17
(70)
8
translation
(4)
4
1
opening cash and cash equivalents
55
34
11
05
13
Closing cash and cash equivalents
40
55
42
40
42
Cash generated from operations
profit (loss) on ordinary activities before taxation
9
25)
47
01
53
adjusted for:
non-cash movements
(9)
(3)
(1)
(5)
6
Movement on non-hedge derivatives
0
(45)
02
(17)
amortisation of mining assets
04
1
3
61
64
deferred stripping costs
(2)
(5)
(4)

19)
30)
Interest receivable
10)
11)
13)
33)
24)
Finance costs
0
7
1
8
8
Amortisation of goodwill

3
1
Impairment of mining assets

5
7
Profit on disposal of assets and subsidiaries
5)
38)
9)
45)
Movement in working capital
6
40)
2)
52)
26)
96
01
45
17
57
Movement in working capital
(increase) in inventories
13)
29)
19)
29)
43)
(decrease (increase) in trade and other receivables

3
29)
4

25)
Decrease) increase in trade and other payables

14)
8

34)
2
6

40)
2)
52)
26)

The results have been prepared in accordance with International Financial Reporting Standards (IFRS).
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1

statement of
changes in equity
Ordinary
equity
Other
share
portion of
foreign
compre-
capital and
convertible
currency
ensive
retained
minority
premium
ond
eserves
translation
ncome
arnings
otal
nterest
quity
A Rand million
alance at December 2002
 ,607
 38
 60
 (1,583)
 ,853
 2,375
 47
 2,722
 Movements on other comprehensive
 ncome
 55)
 55)
 55)
 et profit
 ,721
 ,721
 8
 ,819
 Dividends paid
 (2,337)
 (2,337)
 (105)
 (2,442)
 Ordinary shares issued

9
 9
 9
 translation
 (1,138)
 93
 (945)
 (32)
 (1,027)
Balance at September 2003
646

38
(778)
(1,445)
237
0,798
58
1,056
Balance at December 2003
668

38
 (755)
 (2,031)
 ,848
 0,868
 54
 1,222
 Movements on other comprehensive
 income
 05
 05
 05
 Net profit
 31
 31
 01
 32
 Dividends paid
 (1,201)
 (1,201)
 (59)
 (1,270)
 Ordinary shares issued
 ,316
 ,316
 ,316
 Issue of convertible bond
 33
 33

33
t acquisition
2
2
translation
311)
0
771)
11)
782)
Balance at September 2004
8,984
33
38
(1,566)
(1,386)
,078
9,781
97
0,178
US Dollar million
Balance at December 2002
,120
6
3
(85)
49
,443
0
,483
Movements on other comprehensive
income
)
)
)
Net profit
19
19
2
31
Dividends paid
(296)
(296)
(3)
(309)
Ordinary shares issued

translation
65

55)
5)
4
93
2)
91
Balance at September 2003
3,390

0
112)
208)
66
5,556
7
5,593
Balance at December 2003
450

1
113)
304)
77
631
3
684
Movements on other comprehensive
income
2
2
2
Net profit
6
6
6
2
Dividends paid
80)
80)
10)
90)
Ordinary shares issued
369
369
369
Issue of convertible bond
2
2

2
t acquisition

translation
13

(28)

(2)

2

(4)

(1)

(5)

Balance at September 2004

,932

2

1

(241)

(214)

75

,055

1

,116

The results have been prepared in accordance with International Financial Reporting Standards (IFRS).

Attributable equity holders of the group

ion -

istrib-

able

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2

Notes

asis of preparation

The financial statements have been prepared in accordance with the historic cost convention except for certain financial instruments which are measured at fair value. The group's accounting policies used in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2003.

The interim group financial statements of AngloGold Ashanti Limited have been prepared in accordance with International Financial Reporting Standards (IAS34), South African Statements of Generally Accepted Accounting Practices (AC127), in compliance with the JSE Securities Exchange Listing Requirements and in the manner required by the South African Companies Act, 1973 for the preparation of financial information of the Group for the quarterly periods ending 30 months ended 30 September 2004.

Where the presentation or classification of an item has been amended, comparative amounts have been reclassified to ensure comparability with the current period. The amendments have been made to provide the users of the financial statements with additional information.

Cost of sales

Quarter ended

Three

Quarter ended

Three

September 2004

September 2004

September 2004

September 2003

September 2004

September 2004

September 2004

September 2003

Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited

A Rand million

US Dollar million

Cash operating costs

7,762

7,492

7,349

7,202

7,334

7,178

7,122

7,023

Other cash costs

7

7,010

7,036

7,093

7,015

7,013

7,016

7,015

Total cash costs

7,859

7,572

7,585

,395

49

91

,158

48

retrenchment costs

2

4

3

rehabilitation & other non-cash costs

0

3

34

5

9

production costs

,921

,622

,763

,473

58

99

,184

58

amortisation of mining assets

60

00

,706

,284

04

1

61

64

total production costs

,581

,222

,469

,757

62

90

,445

,122

inventory change

0
 31) (146) (119) 10
 20) (22) (15)

651
 ,091
 ,323
 ,638
 72
 70
 ,423
 ,107

. Taxation

Quarter ended
 Nine months ended
 Quarter ended
 Nine months ended
 Sept 2004
 June 2004
 Sept 2004
 Sept 2003
 Sept 2004
 June 2004
 Sept 2004
 Sept 2003

Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited

A Rand million
 S Dollar million
 Normal taxation

19)
 9
 08
 89
 3)

6
 1
 eferred taxation

9
 3
 59
 10
 4

9
 4
 eferred tax on unrealised non-hedge
 erivatives and fair value gains (losses)
 n interest rate swaps

170) (243) 145

28) (37) 21
Taxation on exceptional items

106)

1) 1

14)

2

37)

33

38

3

15)

9

22

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3

Capital
Commitments
Sept 2004
June 2004
Dec
2003
Sept 2003
Sept 2004
June 2004
Dec
2003
Sept 2003
 A Rand million
 S Dollar million
 orders plac ed and outstanding
 n capital contracts at the
 prevailing rate of exchange

2005
 85
 50
 64
55
 42
 50
 18

Shares
Quarter ended
Three months ended
Sept 2004
June 2004
Sept 2003
Sept 2004
Sept 2003

uthorised s hare capital:
 ordinary shares of 25 SA cents each
400,000,000
 400,000,000 400,000,000 400,000,000
 redeemable preference shares of
 10 SA cents each
2,000,000
 2,000,000 2,000,000 2,000,000
 redeemable preference shares of
 1 SA cent each
778,896
 778,896 778,896 778,896
 ssued share capital:
 ordinary
 shares
264,439,294
 264,403,394 222,946,842 264,439,294 222,946,842
 redeemable preference shar es

2,000,000			
2,000,000	2,000,000	2,000,000	2,000,000
redeemable preference shares			
778,896			
778,896	778,896	778,896	778,896
Weighted average number of ordinary shares for the period			
Basic ordinary shares			
246,954,457			
246,954,457	222,772,159	246,954,457	222,772,159
Diluted number of ordinary shares			
223,817,500			
223,817,500	223,817,500	259,138,623	223,817,500

During the quarter, 35,900 ordinary shares were allotted in terms of the AngloGold Share Incentive Scheme. All the preference shares are wholly-owned subsidiary company.

Exchange

and/US dollar average for the year to date

Sept 2004

June 2004

Dec 2003

Sept 2003

.57

.67

.55

.82

and/US dollar average for the quarter

.37

.59

.74

.40

and/US dollar closing

.48

.23

.67

.94

and/Australian dollar average for the year to date

.80

.94

.90

.94

and/Australian dollar average for the quarter

.52

.70

.82

.88

and/Australian dollar closing

4.69

4.33

5.02

4.73

Attributable

Interest

Although AngloGold Ashanti holds a 66.7 % interest in Cripple Creek & Victor Gold Mining Company Limited, it is currently entitled to the cash flows from the operation until the loan, extended to the joint venture by AngloGold USA Inc., is repaid.

Announcements

1 On 5 August 2004, AngloGold Ashanti announced the sale of its Union Reefs assets to the Burnside Joint Venture, comprising subsidiaries of Northern Gold NL (50%) and Harmony Gold Mining Company Limited (50%), for a total consideration of \$4m. The Burnside Joint Venture is responsible for all future obligations associated with the assets, including remaining site rehabilitation and reclamation.

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4

2 The government of Guinea advised AngloGold Ashanti on 25 August 2004 that the embargo on the export of gold bullion from that country by AngloGold Ashanti had been lifted.

3 In a joint announcement on 10 September 2004, AngloGold Ashanti confirmed its agreement to sell its entire interest in Ashanti Goldfields Zimbabwe Limited to Mwana Africa Holdings (Pty) Limited for a cash consideration of \$2.255m. The principal operating asset of Ashanti Goldfields Zimbabwe Limited is the Freda-Rebecca Gold Mine.

4 On 11 October 2004 AngloGold Ashanti announced that it had signed an agreement with Philippines explorer Red 5 Limited to subscribe to the expanded issued capital of Red 5 for a cash consideration of A\$5.5m. This placement will be used to fund the exploration activities on the current mineral resources at the Siana Project, and to test the nearby porphyry gold-copper targets in the Surigao region of the Republic of the Philippines.

