ANGLOGOLD LTD
Form 6-K
March 27, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 or 15d-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

Report on Form 6-K dated

27 MARCH 2003

AngloGold Limited

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(Name of Registrant)

11 Diagonal Street

Johannesburg, 2001

(P O Box 62117)

Marshalltown, 2107

South Africa____

(Address of Principal Executive Offices)

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

Form 20-F: Form 40-F:

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

Yes:

No:

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

Yes:

No:

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

Yes:

No:

Enclosures:

2002 ANNUAL REPORT TO SHAREHOLDERSTOGETHER WITH NOTICE OF MEETING

Key features – 2002

CERTAIN FORWARD-LOOKING STATEMENTS

Certain statements contained in this document including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices and production, the completion and commencement of commercial operations of certain of AngloGold's exploration and production projects, and its liquidity and capital resources and expenditure, contain certain forward-looking statements regarding AngloGold's operations, economic performance and financial condition. Although AngloGold believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government action, fluctuations in gold prices and exchange rates, and business and operational risk management. For a discussion of such factors, refer to the annual report on Form 20-F for the year ended 31 December 2001, which was filed with the Securities and Exchange Commission on 28 June 2002.

&#8226 Sound results achieved, reflecting the longer-term benefits of the company's growth and risk diversification strategy
&#8226 Long-term safety trends continue to improve: Lost Time Injury Frequency Rate down by 16% to lowest level ever
&#8226 Headline earnings, before unrealised non-hedge derivatives, increased by 29% to $368m or $1.66 per share
&#8226 Return on capital increased from 13% to 15%
&#8226 Return on equity increased from 16% to 21%
&#8226 Total dividend paid of R13.50 per share, or $1.46 per ADS
&#8226 Total cash costs declined by 10% to $161/oz
&#8226 Operating profit, excluding unrealised non-hedge derivatives, increased by 21% to $638m
&#8226 Net profit up 36% to $332m
&#8226 Production decreased by 15% to 5.9Moz mainly due to the sale of the Free State assets
&#8226 Reserves rose by 22% to 72.3Moz

Note: Ordinary shares were sub-divided with effect from close of business on 24 December 2002 on a 2:1 basis. All references to ordinary shares, and all related calculations, have been restated to take cognisance of this sub-division.

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

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

	2002		2001	
	Average for year	Closing rate	Average for year	Closing rate
R/$	**10.4835**	**8.5775**	8.6182	11.9610

A$/$
1.8383
1.7873
1.9333
1.9631

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

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

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

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

ANGLO GOLD LIMITED ANNUAL REPORT 2002

Corporate

profile

Brazil

Argentina

Serra Grande

Cerro Vanguardia

Morro Velho

USA

Jerritt

Canyon

Cripple Creek

& Victor

Mali

Tanzania

Namibia

Geita

Sadiola

Yatela

Morila

Navachab

SA operations

South Africa

Union Reefs

Sunrise Dam

Australia

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"The best news of 2002 is that the higher

Rand gold price has liberated a whole

lot of reserves in South Africa.

We are looking at six new projects

contributing 11Moz."

BOBBY GODSELL, ANGLOGOLD CEO Page 8

4.5Moz of new production at Moab Khotsong Page 28

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

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

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

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

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

The Mineral and Petroleum Resources Development Act and Socio-economic Empowerment Charter were processed through
South Africa's Parliament last year. The main purpose of the new law is to alter the mineral rights regime in the country from one of private ownership to the custodianship of these rights by the State.

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

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

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

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

Russell Edey, *Chairman*

James Motlatsi, *Deputy Chairman*

3 March 2003

Letter from the

Chairman and Deputy Chairman

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(Clockwise from top left) Tshepo Shale, a loco driver, Projek Katleho Great Noligwa, South Africa; Jannie Schnaar and Kobus Jacobs, Great Noligwa,

South Africa; Waltinho Correina Gonzaga and Leoncio Jos Arajo Costa at Serra Grande in Brazil, South America; Nolast Marebexeni is an onsetter's assistant

at Savuka, South Africa; Stuart Foya, a geochemist with the East and West Africa region, in the Morila pit; Heidi van Wyk, Moab Khotsong, South Africa.