Dividend

Interim dividend No. 96 of 170 South African cents or 14.9591 UK pence or 2,484.82 cedis per share was paid to registered shareholders on 27 October 2004, while a dividend of 7.7486 Australian cents per CHESS Depository Interest (CDI) was paid on the same day. On 30 August 2004, a dividend of 4.8482 cedis per Ghanaian Depository Share (GhDS) was paid to holders thereof. Each CDI represents one-fifth of an ordinary share, and each GhDS represents one ordinary share. A dividend was paid to holders of American Depositary Receipts (ADRs) on 7 September 2004 at a rate of 100 cents per American Depositary Share (ADS). Each ADS represents one ordinary share.

5 The group financial statements for the quarter and nine months ended 30 September 2004 were authorised for issue in accordance with a resolution of the directors passed on 27 October 2004. AngloGold Ashanti is a limited liability company incorporated in the Republic of South Africa.

By order of the Board

P EDEY

M GODSELL

Chairman

Chief Executive Officer

27 October 2004

Quarterly Report September 2004 www.AngloGoldAshanti.com

5

Segmental
Reporting
for the quarter and nine months ended September 2004

Quarter
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
une
September
September
September
September
September
une
September
September
September
2004
2004
2003
2004
2003
2004
2004
2003
2004
2003
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited

Unaudited
Unaudited
A Rand million
US Dollar million
Gold income South Africa

934

,903

,292

,838

,601

03

89

10

88

46

Argentina

69

29

12

14

59

7

0

5

3

8

Australia

86

73

79

06

36

5

1

8

23

20

Brazil

67

58

68

74

43

2

9

6

18

08

Ghana

31

53

77

3

3

36

Guinea

42

48

2

3

Ivory

39

67

65

82

2,248

8

2

0

19

60

Zambia

7

5

0

32

49

0

9

Tanzania

59

99

16

74

21

6

5

9

33

7
SA
82
67
63
02
23
8
5
2
7
04
imbabwe
5
1
6

,171
,705
,735
1,173
1,580
53
63
05
,704
,482

. Adjusted operating profit

outh Africa
21
06
07
,131
,881
9
8
2
74
41
rgentina
1
4
6
9

45

5

8

Australia

1

09

1

41

43

1

7

7

8

Brazil

47

57

31

23

43

3

3

8

4

6

Dhana

Guinea

(10)

(16)

(26)

(2)

(2)

(4)

Mali

8
8
37
83
08

9
8
5
Zambia

9
9

Zanzania

6
7
23
16

8
5
SA
0
6
9
9

Zimbabwe

5)
4)

9)

1)

1)
Corporate
12)
1
5)
11)
1
2)
1)
4)
31
02
004
216
303
8
08
36
37
22
. Cash operating profit
outh Africa
08
84
00
660
142
9
5
5
53
74
rgentina
04
0
9
28
89
6
0
5
6
ustralia
14
49

3
63
79
8
3
0
6
5
razil
83
92
73
28
78
9
9
3
0
4
hana
03
2

55

6

4

guinea
13)
16)
29)
2)
3)
5)
Mali
4
5
09
25
33
3
4
8
9

3
Zambia

2
0

1
4

Zanzania

8
9
2
42
76

4
3
6
3

SA

6
5
3
39
00
2
3
2
6
9

Zimbabwe

2)
1)

Corporate

4
4
7

,223
,222
,395
,775
,588
91
87
89
75
86

operating profit excluding unrealised non-hedge derivatives.

adjusted operating profit plus amortisation of mining assets less non-cash revenues.

he results have been prepared in accordance with International Financial Reporting Standards (IFRS).

ased on risks and returns the directors consider that the primary reporting format is by business segment. The directors consider that the business segment being mining, extraction and production of gold. Therefore the disclosures for the primary segment have already been abbreviated financial statements. The secondary reporting format is by geographical analysis by origin.

quarterly Report September 2004 www.AngloGoldAshanti.com

6

Segmental reporting (continued)

Quarter
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
September
2004
2004
2003
2004
2003
2004
2004
2003
2004
2003
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited
Unaudited

Gold production

South Africa

4,495

4,233

6,265

2,067

6,393

89

79

44

3,317

4,455

Argentina

894

4,449

2,291

4,440

6,687

1

7

1

43

51

Australia

4,496

4,008

3,345

2,207

10,390

12

7

08

96

34

Brazil

7,740

4,732

4,575

4,807

4,431

8

8

3

51

39

Ghana

8,079

4,820

4,899

95
23

18

Guinea

05
35

,240

3
7

0

Mali

,078
213

,395
,643

4,363

9
03

42
11

62
Zambia

72
03

59

,535
,780

8
6

8
9
7

Zanzania

,592
339

,745
1,825

,646

48
40

8
80
14

SA
,804

,373
,065
,414
,767
0
6
6
38
14
imbabwe
68
25
93

0,623
6,330
3,240
35,370
31,457
,628
,490
,390
,352
,226

Quarter
Quarter
Quarter
ine months
ine months
Quarter
Quarter
Quarter
ine months
ine months
nded
nded
nded
nded
nded
nded
nded
nded
nded
nded
nded
eptember

une
eptember
eptember
eptember
eptember
une
eptember
eptember
eptember
004
004
003
004
003
004
004
003
004
003
naudited
naudited
naudited
naudited
naudited
naudited
naudited
naudited
naudited
naudited
naudited
A Rand million
S Dollar million
Capital expenditure
outh Africa
20
10
74
446
505
0
7
7
19
92
rgentina
1
7
4
3
0

0

Australia

0

5

8

40

8

1

1

Brazil

1

3

6

88

71

0

2

9

1

Ghana

05

5

71

6

0

6

Guinea

41

11

52

2

7

8

Ivory

2

8

9
8
7

1
Zambia
2
01

18
6

5

8

Zanzania
5
9
2
0
4

SA
8
8
6
2
87

2
4
Zimbabwe

Corporate

2

3

6

3

,004

,012

32

,583

,181

56

53

11

93

79

003 restated to reflect the change in accounting treatment of ore reserve development expenditure.

s at

s at

s at

s at

s at

s at

September

June

December

September

June

December

004

004

003

004

004

003

(Unaudited

(Unaudited

(Unaudited

(Unaudited

(Unaudited

(Unaudited

Total assets South Africa

3,253

3,174

2,867
,047
,116
,930
Argentina
,934
,811
,035
99
91
05
Australia
,271
,898
,457
60
26
68
Brazil
,062
,825
,898
18
93
85
Bhania
1,545
0,997
,783
,766
Guinea
,378
,167
13
87
Iali
,329
,186
,171
60
51
26
Zambia
19
00
00
4

2
0
anzania
148
,960
,586
104
,118
88
SA
685
,564
,796
15
12
18
imbabwe
0

orporate
515
,430
,392
86
50
10
9,339
8,262
2,402
,619
,750
860

he results have been prepared in accordance with International Financial Reporting Standards (IFRS).

A Rand million

S Dollar million

g

z (000)

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7

ey
operating results
ER REGION & OPERATION

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
004
003

A Rand / US Dollar
Capital expenditure

Rm
Capital expenditure

\$m
SOUTH AFRICA

20
10
,446
,505
0
7
19
92

Maal River

Great Nologwa Mine

8
5
61
20

0
5
8

Popanang Mine

8
1
65
76

5
2

Maun Lekoa Mine

1
0
15
3

7
1

Surface Operations

0
0
4

0

Moab Khotsong

19
10
44
61
9
7
2
6

Argo

West Wits

Iponeng Mine

03

8

90

75

6

5

4

8

avuka Mine

2

5

1

11

4

auTona Mine

9

01

66

79

5

5

0

3

ARGENTINA

1

7

3

0

0

erro Vanguardia - Attributable 92.50%

0

5

9

5

Minorities and exploration

AUSTRALIA

0
5
40
8

1
1

Sunrise Dam

3
3
25
1

9
0

Minorities and exploration

5

RAZIL

1
3
88
71

0
2
9
1

AngloGold Ashanti Brazil

1
5
40
35

1
7
erra Grande - Attributable 50%

7
6

Minorities and exploration

9
1
0

HANA

05
5
71

6
0
6

ibiani

4
3
7

luapriem - Attributable 85%

1

buasi

3
8
31

3
0

Minorities and exploration

GUINEA

41
11
52

2
7
8

iguiri - Attributable 85%

20
4
14

9
4
3

Minorities and exploration

1
7
8

MALI

2
8
8
7

1

Morila - Attributable 40%

9

adiola - Attributable 38%

2
8
8

atela - Attributable 40%

5
0

AMIBIA

2
01
18
6

5
8

avachab

2
01
18
6

5
8

ANZANIA

5
9
0
4

Reita - Attributable 100% May 2004

5
9
0
4

USA

8
8
2
87

2
4

ripple Creek & Victor J.V.