A

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

Delivering

on our promises

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What we promised for 2002

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

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

* Drive the company down the cost curve

* Seek organic growth

* Continue near-mine or brownfields exploration

* Develop new greenfields exploration projects

* Apply a disciplined acquisition strategy

* Seek value down the gold chain

Reducing Rand-price cover by restructuring the hedge book

What we delivered in 2002

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

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

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

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

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

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

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

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

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

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

Growing reserves

Some of the significant increases in ore reserves include:

Mponeng

increased by 4.6Moz mainly due to the inclusion of the Mponeng CLR and VCR below 120 level

Moab Khotsong

increased by 4.3Moz due to the inclusion of the Phase 2 project which will exploit the Vaal reef

TauTona

increased by 0.8Moz due to the inclusion of the CLR below 120 level, the area East of the Bank Dy

Savuka and Tau Lekoa

increased by 1.2Moz and 0.7Moz respectively owing to changes in mine design leading to additional

Geita

increased by 0.8Moz due to the redesign of the Nyankanga, Geita Hill and Lone Cone pits, as well
3W and Roberts pits

Cerro Vanguardia

increased by 1.1Moz mainly as a result of AngloGold's increase in ownership to 92.5%.

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One-year forecast – 2003

South

East and

South

North

Forecast

Actual

Forecast

Africa

West Africa

America

America

Australia

2003

2002

2002

Gold

Underground operations

Metric tonnes milled – 000

11,611

1,224

214

6

13,055

13,426

13,646

Yield

- g/t 8.16

7.18

7.64

5.11

8.06

8.27

8.29

Production

- oz 000

3,047

283

53

1

3,384

3,569

3,639

Productivity

g/employee

- actual 214

1,043

1,884

1,126

232

238

247

Surface and dump reclamation

Metric tonnes treated - 000

38,325

38,325

38,366

40,239

Yield

- g/t 0.23

0.23

0.30

0.23

Production

- oz 000

285

285

365

294

Open-pit operations

Metric tonnes treated - 000

8,727

1,057

18,416

5,332

33,532

27,186

30,378

Yield

- g/t

3.67

8.00

0.70

2.53

1.99

2.29

1.89

Production

- oz 000

1,031

272

414

433

2,150

2,005

1,848

Total

Production

- oz 000

3,332

1,031

555

467

434

5,819

5,939

5,781

Total cash costs

- $/oz produced

209

152

108

190

203

187

161

154

Capital

expenditure

- $ m

188

25

39

27

24

303

268

268

Rand/US Dollar average exchange rate

9.00

10.48

11.15

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Interview with

Bobby Godsell

Chief Executive Officer

V

eteran South African publisher and journalist, Alec Hogg, interviewed Bobby Godsell on 14 February 2003 on

AngloGold, gold and other issues.

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

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

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

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

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

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

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

Alec: *The strategy, though, must have taken some kind of a diversion with the disappointment of not being able to acquire Normandy?* **Bobby:** Normandy would have been a company character- changing transaction. I regret very much we couldn't get it. The appeal for me of Normandy is that it would have combined the leading Australian and South African companies into one of such size, such robustness, with such a strong balance sheet and such good assets, that any North American investor would have had to take notice of it.

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

What does please me is that since then our company has done

well. Our share has traded very well in the United States we now trade there in value terms, at five times what we do in Johannesburg. And our Johannesburg values haven't gone down; it's the US value that has gone up.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Boddington project is one of the largest and longest life

gold orebodies in the world. We share that with Newmont, who succeeded Normandy in ownership, and Newcrest, and we are trying to find the right model to expand it.

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

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

Equally, we are completely committed to developing talent

from those countries. Mali has had no modern mining history. We are running three world-class mines there with overwhelmingly local people.

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

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

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

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

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

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

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

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

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

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

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

Alec: *Looking ahead, is it a year when AngloGold shareholders can expect similar progress as in the year behind.*
Bobby: We have never been in the business of predicting the gold price and to some extent, inevitably, our equity price is linked to the gold price.