8
8
2
67

2
1

Herritt Canyon J.V. - Attributable 70%

0

ZIMBABWE

reda-Rebecca

OTHER

2
3
6
3

ANGLOGOLD ASHANTI

,004
,012
,583
,181
56
53
93
79

2003 restated to reflect the change in accounting treatment of ore reserve development expenditure.
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8

ey
operating results
ER REGION & OPERATION

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
004
004
004
003
004
004
004
003
Metric
field - g/t
Gold produced - kg
SOUTH AFRICA
4,495
4,233
2,067
6,393
Baal River
Great Noligwa Mine
0.60
.95
0.44
0.37
4,427
1,121

8,414
8,493
Tapanang Mine
.96
.35
.42
.96
.707
.821
1,279
1,582
Tau Lekoa Mine
.80
.17
.88
.31
.184
.509
.788
.518
Surface Operations
.76
.55
.62
.61
.061
.40
.818
.704
Argo
.24
.23
.24
.20
.645
.855
.419
.716
West Wits
Iponeng Mine
.65
.80
.30
.99
.657
.266
0,157
1,820
Mavuka Mine
.36
.87

.07
.83
,340
,162
,601
,521
auTona Mine
0.49
0.88
1.14
2.05
,474
,559
3,591
5,020
urface Operations

.88

9
ARGENTINA

,894
,449
,440
,687
erro Vanguardia - Attributable 92.50%

.93
.39
.07
.11
,894
,449
,440
,687

AUSTRALIA

,496
,008
,207
0,390
unrise Dam

.81
.47
.37
.15
,496
,008
,196

,233
Union Reefs

.06

1
,157

RAZIL

,740

,732

,807

,431

AngloGold Ashanti Brazil

.96

.48

.63

.38

,998

,003

,636

,192

Terra Grande - Attributable 50%

.78

.87

.77

.91

.42

.29

,171

,239

GHANA

,079

,820

,899

Libiani

.10

.79

.97

,417

.88

,205

Duapriem - Attributable 85%

.83

.48

.72

,706
38
,544

buasi
.25
.18
.22

,956
,194
,150

GUINEA

.05
.35
,240

iguiri - Attributable 85%

.14
.12
.13

.05
.35
,240

LIBERIA

,078
,213
,643
4,363

lorila - Attributable 40%

.40
.06
.53
.66
,143
,058
,533
,391

radiola - Attributable 38%

.36
.82
.76
.67
,196
,386
,967
,774

Patela - Attributable 40%

.61

.61

.60

.88

.39

.69

,143

,198

AMIBIA

.72

.03

,535

,780

avachab

.56

.46

.52

.79

.72

.03

,535

,780

ANZANIA

,592

,339

1,825

,646

eita - Attributable 100% May 2004

.42

.46

.57

.07

,592

,339

1,825

,646

SA

,804

,373

,414

,767

ripple Creek & Victor J.V.

.57

.59

.61

.33

,804

,373

,414

,456

Meritt Canyon J.V. - Attributable 70%

.15

,311

ZIMBABWE

68

25

93

Reda-Rebecca

.70

.60

.66

.68

.25

.93

ANGLOGOLD ASHANTI

0,623

6,330

35,370

31,457

Underground Operations

.40

.43

.62

.96

6,907

5,794

5,471

9,213

Surface and Dump Reclamation

.35

.29

.31

.27

,921

,963

,621

,484

Open-pit Operations

.97

.92

.05

.29

6,200
3,635
9,773
5,789
Heap leach Operations

.78
.84
.82
.83
.595
.938
1,505
.971
0,623
6,330
35,370
31,457

Yield excludes surface operations. Attributable production at Moab Khotsong yielded 184 kilograms which will be capitalised against production.

The yield is calculated on gold placed into leach pad inventory / tonnes placed onto leach pad.

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9

ey
operating results
ER REGION & OPERATION
Quarter
Quarter
ine months
ine months
Quarter
Quarter
ine months
ine months
nded
nded
nded
nded
nded
nded
nded
nded
nded
eptember
une
eptember
eptember
eptember
eptember
une
eptember
eptember
004
004
004
003
004
004
004
003
etric
productivity per employee - g
old sold - kg
OUTH AFRICA
60
56
52
12
4,504
4,213
2,048
6,368
aal River
reat Noligwa Mine
09
86

83
19
4,428
1,117
8,409
8,491
Kopanang Mine
22
30
25
72
7,708
8,817
1,275
1,582
Kau Lekoa Mine
75
01
83
73
1,185
5,506
7,786
5,516
Surface Operations
1,123
52
51
56
1,061
39
8,817
7,703
Argo
91
30
21
67
6,645
8,855
7,417
7,716
West Wits
Iponeng Mine
60
31
39
42
6,660
7,263
10,156

1,814
avuka Mine
42
23
25
05
,341
,161
,600
,511
auTona Mine
19
24
19
96
,476
,555
3,588
5,016
urface Operations

9
ARGENTINA

94
14
18
,057
,865
,438
,518
,791
erro Vanguardia
Attributable 92.50%

94
14
18
,057
,865
,438
,518
,791

AUSTRALIA

,915
,391
,483

308

511

011

229

0,399

unrise Dam

289

827

880

952

511

010

217

222

union Reefs

23

654

2

177

RAZIL

04

87

51

51

760

703

835

406

AngloGold Ashanti Brazil

39

40

00

42

002

014

661

229

erra Grande

Attributable 50%

053

61

10

48

58

89

174

177

GHANA

03
03
03

,106
,800
,906

ibiani

77
,024
70

,417
88
,205

luapriem - Attributable 85%

37
09
89

,706
45
,551

buasi

89
10
97

,983
,167
,150

GUINEA

42
73
55

,391

,391

iguiri

Attributable 85%

42
73
55

,391

,391

ITALI

,358

,380

,393

,312

,026

,344

,616

4,323

lorila - Attributable 40%

,367

,353

,504

,983

,067

,089

,443

,348

adiola - Attributable 38%

,767

,967

,882

,847

,220

,375

,989

,772

atela - Attributable 40%

81

14

69

,065

39

80

,184

,203

AMIBIA

31

83

47

12

88

38

,586

,685

avachab

31

83
47
12
88
38
586
685
ANZANIA
129
159
185
119
790
949
1,635
646
eita - Attributable 100% May 2004
129
159
185
119
790
949
1,635
646
SA
980
513
625
085
802
375
483
767
ripple Creek & Victor J.V.
980
513
625
196
802
375
483
456
erritt Canyon J.V. - Attributable 70%

899

,311

ZIMBABWE

14

3

8

68

25

93

reda-Rebecca

14

3

8

68

25

93

ANGLOGOLD ASHANTI

67

56

56

29

1,511

5,495

35,540

31,385

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0

ey
operating results
PER REGION & OPERATION

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
004
004
004
003
004
004
004
003

A Rand / Metric

total cash costs

R/kg
total production costs

R/kg
SOUTH AFRICA

0,687
9,016
0,447
4,616
9,905
8,085
9,777
1,659

Maal River
 Great Nologwa Mine
 7,641
 7,340
 8,609
 7,118
 2,938
 2,764
 4,288
 1,698
 Kopanang Mine
 1,912
 5,814
 9,146
 3,598
 8,664
 2,249
 5,797
 9,513
 Tau Lekoa Mine
 3,134
 7,030
 6,152
 2,239
 5,789
 8,451
 8,236
 8,102
 Surface Operations
 5,233
 9,274
 9,388
 7,657
 5,233
 9,274
 9,388
 7,669
Argo
 9,848
 2,869
 1,258
 6,239
 8,536
 9,777
 9,012
 3,242
West Wits
 Iponeng Mine
 4,344
 8,486
 6,931

1,682
7,390
1,698
9,869
2,893
Cavuka Mine
2,197
7,928
5,864
7,008
105,703
15,465
14,076
107,789
CauTona Mine
1,642
8,572
9,486
1,684
4,828
1,076
2,126
10,113
Surface Operations

10,686

10,686

ARGENTINA

9,825

9,673

5,685

6,433

1,374

8,938

2,758

5,177

Merro Vanguardia

Attributable 92.50%

9,780

9,673

5,561

6,433

1,210

8,938

2,479

5,177

AUSTRALIA

9,472

6,053

5,508

1,414

2,905

0,305

9,838

5,758

Sunrise Dam

7,223

3,942

3,040

6,934

9,743

7,013

6,310

3,026

BRAZIL

6,195

7,087

7,353

2,036

6,780

7,285

8,328

6,453

AngloGold Ashanti Brazil

6,689

7,300

7,935

4,824

7,606

7,993

9,184

9,424

Terra Grande - Attributable 50%

7,961

6,504

7,525

5,570

6,727

5,340

6,703

9,561

GHANA

5,621

0,284

7,768

7,956

4,018
0,935

ibiani
8,201
0,177
8,907

1,190
5,617
2,773

duapriem - Attributable 85%

1,750
5,545
7,646

0,431
4,258
7,476

buasi
1,411
1,905
1,622

5,541
6,944
6,139

UINEA

03,589
2,013
4,288

17,083
09,599
14,150

iguiri - Attributable 85%

03,589
2,013
4,288

17,083
09,599
14,150

IALI

0,334
9,833

6,725

5,624

6,390

5,422

2,652

2,086

Morila - Attributable 40%

1,129

0,383

4,577

3,779

1,095

2,640

5,470

9,904

radiola - Attributable 38%

4,745

9,087

0,057

1,464

6,988

1,607

2,619

7,215

atela - Attributable 40%

8,110

0,423

2,332

3,651

4,171

2,370

6,159

2,618

ZAMBIA

1,773

7,876

4,885

3,000

1,690

6,372

2,770

5,861

avachab

1,773

7,876

4,885

3,000

1,690

6,372

2,770

5,861

ANZANIA

0,159

8,015

1,060

2,318

7,414

4,139

6,095

2,111

Teita - Attributable 100% May 2004

0,159

8,015

1,060

2,318

7,414

4,139

6,095

2,111

SA

5,652

4,915

5,673

7,456

3,060

8,443

2,446

4,398

Whipple Creek & Victor J.V.