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

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

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

Bobby: Two major things:

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

Over and above that I would hope that we would be further

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

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

Alec: *And mergers and acquisitions?*

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

The full interview is available in video, audio and transcript form on the AngloGold website

at www.anglogold.com

It's very interesting that the first sentence of every conversation about gold is a conversation about price. It's indicative of an industry that hasn't grown up, because industries don't do well because of price, they do well because of profit. We are going to mine 6Moz of gold, we are going to mine it at a good cost, we are going to generate a lot of profit and we would be hoping to pay a really decent dividend. We hope that our price reflects the benefit of that, particularly over time.

12

ANGLO GOLD LIMITED ANNUAL REPORT 2002

Group value-added statement

for the year ended 31 December 2002

Figures in US Dollars millions

Notes

%

2002

%

2001*

Value added
Turnover

2

1,761

2,041

Less: Purchases of goods and services in order to operate mines and produce refined metal, including market development costs net of other income

(611)

(746)

Value added by operations

90

1,150

98

1,295

Non-hedge derivatives

7

92

(5)

Income from investments and interest received

6

3

43

2

26

100

1,285

100

1,316

Value distributed

Employees

Salaries, wages and other benefits

10

35

443

48

627

Government

11

13

165

8

111

 - Current taxation

14

177

8

103

– Deferred taxation

(1)

(12)

8

Providers of capital

– Finance costs

8

3

44

5

72

– Dividends

13

20

251

13

167

– Minorities

1

15

1

8

Other

– Loss on disposal of mines

31

1

13

4

Total value distributed

73

931

75

989

Re-invested in the Group

- Amortisation and depreciation

14, 15 & 16

21

273

19

249

- Retained income

6

81

6

78

100

1,285

100

1,316

* Includes Free State assets

State for taxes

$111m or 8%

Providers

of capital

$247m or 19%

Re-invested

in the group

$327m or 25%

Employees for

remuneration

$627m or 48%

Other $4m or 0%

2001 Distribution of wealth*

Employees for

remuneration

$443m or 35%

State for taxes
$165m or 13%

Providers of capital

$310m or 24%

Re-invested

in the group

$354m or 27%

Other $13m or 1%

2002 Distribution of wealth

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

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

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

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

Review of the gold market

T

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

14

Results for the year

&#8226   Headline earnings before unrealised

non-hedge derivatives increased by 29% to $368m or 166 US cps (2001: $286m or 133 US cps).

&#8226   Return on capital improved from

13% to 15%.

&#8226   Return on equity increased from

16% to 21%.

&#8226   Gold production was down 15% to

5.9Moz, mainly due to the sale of the Free State assets.

&#8226   Total cash costs declined by 10%

to $161/oz.

Dividends

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

Gold production

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

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

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

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

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

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

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

Gold income

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

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

Cost of sales

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

Total cash costs decreased from $1,255m in 2001 to $967m in 2002 (or $178/oz to $161/oz), following the reduction in gold produced from 6.983Moz in 2001 to 5.939Moz in 2002. Of the $17/oz reduction in cash costs year on year, $24/oz related to the weakening of the SA Rand against the US Dollar. Excluding the Free State operations in the prior year, total cash costs decreased by 5% from $170/oz to $161/oz.

&#8226

While retrenchment costs were $22m in 2001 (with most of the costs being associated with the Free State) they decreased to $3m in 2002.

&#8226

Rehabilitation and other non-cash costs decreased by $1m on the previous year whilst amortisation of mining assets increased by 11% to

Financial

review

A

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

ANGLO GOLD LIMITED ANNUAL REPORT 2002

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

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

Operating profit

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

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

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

Net profit

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

Corporate and other administration expenses increased by $3m on the previous year to $25m.

Market development costs amounted to $17m for the year of which some 80% was paid to the World Gold Council.

Total exploration expenditure was $51m (2001: $44m) of which $28m (2001: $26m) was expensed.

Interest received increased from $20m to $36m, mainly as a result of the improved gold price and improved cash position with the sale of shares acquired in the aborted bid of Normandy and the proceeds from the Free State sale.

Other net expenses amounted to $16m for the year and included the unwinding of the decommissioning obligation, foreign exchange losses on transactions other than sales, and post-retirement medical expenses relating to mines sold.

Finance costs decreased by $28m to $44m, due to lower interest rates and the rearrangement of the loan facility debt. The proceeds on the sale of the Normandy investment were utilised to repay debt.

An abnormal item relating to thesettlement of a legal claim in the amount of $10m $5m net of tax.

Goodwill amortised remained fairlyconstant at $28m compared to 2001.

A loss on disposal of the Free State

assets of $13m was recognised in 2002. During 2001, a loss of $4m was recognised in respect of the sale of assets at the Deelkraal and Elandsrand mines.

The taxation charge increased by $54m to $165m in 2002, owing mainly to an increase in earnings for the year. The effective tax rate is 32% compared to 30% in 2001.

The minorities share of earnings has increased to $15m compared to $8m in the prior year. This is due to the increase of minorities in Cerro Vanguardia from 3.75% to 7.5%.

Cash flow

OPERATING ACTIVITIES

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

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

Finance costs of $40m; and

Mining and normal taxes of $131m.

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

INVESTING ACTIVITIES

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

Moab Khotsong $36m;

Mponeng $33m;

TauTona $11m;

Cripple Creek & Victor Expansion

$66m; and

Sunrise Dam Project $26m.

The funds generated from operating

activities were further adjusted by:

$164m which was received for the disposal of the Free State assets, of which $24m was paid for contractual obligations;

$34m which was paid for investments, the major portion of this being Normandy;

$158m which was the proceeds on the sale of the Normandy investment;

$97m which was the net cash consideration paid for the 46.25% additional interest in Cerro Vanguardia.

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

FINANCING ACTIVITIES

During the year, $585m was drawn and $120m was repaid on the three- year $600m syndicated loan facility. On the existing $400m syndicated loan facility, $175m was drawn.

Major loans repaid include $121m to Credit Agricole, $355m on the matured syndicated loan facility and $128m on the $400m syndicated loan facility. Other repayments comprise normal scheduled payments in terms of loan agreements.

16

A new loan facility of A$50m was arranged with the Australia and New Zealand Banking Group Limited of which A$15m was drawn. The facility is at 0.35% over the Bank Bill Swop Reference Rate and replaces the matured Australian Dollar bank syndicated facility.

Dividend payments in the amount of $260m were made during the year. This compares with a dividend of $167m in 2001. Dividends were financed from the cash generated from operating activities.

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

Balance sheet

With effect from 1 January 2002, the Free State assets were sold to a joint venture between Harmony Gold Mining Company Limited and African Rainbow Minerals (Proprietary) Limited.

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

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

Other issues

On 3 October 2002, the President of South Africa signed the Mineral and Petroleum Resources Development Act 2002. The provisions of this law will come into operation on dates to be specified by the President, who may stipulate different dates for different provisions. It is uncertain when the President will exercise these powers and, until the new provisions are effective, the existing regulatory regime for mineral rights will remain in place.

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

FINANCIAL REVIEW

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2002

Gold

Operating

Operating

income

profit*

margin

EBITDA

EBITDA

$m

$m

%

$m

margin %

South Africa

930

389

38.8

373

37.2

East and West Africa

329

129

39.2

190

57.8

South America

195

84

42.1

118

59.2

North America

152

3

1.9

59

38.1

Australia

155

33

21.3

55

35.5

Total

1,761

638

34.7

795

43.2

2001

Gold

Operating

Operating

income

profit*

margin

EBITDA

EBITDA

$m

$m

%

$m

margin %

South Africa

1,298

341

26.1

351

26.9

East and West Africa

250

87

34.8

134

53.6

South America

177

65

36.1

98

54.4

North America

161

16

9.9

58

36.0

Australia

155

18

12.2

38

25.7

Total

2,041

527

25.8

679

33.2

*

Operating profit excludes unrealised non-hedge derivatives.