4,691

4,081

4,682

9,537

2,099

7,610

1,455

7,843

Herritt Canyon J.V. - Attributable 70%

9,686

4,657

ZIMBABWE

0,110

5,120

6,529

26,732

15,258
21,825

reda-Rebecca

0,110
5,120
6,529

26,732
15,258
21,825

ANGLOGOLD ASHANTI

5,744
5,162
5,727
2,206
9,582
8,659
9,166
3,716

2003 restated to reflect the change in accounting treatment of ore reserve development expenditure.
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1

ey
operating results
ER REGION & OPERATION
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
004
004
004
003
004
004
004
004
003
A Rand
Cash operating profit - Rm
Adjusted operating profit - Rm
OUTH AFRICA
09
83
,659
,142
21
05
,131
,881
aal River
Great Nologwa Mine

12
90
34
22
85
66
61
73
Iopanang Mine
8
9
85
09
6
9
23
72
au Lekoa Mine
3
3
54
22)
9)
28
urface Operations
8
3
00
18
8
3
00
18
rgo
1)
4)
8)
20)
1)
4)
8)
23)
West Wits
Iponeng Mine
5
9
80
48
9

1)
6
48
avuka Mine
8)
28)
51)
36)
30)
41)
100)
06)
auTona Mine
43
41
86
97
6
7
28
61

ARGENTINA

7
6
11
68
7
4
3
36
erro Vanguardia - Attributable 92.50%
7
6
11
68
7
4
3
36

AUSTRALIA

23
54
83
00
1
17
67
71
unrise Dam
24
56

89
67
2
19
73
40
Union Reefs

1)
2)
5)
3
1)
2)
5)
1

RAZIL

39
52
00
38
11
25
17
37

AngloGold Ashanti Brazil

04
13
92
94
2
2
29
23

Terra Grande - Attributable 50%

5
9
08
44
9
3
8
14

PHANA

5
0
45

ibiani

1

7

8

1

1

luapriem - Attributable 85%

0

6

2

4

buasi

4

7

1

22)

2)

24)

GUINEA

13)

16)

29)

10)

13)

23)

iguiri - Attributable 85%

13)

16)

29)

10)

13)

23)

IALI

0

4

07

34

4

8
65
08
Morila - Attributable 40%
2
5
08
15

9
83
adiola - Attributable 38%
3
4
35
44
9
8
8
8

atela - Attributable 40%
5
5
4
5
4
7
8
7

AMIBIA

2
0
4
9
9
avachab
2

0
4

9
9
ANZANIA

6
9

35
76
2)
5
16
16
eita - Attributable 100% May 2004
6
9
35
76
2)
5
16
16
SA
9
7
47
11
3
7
7
9
ripple Creek & Victor J.V.
9
7
47
70
3
7
7
5
erritt Canyon J.V. - Attributable 70%

1

36)
ZIMBABWE

2)

5)
4)
9)

reda-Rebecca

2)

5)

4)

9)

OTHER

4

6

87

65

4

3

2

6

ANGLOGOLD ASHANTI

,223

,222

,775

,588

31

02

,216

,303

Adjusted operating profit plus amortisation of mining assets less non-cash revenues.

Operating profit excluding unrealised non-hedge derivatives.

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2

ey
operating results
ER REGION & OPERATION

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
004
004
004
003
004
004
004
004
003
Imperial
field - oz/t
Gold produced - oz (000)
SOUTH AFRICA
89
79
317
455
Baal River
Great Noligwa Mine
309
290
304
302
07
96

92
94
Kopanang Mine
.203
.214
.216
.203
19
22
63
72
Kau Lekoa Mine
.111
.122
.113
.126
0
1
18
42
Surface Operations
.022
.016
.018
.018
5
1
0
7
rgo
.007
.007
.007
.006
3
9
74
52
West Wits
Iponeng Mine
.252
.227
.242
.262
18
05
27
80
Mavuka Mine
.186
.171

.177
.170
3
8
16
45

auTona Mine

.306
.317
.325
.351
44
47
37
83

ARGENTINA

1
7
43
51

erro Vanguardia - Attributable 92.50%

.261
.186
.206
.207
1
7
43
51

AUSTRALIA

12
7
96
34

unrise Dam

.111
.101
.098
.092
12
7
96
65

Union Reefs

.031

9

RAZIL

8

8

51

39

AngloGold Ashanti Brazil

.232

.218

.223

.187

4

5

81

67

Terra Grande - Attributable 50%

.227

.230

.227

.231

4

3

0

2

GHANA

95

23

18

Libiani

.061

.052

.058

6

5

1

Quapriem - Attributable 85%

.053

.043

.050

5

7

2

Obuasi

.095

.093

.094

4
1
65

GUINEA

3
7
0

iguiri - Attributable 85%

.033
.033
.033

3
7
0

IALI

9
03
11
62

lorila - Attributable 40%

.099
.089
.103
.252

7
4
14
70

adiola - Attributable 38%

.069
.082
.080
.078

8
4
28
21

atela - Attributable 40%

.105
.105
.105
.084

4
5
9
1

AMIBIA

8
6
9
7

avachab

.046
.042
.044
.052

8
6
9
7

ANZANIA

48
40
80
14

eita - Attributable 100% May 2004

.100
.101
.104
.090
48
40
80
14

SA

0
6
38
14

ripple Creek & Victor J.V.

.017
.017
.018
.020
0
6
38
07

erritt Canyon J.V. - Attributable 70%

.216

07

IMBABWE

reda-Rebecca

.050

.047

.048

ANGLOGOLD ASHANTI

,628

,490

,352

,226

Underground Operations

.216

.217

.222

.232

.65

.30

,426

,547

Surface and Dump Reclamation

.010

.009

.009

.008

.4

.5

.77

.40

Open-pit Operations

.087

.085

.089

.041

.21

.39

,279

,151

Heap leach Operations

.023

.024

.024

.024
48
26
70
88
,628
,490
,352
,226

yield excludes surface operations. Attributable production at Moab Khotsong yielded 5,900 ounces which will be capitalised against pre

the yield is calculated on gold placed into leach pad inventory / tonnes placed onto leach pad.

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3

ey
operating results
ER REGION & OPERATION
Quarter
Quarter
ine months
ine months
Quarter
Quarter
ine months
ine months
nded
nded
nded
nded
nded
nded
nded
nded
September
une
September
September
September
une
September
September
004
004
004
003
004
004
004
003
mperial
productivity per employee - oz
old sold - oz (000)
OUTH AFRICA
.37
.23
.10
.83
88
78
,317
,456
aal River
reat Noligwa Mine
.94
.21

.10
.03
07
96
92
94
Kopanang Mine
.14
.41
.23
.53
19
22
63
72
Kau Lekoa Mine
.61
.46
.88
.56
0
1
18
42
Surface Operations
6.11
0.61
0.58
1.11
4
0
0
7
rgo
.37
0.61
0.32
.60
3
9
74
52
West Wits
Iponeng Mine
.37
.44
.70
.79
18
05
27

80
avuka Mine
.55
.97
.02
.39
3
8
16
45
auTona Mine
0.25
0.41
0.26
.52
44
46
37
83
urface Operations

ARGENTINA

1.95
6.18
6.29
3.97
0
6
45
54
erro Vanguardia - Attributable 92.50%

1.95
6.18
6.29
3.97
0
6
45
54

AUSTRALIA

3.72
6.86
9.85
4.19

13
7
96
34
Sunrise Dam
05.74
0.88
2.60
4.91
13
7
96
64
Union Reefs

3.19

0
RAZIL

9.42
2.09
7.72
4.50
8
7
52
38

AngloGold Ashanti Brazil

0.53
0.58
9.29
4.20
4
5
82
68

Terra Grande - Attributable 50%

3.87
7.67
9.26
0.48
4
2
0
0

HANA
.73

.75
.74

.97
.22
.19

ibiani
1.75
2.92
4.76

.6
.5
.1

duapriem - Attributable 85%

3.70
9.59
2.17

.5
.7
.2

buasi
.06
.75
.34

.6
.0
.66

GUINEA

.79
.78
.19

.5
.5

iguiri - Attributable 85%

.79
.78
.19

.5
.5

ITALY

3.66

4.37

4.79

4.32

7

08

09

60

Morila - Attributable 40%

3.95

3.51

8.36

28.04

4

5

11

68

radiola - Attributable 38%

6.80

3.24

0.50

9.39

9

4

28

21

atela - Attributable 40%

1.54

9.38

7.95

4.25

4

8

0

1

AMIBIA

3.49

5.19

4.03

6.46

9

7

1

4

avachab

3.49

5.19

4.03

6.46

9
7
1
4

ANZANIA

6.31
7.26
8.09
5.99
54
27
74
14

Teita - Attributable 100% May 2004

6.31
7.26
8.09
5.99
54
27
74
14

SA
5.82
0.80
4.41
7.05
0
6
41
14

Tripple Creek & Victor J.V.