17

FINANCIAL REVIEW

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2002

2001

2000

1999

1998

Underground operations

Area mined

 – m

2

 000

2,116

3,043

3,900

3,880

4,275

Metric tonnes milled

 – 000

 total

13,426

17,954

21,293

21,704

23,396

Yield

 – g/t average

8.27

8.20

7.96

8.09

8.08

Production

 – oz 000

 total

3,569

4,734

5,451

5,643

5,821

Productivity
g/employee

 target

247

219

209

222

174

 actual

238

214

193

210

184

Surface and dump reclamation
Metric tonnes treated

 – 000

38,366

50,355

50,289

54,354

57,511

Yield

 - g/t

0.30

0.32

0.32

0.30

0.30

Production

 - oz 000

365

514

510 520

547

Open-pit operations
Metric tonnes mined

 - 000

109,987

85,790

49,121 47,880

7,525

Stripping ratio

 - t (mined-treated)/t treated

3.05

2.17

1.08 2.51

1.63

Metric tonnes treated

- 000

27,186

27,042

23,601 13,630

2,863

Yield

- g/t

2.29

2.00

1.69 1.72

2.54

Production

- oz 000

2,005

1,735

1,28 2 755

234

Total

Production

- oz 000

5,939

6,983

7,24 3 6,918

6,602

- South Africa

- oz 000

3,412

4,670

5,418

5,746

6,368

– East and West Africa

– oz 000

1,085

868

366

262

234

– North America

– oz 000

462

496

496

485 –

– South America

– oz 000

478

441

439

425 –

– Australia

– oz 000

502

508

524 – –

Price received*

– $/oz sold

303

287

308

315

333

Total cash costs

– $/oz produced

161

178

213

213

225

Total production costs

– $/oz produced

203

213

245 244

259

Monthly average number of employees

53,097

70,380

84,036 86,120

93,316

LTIFR

8.86

10.55

11.58 13.91

14.52

Rand/US Dollar average exchange rate

10.48

8.62 6.78 6.11

5.53

Financial results

$m

Operating profit

650

517

468

505

469

Operating profit excluding unrealised non-hedge derivatives

638

527

468

505

469

Net profit

332

245

166 434

318

EBITDA

795

679

608 614

566

Headline earnings

376

281

254 325

277

Headline earnings before unrealised non-hedge derivatives

368

286

254 325

277

Capital expenditure

271

298

304 220

174

Financial ratios
Capital employed

 - $m

2,994

2,550

3,119 3,354

2,149

Return on capital

 - %

15

13

10 15

13

Equity

2,082

1,559

2,006 2,576

2,057

Return on equity

– %

21

16

11 16

12

Debt

926

987

1,156 828

184

Cash

413

191

195 493

254

Net debt (cash)

– $m

513

796

961 335

(70)

Net debt (cash) to capital employed

 - %

17

31

31 10

(3)

Net debt (cash) to equity

 - %

25

51

48 13

(3)

Interest cover

 - times

18

9

9

12

23

Operating margin

 - %

35

26

21

23

21

EBITDA margin

– %

43

33

28

28

25

Glossary of terms on page 138.

* Including realised non-hedge derivatives

Group operating and financial results

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

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

Safety and health

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

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

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

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

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

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

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

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

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

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

operations

A

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

ANGLO GOLD LIMITED ANNUAL REPORT 2002

AngloGold's Lost Time
Injury Frequency Rate

(per million man hours)

(Clockwise from top left) Metallurgical test work pouring fused material from a gold fire assay in Kayes laboratory in Mali, East and West Africa region;

Severe weather conditions at Jerritt Canyon caused a slow start to the year in the North America

capacity to treat 100,000t of slimes a day; Hydro-powered rockdrill operated by Ephraim Mabeia at

geologists in the Peru exploration division; Gold production rose significantly at Sunrise Dam, A

LOST TIME INJURY FREQUENCY RATE

2002

2001

South Africa

9.98

11.58

East & West Africa

2.93

1.30

South America

4.21

8.16

North America

4.95

1.58

Australia

11.22

13.47

Group

8.86

10.55

0

2

4

6

8

10

12

14

16

1998 1999 2000 2001 2002

8.86

20

The massive fridge plant at Moab Khotsong in South Africa.

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

Performance

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

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

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

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

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

Outlook

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

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

REVIEW OF OPERATIONS

ANGLO GOLD LIMITED ANNUAL REPORT 2002

$/oz

0

50

100

150

200

250

1998 1999 2000 2001 2002

Total cash costs over time

Total cash costs have declined steadily

over the past five years. However, an

increase is expected in 2003 to $187/oz.