5.82
0.80
4.41
0.59
0
6
41
08

Herritt Canyon J.V. - Attributable 70%

1.07

ZIMBABWE

.66

.67
.16

reda-Rebecca

.66
.67
.16

ANGLOGOLD ASHANTI

1.79
1.46
1.46
.04
,656
,463
,358
,224

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4

ey
operating results
ER REGION & OPERATION

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
004
003

S Dollar / Imperial
Total cash costs

\$/oz
Total production costs

\$/oz
SOUTH AFRICA

97
79
86
18
42
21
31
46

Maal River	
Great Nologwa Mine	
33	
23	
30	
89	
59	
49	
57	
07	
Opnanang Mine	
03	
63	
80	
14	
35	
94	
12	
38	
Maal Lekoa Mine	
06	
16	
61	
49	
68	
70	
18	
72	
Surface Operations	
21	
32	
34	
90	
21	
32	
34	
90	
Wits	
91	
91	
84	
44	
33	
24	
21	
72	
West Wits	
Ipnaneng Mine	
14	
23	
17	

07
78
86
79
51
avuka Mine
51
62
54
87
16
45
40
30
auTona Mine
53
29
34
66
17
89
94
00
urface Operations

48

48
ARGENTINA

46
87
69
45
51
25
97
59
erro Vanguardia - Attributable 92.50%

45
87
69
45
50
25
96
59
AUSTRALIA

42
65
63
44
07
32
31
01

sunrise Dam

31
55
51
27
92
17
14
91

RAZIL

28
28
29
28
79
76
81
85

AngloGold Ashanti Brazil

30
29
32
39
83
79
86
97

erra Grande - Attributable 50%

36
25
30
02
79
67
74
58

PHANA

71
88
78

81
00

90

ibiani

35

37

36

47

58

51

duapriem - Attributable 85%

52

09

77

43

97

73

buasi

00

92

96

18

10

14

GUINEA

04

86

53

71

16

48

iguirri - Attributable 85%

04

86

53

71

16

48

IALI

45

35

21

42
23
09
97
08

lorila - Attributable 40%

48
38
11
5
46
44
10
59

adiola - Attributable 38%

67
32
37
05
27
91
97
67

atela - Attributable 40%

33
38
47
14
12
95
13
90

AMIBIA

01
20
08
52
50
60
45
63

avachab

01
20
08
52
50
60
45
63

ANZANIA

94
26
44
09
78
02
15
48
eita - Attributable 100% May 2004
94
26
44
09
78
02
15
48
SA
23
12
17
26
08
76
96
32
ripple Creek & Victor J.V.
18
08
12
97
03
72
91
10
erritt Canyon J.V. - Attributable 70%

70

66
ZIMBABWE
94
47
17

23
43

89

reda-Rebecca

94

47

17

23

43

89

ANGLOGOLD ASHANTI

72

60

65

08

40

24

28

54

003 restated to reflect the change in accounting treatment of ore reserve development expenditure.

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5

ey
operating results
ER REGION & OPERATION

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
004
003

US Dollar
Cash operating profit - \$m
Adjusted operating profit - \$m

SOUTH AFRICA

8
3
54
74
9
6
74
41

aal River
Great Nologwa Mine

2
avuka Mine
)
)
)
)
)
)
)
)
)
auTona Mine
2
1
4
7
3
3
3
0
2
urface Operations

ARGENTINA

6
0
3
4

5
7
erro Vanguardia - Attributable 92.50%
6
0
3
4

AUSTRALIA

9
3

9
7
3
8
1
1

Sunrise Dam

9
3
0
3
3
8
2
7

Union Reefs

)

)

RAZIL

2
3
1
5
8
9
9
2

AngloGold Ashanti Brazil

6
7
4
7
3
4
5
8

Terra Grande - Attributable 50%

7
8

4
4

GHANA

5

2

ibiani

0

luapriem - Attributable 85%

buasi

4)

4)

GUINEA

2)

2)

4)

1)

2)

3)

iguiri - Attributable 85%

2)

2)

4)

1)

2)
3)

ITALY

3
4
7
4

5
5

Morila - Attributable 40%

7
6

9

adiola - Attributable 38%

0
8

3
1

atela - Attributable 40%

0
0

AMIBIA

vachab

ANZANIA

4
6
3

7
5

Meita - Attributable 100% May 2004

4
6
3

7
5

SA

2
3
7
0

Ripple Creek & Victor J.V.

2
3
7
5

Herritt Canyon J.V. - Attributable 70%

5)

ZIMBABWE

1)

1)

1)

reda-Rebecca

1)

1)

1)

OTHER

1

5

2

0

3

ANGLOGOLD ASHANTI

91

87

75

86

8

08

37

22

Adjusted operating profit plus amortisation of mining assets less non-cash revenues.

Operating profit excluding unrealised non-hedge derivatives.

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6

development
development values represent actual results of sampling, no allowances having been made for adjustments necessary in estimating ore reserves

Quarter ended September 2004

Statistics are shown in metric units

Advance

Sampled

metres

metres

channel

old

uranium

width cm

/t

m.g/t

g/t

m.kg/t

KAAL RIVER

Great Nologwa Mine

kaal reef

,952

82

17.4

8.03

,117

.88

03.50

"C" reef

Topanang Mine

kaal reef

,515

,086

3.0

27.00

,951

.15

3.90

"C" reef

au Lekoa Mine

entersdorp Contact reef

,428

,072

1.5

.62

84

.10

,99

Ioab Khotsong Mine

aal reef

,400

4

17.5

2.77

,675

.03

.00

WEST WITS

auTona Mine

entersdorp Contact reef

24

arbon Leader reef

,965

2

3.3

01.16

,357

avuka Mine

entersdorp Contact reef

05

arbon Leader reef

40

84

0.1

6.54

,906

Iponeng Mine

entersdorp Contact reef

,311

,136

9.5

3.58

,670

Statistics are shown in imperial units

Advance

Sampled

Feet

Feet

Channel

Gold

Uranium

Width inches

oz/t

oz/t

oz/t

lb/t

AAL RIVER

Great Nologwa Mine

Aal reef

2,966

,253

6.22

.53

.04

.76

.78

C" reef

Kopanang Mine

Aal reef

1,375

,563

.12

.62

.82

.30

.54

C" reef

au Lekoa Mine

entersdorp Contact reef

4,528

,517

2.09

.28

.75

.20

.53

Joab Khotsong Mine

aal reef

1,155

44

6.26

.66

.56

.06

.23

WEST WITS

auTona Mine

entersdorp Contact reef

07

arbon Leader reef

6,291

03

.17

.95

.25

avuka Mine

entersdorp Contact reef

,658

Carbon Leader reef

7,427

04

1.85

.82

.78

Iponeng Mine

Centersdorp Contact reef

7,425

,727

1.30

.98

.56

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7

South Africa
AAL RIVER

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months

ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
003

GREAT NOLIGWA MINE

and / Metric
Dollar / Imperial

OPERATING RESULTS

UNDERGROUND OPERATION Area mined

000 m²

000 ft²

11
05
15
12
,197
,125
,391
,357
Milled

000 tonnes

000 tons

06
15
,764
,784
68
78
,945
,966
ield
g / t

oz / t

0.60
.95
0.44
0.37
.309
.290
.304
.302

old produced

kg

oz (000)

,427
,121
8,414
8,493
07
96
92
94

old sold

kg

oz (000)

,428
,117
8,409
8,491
07
96
92
94

rice received

R / kg

\$ / oz

sold
4,210
2,152
5,949
1,339
10
89
07
66
total cash costs

R

\$

ton milled
05
71
07
88
2
5
0
7
R / kg

\$ / oz

produced
7,641
7,340
8,609
7,118
33
23
30
89
total production costs

R / kg

\$ / oz

produced
2,938
2,764
4,288
1,698
59
49
57
07

PRODUCTIVITY PER EMPLOYEE

target

g

oz

12

95

86

73

0.02

.48

.20

.79

ctual

g

oz

09

86

83

19

.94

.21

.10

.03

target

m²

ft²

.06

.80

.73

.02

4.51

1.63

0.87

3.29

ctual

m²

ft²

.35

.89

.84

.69

7.59

2.63

2.10

9.68

FINANCIAL RESULTS (MILLION)

old income

08

81

,491
,597
0
3
27
05
ost of sales
57
37
,021
,015
6
1
55
30
ash operating costs
03
87
86
78
8
3
35
26
other cash costs

total cash costs
06
90
95
86
8
4
36
27
retrenchment costs

3

Rehabilitation and other non-cash costs

9

Production costs

14

99

27

96

9

6

41

28

Amortisation of mining assets

7

4

3

9

1

Inventory change

6

4

1

(30)

4)

51

44

70

82

4

2

2

5

Realised non-hedge derivatives

4

2

1

1

4
2
Adjusted operating profit

85
66
61
73
9
6
6
7

Capital expenditure

8
5
61
20

0
5
8

2003 restated to reflect the change in accounting treatment of ore reserve development expenditure.
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8

South Africa
AAL RIVER

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months

ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
003

COPANANG MINE

and / Metric
Dollar / Imperial

OPERATING RESULTS UNDERGROUND OPERATION Area mined

000 m²

000 ft²

18
21
51
61
,269
,301
,780
,885
filled
000 tonnes

000 tons
33
20
,520
,664
88
73
,676
,834
ield
g / t

oz / t
.96
.35
.42
.96
.203
.214
.216
.203
old produced
kg

oz (000)
,707
,821
1,279
1,582
19
22
63
72
old sold
kg

oz (000)
,708
,817
1,275
1,582
19
22
63
72
rice received
R / kg

\$ / oz
sold

3,764
2,361
5,860
1,475
08
90
07
65
total cash costs
R
\$
ton milled
31
10
39
73
1
6
1
3
R / kg
\$ / oz
produced
1,912
5,814
9,146
3,598
03
63
80
14
total production costs
R / kg
\$ / oz
produced
8,664
2,249
5,797
9,513
35
94
12
38

PRODUCTIVITY PER EMPLOYEE

target
g

oz
11
12
10
77
.79
.80
.76
.69
ctual
g

oz
22
30
25
72
.14
.41
.23
.53
arget
m²

ft²
.69
.71
.64
.35
2.03
2.23
1.51
7.54
ctual
m²

ft²
.06
.29
.00
.36
6.00
8.42
5.38
7.65

FINANCIAL RESULTS (MILLION)

old income
93
00
15

,004

6

5

39

29

Cost of sales

54

46

45

87

9

7

13

01

Cash operating costs

27

11

60

36

6

2

00

4

Other cash costs

Total cash costs

29

14

67

43

6

3

01

5

Retrenchment costs

Rehabilitation and other non-cash costs

0

roduction costs

32

18

79

49

6

3

03

6

mortisation of mining assets

2

0

2

7

Inventory change

9

4

70

17

6

8

realised non-hedge derivatives

7

5

3

5

Adjusted operating profit

6
9
23
72

0
4
5
Capital expenditure

8
1
65
76

5
2

2003 restated to reflect the change in accounting treatment of ore reserve development expenditure.

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9

South Africa
WALRIVER

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months

ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
003

WALRIVER MINE

and / Metric
Dollar / Imperial

OPERATING RESULTS UNDERGROUND OPERATION

Area mined
000 m²

000 ft²
07
09
22
12
,151
,169
,461
,361
Milled

000 tonnes

000 tons

75
02
,751
,746
34
64
,931
,925
ield
g / t

oz / t

.80
.17
.88
.31
.111
.122
.113
.126

old produced

kg

oz (000)

,184
,509
,788
,518
0
1
18
42

old sold

kg

oz (000)

,185
,506
,786
,516
0
1
18
42

rice received

R / kg

\$ / oz

sold
 3,544
 2,373
 5,708
 1,375
 08
 90
 06
 64
 total cash costs

 R

 \$
 ton milled
 16
 79
 95
 68
 5
 8
 1
 1
 R / kg

 \$ / oz
 produced
 3,134
 7,030
 6,152
 2,239
 06
 16
 61
 49
 total production costs

 R / kg

 \$ / oz
 produced
 5,789
 8,451
 8,236
 8,102
 68
 70
 18
 72
PRODUCTIVITY PER EMPLOYEE
 target

g

oz

.22

.21

.19

.76

.15

.12

.03

.67

actual

g

oz

.75

.01

.83

.73

.61

.46

.88

.56

target

m²

ft²

.21

.24

.10

.43

9.08

9.47

7.93

0.00

actual

m²

ft²

.55

.70

.66

.19

1.98

3.63

3.23

7.34

FINANCIAL RESULTS (MILLION)

old income

.72

.98

50
50
7
0
4
3
ost of sales
05
01
01
58
2
0
1
1
ash operating costs
80
66
12
19
9
5
8
7
other cash costs

total cash costs
82
67
17
23
9
5
9
8
retrenchment costs

Adjusted operating profit

22)

19)

28

4)

2)

6

Capital expenditure

1

0

15

3

7

1

2003 restated to reflect the change in accounting treatment of ore reserve development expenditure.

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0

South Africa
AAL RIVER

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months

ended
ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
004
003

SURFACE OPERATIONS

and / Metric

Dollar / Imperial

OPERATING RESULTS Milled

000 tonnes

000 tons

,387
,720
,539
,427
,529
,896
,004
,880
ield
g / t

oz / t
 .76
 .55
 .62
 .61
 .022
 .016
 .018
 .018
 Gold produced
 kg

oz (000)
 ,061
 40
 ,818
 ,704
 5
 1
 0
 7
 Gold sold
 kg

oz (000)
 ,061
 39
 ,817
 ,703
 4
 0
 0
 7
 Price received
 R / kg

\$ / oz
 sold
 3,173
 2,425
 5,131
 1,415
 06
 91
 04
 63
 Total cash costs
 R

\$

ton milled
5
7
1
9

R / kg

\$ / oz

produced

5,233

9,274

9,388

7,657

21

32

34

90

total production costs

R / kg

\$ / oz

produced

5,233

9,274

9,388

7,669

21

32

34

90

PRODUCTIVITY PER EMPLOYEE

target

g

oz

84

26

77

22

5.19

3.33

1.77

0.34

actual

g

oz

,123
52
51
56
6.11
0.61
0.58
1.11

FINANCIAL RESULTS (MILLION)

old income

4
4
27
35
3
2
5
0

ost of sales

0
4
39
29

1
6
ash operating costs

8
6
39
29

1
6
other cash costs

total cash costs

8
6
39
29

1
6
retrenchment costs

rehabilitation and other non-cash costs

production costs
8
6
39
29

1
6
amortisation of mining assets

inventory change

2)

4
0
8

06
4
4
realised non-hedge derivatives

2
2
adjusted operating profit
8
3
00
18

6
5
capital expenditure
0
0
4

0
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1

South Africa
RGO
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months

ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
003

RGO
and / Metric
Dollar / Imperial
SURFACE AND DUMP RECLAMATION

Material treated
000 tonnes

000 tons
,770
,173
2,645
3,307
,462
,010
4,961
5,691
field

g / t

oz / t

.24

.23

.24

.20

.007

.007

.007

.006

Gold produced

kg

oz (000)

,645

,855

,419

,716

3

9

74

52

Gold sold

kg

oz (000)

,645

,855

,417

,716

3

9

74

52

Price received

R / kg

\$ / oz

sold

3,658

1,990

5,821

7,624

09

89

07

47

Total cash costs

R

\$
ton treated
9
9
9
7

R / kg

\$ / oz
produced
9,848
2,869
1,258
6,239
91
91
84
44
total production costs
R / kg

\$ / oz
produced
8,536
9,777
9,012
3,242
33
24
21
72

PRODUCTIVITY PER EMPLOYEE

target
g

oz
36
74
62
75
.59
.82
.43
.85
actual
g

02
91
80
21
67
37
0.61
0.32
.60
FINANCIAL RESULTS (MILLION)

old income
29
45
39
08
0
2
7
2
ost of sales
49
66
83
36
4
5
3
5
ash operating costs
31
53
38
05
1
3
7
2
other cash costs

total cash costs
32
54
40
07

1
3
7
2
retrenchment costs

rehabilitation and other non-cash costs
3
3
0
9

production costs
46
67
82
37
3
5
3
6

amortisation of mining assets

inventory change

1)
4)

1)
20)
21)

14)
28)
4)
8)
5)
3)
realised non-hedge derivatives

6

adjusted operating profit

1)
4)
8)
23)
2)
2)
2)
8)

capital expenditure

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2

South Africa
WEST WITS
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
004
004
004
003
004
004
004
004
003
MIPONENG MINE
and / Metric
Dollar / Imperial
OPERATING RESULTS UNDERGROUND OPERATION
Area mined
000 m²

000 ft²
4
0
36
53
05
64
,540
,719
Milled

000 tonnes

000 tons

23
19
,224
,315
66
62
,349
,449
ield
g / t

oz / t

.65
.80
.30
.99
.252
.227
.242
.262

old produced

kg

oz (000)

,657
,266
0,157
1,820
18
05
27
80

old sold

kg

oz (000)

,660
,263
0,156
1,814
18
05
27
80

rice received

R / kg

\$ / oz

sold
3,588
1,991
5,590
8,380
08
88
06
52
total cash costs

R

\$
ton milled
57
34
55
65
9
4
7
4
R / kg

\$ / oz
produced
4,344
8,486
6,931
1,682
14
23
17
07
total production costs

R / kg

\$ / oz
produced
7,390
1,698
9,869
2,893
78
86
79
51
PRODUCTIVITY PER EMPLOYEE
target

g

oz

40

32

32

90

.71

.45

.45

.10

ctual

g

oz

60

31

39

42

.37

.44

.70

.79

target

m²

ft²

.81

.66

.51

.55

2.59

0.90

9.26

8.96

ctual

m²

ft²

.98

.68

.56

.18

4.41

1.18

9.88

5.77

FINANCIAL RESULTS (MILLION)

old income

89

56

23
023
5
9
25
31
ost of sales
87
68
13
96
5
1
24
02
ash operating costs
33
22
73
83
7
3
03
8
other cash costs

total cash costs
35
24
80
89
7
3
04
9
retrenchment costs

Rehabilitation and other non-cash costs

Production costs

37
26
87
93
7
4
05
9

Amortisation of mining assets

6
0
24
00

9
3
Inventory change

12)
0
27
2)
9
Realised non-hedge derivatives

7
1
6
1

Adjusted operating profit

9

1)

6

48

2

Capital expenditure

03

8

90

75

6

5

4

8

2003 restated to reflect the change in accounting treatment of ore reserve development expenditure.

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3

South Africa
WEST WITS

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
004
003

AVUKA MINE

and / Metric
Dollar / Imperial

OPERATING RESULTS UNDERGROUND OPERATION

Area mined
000 m²

000 ft²
4
0
23
21
75
24
,321
,304
Milled

000 tonnes

000 tons

11

98

94

75

32

18

54

54

ield

g / t

oz / t

.36

.87

.07

.83

.186

.171

.177

.170

old produced

kg

oz (000)

,340

,162

,601

,521

3

8

16

45

old sold

kg

oz (000)

,341

,161

,600

,511

3

8

16

45

rice received

R / kg

\$ / oz

sold
3,878
1,915
5,680
8,726
09
88
07
53
total cash costs

R

\$

ton milled
87
75
81
66
4
9
0
6
R / kg

\$ / oz

produced
2,197
7,928
5,864
7,008
51
62
54
87

total production costs

R / kg

\$ / oz

produced
05,703
15,465
14,076
07,789
16
45
40
30

PRODUCTIVITY PER EMPLOYEE

target

g

oz

42

36

38

24

.55

.36

.45

.98

actual

g

oz

42

23

25

05

.55

.97

.02

.39

target

m²

ft²

.87

.64

.59

.09

2.40

9.96

9.43

4.03

actual

m²

ft²

.66

.18

.26

.82

0.17

5.00

5.86

0.39

FINANCIAL RESULTS (MILLION)

old income

06

1

91
89
7
4
4
0
ost of sales
42
36
09
97
3
1
3
4
ash operating costs
22
13
41
72
0
7
2
1
other cash costs

total cash costs
23
15
45
76
0
7
3
2
retrenchment costs

0

Rehabilitation and other non-cash costs

7

Production costs

29

22

72

85

1

8

7

3

Amortisation of mining assets

2

3

9

0

Inventory change

2)

36)

45)

118)

108)

5)

7)

19)

14)

Realised non-hedge derivatives

8

2

Adjusted operating profit

30)

41)

100)

96)

5)

7)

16)

3)

Capital expenditure

2

5

1

11

4

2003 restated to reflect the change in accounting treatment of ore reserve development expenditure.

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4

South Africa
WEST WITS

Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended

September
June
September
September
September
June
September
September

004
004
004
003
004
004
004
004
003

AUTONA MINE

and / Metric

Dollar / Imperial

OPERATING RESULTS UNDERGROUND OPERATION

Area mined

000 m²

000 ft²

5

9

13

24

03

36

,295

,410

Milled

000 tonnes

000 tons

26

19

,220

,246

70

62

,345

,374

ield

g / t

oz / t

0.49

0.88

1.14

2.05

.306

.317

.325

.351

old produced

kg

oz (000)

,474

,559

3,591

5,020

44

47

37

83

old sold

kg

oz (000)

,476

,555

3,588

5,016

44

46

37

83

rice received

R / kg

\$ / oz

sold
4,090
2,055
6,038
8,297
09
89
07
52
total cash costs

R

\$

ton milled

42

29

51

02

7

3

6

8

R / kg

\$ / oz

produced

1,642

8,572

9,486

1,684

53

29

34

66

total production costs

R / kg

\$ / oz

produced

4,828

1,076

2,126

0,113

17

89

94

00

PRODUCTIVITY PER EMPLOYEE

target

g

oz

65

38

44

97

1.75

0.87

1.05

.56

actual

g

oz

19

24

19

96

0.25

0.41

0.26

.52

target

m²

ft²

.36

.15

.15

.53

7.75

5.46

5.45

8.78

actual

m²

ft²

.32

.85

.00

.41

7.24

2.20

3.86

7.52

FINANCIAL RESULTS (MILLION)

old income

54

57

,102
,295
5
4
67
66
ost of sales
90
86
41
65
5
4
28
9
ash operating costs
29
19
65
05
6
3
01
1
other cash costs

otal cash costs
31
22
72
12
6
4
02
2
etrenchment costs

Rehabilitation and other non-cash costs

Production costs

33
24
86
17
6
4
04
2

Amortisation of mining assets

7
4
58
6

4

Inventory change

3)
2

4

1

61

30

0

0

9

7

Realised non-hedge derivatives

2

6

7

1

1
adjusted operating profit

6
7
28
61
3
3
0
2

capital expenditure

9
01
66
79
5
5
0
3

2003 restated to reflect the change in accounting treatment of ore reserve development expenditure.

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5

Argentina
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
2004
2004
2004
2003
2004
2004
2004
2003

FERRO VANGUARDIA - Attributable 92.50%

and / Metric

Dollar / Imperial

OPERATING RESULTS OPEN-PIT OPERATION

Mined
000 tonnes

000 tons

,424

,386

2,733

1,557

,876

,834

4,035

2,740

reated

000 tonnes

000 tons

12

27

28

59

34

50

92

27

tripping ratio

t (mined total - mined ore) / t mined ore

8.99

9.05

9.08

8.37

8.99

9.05

9.08

8.37

field

g / t

oz / t

.93

.39

.07

.11

.261

.186

.206

.207

gold in ore

kg

oz (000)

,987

,524

,621

,880

4

9

49

57

gold produced

kg

oz (000)

,894

,449

,440

,687
1
7
43
51
gold sold
kg
oz (000)
,865
,438
,518
,791
0
6
45
54
price received
R / kg
\$ / oz
sold
8,062
6,430
8,080
4,477
80
61
70
33
total cash costs
R / kg
\$ / oz
produced
9,780
9,673
5,561
6,433
45
87
69
45
total production costs
R / kg
\$ / oz
produced
1,210
8,938
2,479

5,177
50
25
96
59

PRODUCTIVITY PER EMPLOYEE

target
g

oz
,226
62
70
,644
9.43
0.94
1.19
2.87

actual
g

oz
94
14
18
,057
1.95
6.18
6.29
3.97

FINANCIAL RESULTS (MILLION)

old income

57
20
83
25
5
9
8
4

ost of sales

9
05
87
02
6
6
3
9

ash operating costs

3

8
25
37

9
8
Other cash costs
3
0
3
4

Total cash costs
6
8
58
71

4
2
Rehabilitation and other non-cash costs

Production costs
6
9
59
73

4
2
Amortisation of mining assets
0
2
18
32

8

7
Inventory change

0
3)

8
5
6
23

5
5
Realised non-hedge derivatives

)
)
)
3

Adjusted operating profit

7
4
3
36

5
7
Capital expenditure

0
5
9
5

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6

Australia
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
004
004
004
003
004
004
004
004
003
UNRISE DAM
and / Metric
Dollar / Imperial
OPERATING RESULTS OPEN-PIT OPERATION
Volume mined
000 bcm

000 bcy
820
171
2,001
5,474
996
454
5,697
0,240
reated
000 tonnes

000 tons

19

66

,733

,612

,013

55

,013

,880

tripping ratio

t (mined total - mined ore) / t mined ore

.28

.94

0.04

6.27

.28

.94

0.04

6.27

field

g / t

oz / t

.81

.47

.37

.15

.111

.101

.098

.092

gold produced

kg

oz (000)

,496

,008

,196

,233

12

7

96

65

gold sold

kg

oz (000)

,511

,010

,217

,222
13
7
96
64
Price received
R / kg
\$ / oz
sold
5,869
8,462
1,908
2,045
18
22
37
66
Total cash costs
R / kg
\$ / oz
produced
7,223
3,942
3,040
6,934
31
55
51
27
Total production costs
R / kg
\$ / oz
produced
9,743
7,013
6,310
3,026
92
17
14
91
PRODUCTIVITY PER EMPLOYEE
target
g
oz
,653
,552

,452
,132
5.31
2.03
8.82
00.70
ctual
g
oz
,289
,827
,880
,952
05.74
0.88
2.60
4.91

FINANCIAL RESULTS (MILLION)

old income
86
73
04
41
5
1
23
5
ost of sales
20
48
74
18
4
2
8
9
ash operating costs
58
56
69
51
5
4
1
8
other cash costs

9
8

total cash costs

65
62
88
69
6
5
4
0

rehabilitation and other non-cash costs

production costs

67
64
93
75
6
5
5
1

depreciation and amortisation of mining assets

2
7
16
27

inventory change

1
(53)
(35)
6

(3)
(5)

6
25

30
23
1
9
5
6
realised non-hedge derivatives

6
5)
3
7
1)
adjusted operating profit

2
19
73
40
3
8
2
7
capital expenditure

3
3
25
1
9
0
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7

Brazil
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
2004
2004
2004
2003
2004
2004
2004
2004
2003

ANGLOGOLD ASHANTI BRAZIL

and / Metric

Dollar / Imperial

OPERATING RESULTS UNDERGROUND OPERATION

Mined
000 tonnes

000 tons

26

20

30

76

49

42

95

45

reated

000 tonnes

000 tons

05

14

08

73

26

36

71

43

ield

g / t

oz / t

.13

.91

.94

.99

.237

.231

.232

.204

old produced

kg

oz (000)

,669

,694

,832

,710

4

5

55

52

URFACE AND DUMP RECLAMATION

reated

000 tonnes

000 tons

4

6

ield

g / t

oz / t

.90

.055

gold produced

kg

oz (000)

5

OPEN-PIT OPERATION

Mined

000 tonnes

000 tons

8

2

99

1

1

60

reated

000 tonnes

000 tons

3

7

3

6

2

6

tripping ratio

t (mined total - mined ore) / t mined ore

.23

.74

7.11

.23
.74
7.11
ield
g / t

oz / t
.18
.54
.64
.64
.093
.103
.106
.106
old in ore
kg

oz (000)
4
7
72
26

old produced
kg

oz (000)
2
3
72
20

HEAP LEACH OPERATION

Mined
000 tonnes

000 tons
.66
.38
,613
,595
44
04

,778
,861
placed

000 tonnes

000 tons

9
6
35
4
6
1
49
2

tripping ratio

t (mined total - mined ore) / t mined ore

0.31
2.93
0.96
0.08
0.31
2.93
0.96
0.08
field

g / t

oz / t

.33
.45
.77
.81
.097
.130
.110
.082

old placed

kg

oz (000)

30
04
10
35

6

Gold produced
kg

oz (000)

07

26

32

17

0

0

0

0

TOTAL Yield

g / t

oz / t

.96

.48

.63

.38

.232

.218

.223

.187

Gold produced

kg

oz (000)

,998

,003

,636

,192

4

5

81

67

Gold sold

kg

oz (000)

,002

,014

,661

,229

4

5

82

68

Price received

\$/ kg

\$ / oz
sold
5,680
3,520
8,639
1,527
70
93
72
64
total cash costs
R / kg

\$ / oz
produced
6,689
7,300
7,935
4,824
30
29
32
39
total production costs
R / kg

\$ / oz
produced
7,606
7,993
9,184
9,424
83
79
86
97

PRODUCTIVITY PER EMPLOYEE

target
g

oz
86
76
56
33
8.85
8.53
7.88
3.92
actual

g

oz

39

40

00

42

0.53

0.58

9.29

4.20

FINANCIAL RESULTS (MILLION)

old income

49

50

29

58

3

3

5

9

ost of sales

0

6

16

56

1

2

2

4

ash operating costs

2

3

53

76

3

3

ther cash costs

otal cash costs

3

5

57
81
4
4
rehabilitation and other non-cash costs

roduction costs
3
5
58
86

4
5
mortisation of mining assets
2
1
3
1

Inventory change
)
)
)
)

9
4
13
02
2
1
2
5
realised non-hedge derivatives

8
6
1

Adjusted operating profit

2
2
29
23
3
4
5
8
Capital expenditure

1
5
40
35

1
7

Tonnes / Tons placed onto leach pad.

Gold placed / tonnes (tons) placed.

Gold placed into leach pad inventory.

Total yield excludes the heap leach operation.

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8

razil
Quarter
Quarter
ine months
ine months
Quarter
Quarter
ine months
ine months
nded
nded
nded
nded
nded
nded
nded
eptember
une
eptember
eptember
eptember
une
eptember
eptember
004
004
004
003
004
004
004
004
003

ERRA GRANDE - Attributable 50%

and / Metric

Dollar / Imperial

OPERATING RESULTS UNDERGROUND OPERATION

ined
000 tonnes

000 tons
5
2
81
80
04
01
09
09
reated
000 tonnes

000 tons
5
2
80
83
05
02
08
12
ield
g / t
oz / t
.78
.87
.77
.91
.227
.230
.227
.231
old produced
kg
oz (000)
42
29
,171
,239
4
3
0
2
old sold
kg
oz (000)
58
89
,174
,177
4
2
0
0
rice received
R / kg
\$ / oz
sold

4,408
3,035
7,059
1,350
63
91
65
63
total cash costs
R / kg
\$ / oz
produced
7,961
6,504
7,525
5,570
36
25
30
02
total production costs
R / kg

\$ / oz
produced
6,727
5,340
6,703
9,561
79
67
74
58

PRODUCTIVITY PER EMPLOYEE

target
g
oz
60
39
38
90
7.64
6.96
6.93
8.60
actual
g
oz

,053
61
10
48
3.87
7.67
9.26
0.48

FINANCIAL RESULTS (MILLION)

old income

6
1
62
91

6
4

ost of sales

8
4
0
5

2
1

ash operating costs

0
9
8
5

other cash costs

total cash costs

1
9
0
7

rehabilitation and other non-cash costs

production costs

1
9
0
8

depreciation and amortisation of mining assets

0
0

inventory change

1)

3)

8

7

2

06

4

3

realised non-hedge derivatives

Adjusted operating profit

9
3
8
14

4
4

Capital expenditure

7
6

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9

hana
Quarter
Quarter
ine months
ine months
Quarter
Quarter
ine months
ine months
nded
nded
nded
nded
nded
nded
nded
nded
September
une
September
September
September
une
September
September
004
004
004
003
004
004
004
004
003

IBIANI

and / Metric

Dollar / Imperial

OPERATING RESULTS UNDERGROUND OPERATION

ined
000 tonnes

000 tons

reated
000 tonnes

000 tons

1

3

3

5

field

g / t

oz / t

.18

.28

.40

.005

.096

.012

gold produced

kg

oz (000)

OPEN-PIT OPERATION

Mined

000 tonnes

000 tons

,258

29

,987

,386

04

,190

reated

000 tonnes

000 tons

54
40
0,094

21
85
2,206

stripping ratio
t (mined total - mined ore) / t mined ore

.58
.83
.93

.58
.83
.93

field
g / t

oz / t
.16
.78
.01

.063
.052
.059

gold in ore
kg

oz (000)
4,457
22
9,979

7
7
4

gold produced
kg

oz (000)
4,413
83
1,196

6

5
1

TOTAL Yield

g / t

oz / t

.10

.79

.97

.061

.052

.058

Gold produced

kg

oz (000)

,417

88

,205

6

5

1

Gold sold

kg

oz (000)

,417

88

,205

6

5

1

Price received

\$/ kg

\$/ oz

sold

1,397

2,555

1,811

97

91

95

total cash costs

R / kg

\$ / oz

produced

8,201

0,177

8,907

35

37

36

total production costs

R / kg

\$ / oz

produced

1,190

5,617

2,773

47

58

51

PRODUCTIVITY PER EMPLOYEE

target

g

oz

92

,244

16

5.82

0.00

6.59

actual

g

oz

77

,024

70

1.75

2.92

4.76

FINANCIAL RESULTS (MILLION)

old income

17

6

83

8

0

8

ost of sales

04

5

69

6

0

6

ash operating costs

3

6

9

5

ther cash costs

otal cash costs

9

9

08

0

6

ehabilitation and other non-cash costs

roduction costs

9

0

09

1

7

mortisation of mining assets

1

0

1

ventory change

3

4

realised non-hedge derivatives

2)

1)

8)

adjusted operating profit

1

1

capital expenditure

4

3

7

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0

hana
Quarter
Quarter
ine months
ine months
Quarter
Quarter
ine months
ine months
nded
nded
nded
nded
nded
nded
nded
eptember
une
eptember
eptember
eptember
une
eptember
eptember
004
004
004
003
004
004
004
004
003

DUAPRIEM - Attributable 85%

and / Metric

Dollar / Imperial

OPERATING RESULTS OPEN-PIT OPERATION

ined
000 tonnes

000 tons

,178

,315

,493

,707

,655

,362

reated

000 tonnes

000 tons

32

42

,474

,028

97

,625

tripping ratio

t (mined total - mined ore) / t mined ore

.50

.80

.21

.50

.80

.21

field

g / t

oz / t

.79

.48

.67

.052

.043

.049

gold in ore

kg

oz (000)

,582

,019

,601

1

3

4

gold produced

kg

oz (000)

,666

02

,468

3
6
9

HEAP LEACH OPERATION

Mined
000 tonnes

000 tons

3
5

6
7

placed

000 tonnes

000 tons

0
0

tripping ratio
t (mined total - mined ore) / t mined ore

field

g / t

oz / t

Gold placed

kg

oz (000)

Gold produced

kg

oz (000)

0

6

6

TOTAL Yield

g / t

oz / t

.83

.48

.72

.053

.043

.050

Gold produced

kg

oz (000)

,706

38

,544

5

7

2

Gold sold
kg

oz (000)

,706

45

,551

5

7

2

Price received

R / kg

\$ / oz

sold

6,841

4,757

1,179

75

00

91

Total cash costs

R / kg

\$ / oz

produced

1,750

5,545

7,646

52

09

77

Total production costs

R / kg

\$ / oz

produced

0,431

4,258

7,476

43

97

73

PRODUCTIVITY PER EMPLOYEE Target

g

oz

28

07

46

0.20

5.96

0.77

ctual

g

oz

37

09

89

3.70

9.59

2.17

FINANCIAL RESULTS (MILLION)

old income

43

5

18

3

1

4

ost of sales

23

0

93

0

0

0

ash operating costs

4

1

35

3

1
Other cash costs

2
Total cash costs

2
5
47
5
3
Rehabilitation and other non-cash costs

Production costs
4
6
50
6
4

Amortisation of mining assets
7
5
2

Inventory change

1)

0

5

realised non-hedge derivatives

3)

3)

1)

1)

1)

2)

adjusted operating profit

2

4

capital expenditure

1

tonnes / Tons placed onto leach pad.

gold placed / tonnes (tons) placed.

gold placed into leach pad inventory.

total yield excludes the heap leach operation.

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1

hana
Quarter
Quarter
Nine months
Nine months
Quarter
Quarter
Nine months
Nine months
ended
ended
ended
ended
ended
ended
ended
ended
ended
September
June
September
September
September
September
June
September
September
004
004
004
003
004
004
004
004
003

BUASI
and / Metric
Dollar / Imperial

OPERATING RESULTS UNDERGROUND OPERATION

Mined
000 tonnes

000 tons
75
30
05

24
63
87

reated
000 tonnes

000 tons

75

44

19

23

79

02

field

g / t

oz / t

.45

.39

.42

.159

.157

.158

gold produced

kg

oz (000)

,587

,852

,439

3

0

43

SURFACE AND DUMP RECLAMATION

reated

000 tonnes

000 tons

83

47

30

12

72

84

field

g / t

oz / t

.76
.68
.72

.022
.020
.021

Gold produced
kg

oz (000)
15
68
83

2

OPEN-PIT OPERATION

Mined
000 tonnes

000 tons
49
83
,232

16
43
,359

reated
000 tonnes

000 tons
51
9
50

66
09
75

tripping ratio
t (mined total - mined ore) / t mined ore

.95
.93
.94

.95
.93
.94

ield
g / t

oz / t
.02
.76
.31

.030
.051
.038

old in ore
kg

oz (000)

54
54

1
1

old produced
kg

oz (000)

53
75
28

1

TOTAL Yield
g / t

oz / t
.25
.18
.22

.095
.093
.094

Gold produced
kg

oz (000)

,956

,194

,150

4

1

65

Gold sold

kg

oz (000)

,983

,167

,150

6

0

66

Price received

R / kg

\$ / oz

sold

7,736

4,892

0,747

79

00

88

Total cash costs

R / kg

\$ / oz

produced

1,411

1,905

1,622

00

92

96

total production costs

R / kg

\$ / oz

produced

5,541

6,944

6,139

18

10

14

PRODUCTIVITY PER EMPLOYEE

target

g

oz

87

38

83

.00

.65

.88

actual

g

oz

89

10

97

.06

.75

.34

FINANCIAL RESULTS (MILLION)

old income

50

92

42

9

9

8

ost of sales

54

86

40

0

8

8

Cash operating costs

70

27

97

6

0

6

Other cash costs

1

0