TOTAL CASH COSTS PER REGION ($/oz)

2002

2001 Variance %

South Africa

158

184

(14)

East and West Africa

126

129

(2)

South America

126

134

(6)

North America

222

211

5

Australia

193

194

(1)

Group

161

178

(10)

ATTRIBUTABLE PRODUCTION (000oz)

2002

2001 Variance %

South Africa

3,412

4,670

(27)

East and West Africa

1,085

868

25

South America

478

441

8

North America

462

496

(7)

Australia

502

508

(1)

Group

5,939

6,983

(15)

South Africa 58%

East & West Africa 18%

Australia 8%

South America 8%

North America 8%

Contribution to production (oz) by region

South Africa 47%

Australia 7%

South America 15%

North America 7%

East & West Africa 24%

Contribution to EBITDA by region

161/oz

Safety and health

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

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

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

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

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

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

Ergo

West Wits
TauTona
Savuka
Mponeng

Vaal River
Tau Lekoa
Kopanang
Great Noligwa
Moab Khotsong

South Africa

AngloGold's operations in South Africa

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

Company Limited in November 2001, with control of these operations passing to the joint venture with effect from 1 January 2002.

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

223

206

m

2

/TEC

4.58

4.42

Capex
$m

105

101

Rm

1,150

875

* Including contractors

0%
10%
20%
30%
40%
50%
Falls of ground (seismic)
Falls of ground (non-seismic)
Trucks and tramming
Vehicles
Machinery
Shaft accidents
Inundation

Slip and fall

Explosives

41%
16%
14%
11%
5%
5%
5%

2%

2%

Causes of fatal accidents – 2002

The primary cause of fatal accidents on the South African operations is falls of ground.

A major campaign to address this was initiated during the year.

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

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

Occupational health

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

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

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

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

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

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

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

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

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

HIV/AIDS

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

SAFETY PERFORMANCE

	LTIFR		FIFR	
	2002	2001	2002	2001
Great Noligwa	**11.06**	9.61	0.47	0.19
Kopanang	**12.91**	11.12	0.22	0
Tau Lekoa	**17.94**	13.53	0.51	0.37
Ergo	**1.53**	3.86	0	0.20
TauTona	**7.67**	12.22	0.08	0.16
Savuka	**17.12**	21.00	1.24	

1.06
Mponeng
10.91
13.77
0.47
0.47

Moab Khotsong

6.82

4.65

0.19

0.17

SAFETY STATISTICS

2002

2001

2000

1999

1998

FIFR

0.34

0.28

0.24

0.38

0.41

LTIFR

9.98

11.58

11.98

14.35

15.18

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

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

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

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

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

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

* A noteworthy programme development was the introduction of ART, which was announced in August 2002. This is being implemented for employees who are medically eligible for the treatment and
are willing to participate in the project. The first phase of this project aims to develop an understanding of and find solutions to the challenges inherent in the provision of ART in the gold mining industry. The project will identify the operational requirements of providing ART, particularly around supporting patient adherence to the drug regimen, and making the provision of ART a part of primary rather than specialist healthcare to make it accessible in the volumes required. Included in this will be the monitoring of patients' capacity to carry out their duties in underground working conditions, and of drug sensitivity. Some 200 employees have been invited to participate in the initial programme before roll-out to all eligible employees in April 2003, for which the company has budgeted $1.5m.

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

Performance

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

4.58, respectively.
2

REVIEW OF OPERATIONS

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

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

VAAL RIVER

GREAT NOLIGWA

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

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

KOPANANG

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

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

REVIEW OF OPERATIONS

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Great Noligwa 36%

TauTona 25%

Kopanang 14%

Mponeng 8%

Tau Lekoa 6%

Ergo 5%

Savuka 2% Surface operations 4%

Contribution of South African operations

to the region's EBITDA (%)

Great Noligwa 26%

TauTona 19%

Kopanang 15%

Mponeng 13%

Tau Lekoa 9%

Ergo 8%

Savuka 7%
Surface operations 3%
Three mines, Great Noligwa, TauTona and Kopanang, make up 60%
of the South Africa region's production.
25

CASH COSTS

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

R/kg
$/oz
2002
2001 2002
2001
Great Noligwa
41,658
33,068
124
122
Kopanang
55,001
48,121
165
178
Tau Lekoa
64,234
55,545
192
203
TauTona
44,465
42,347
132

154
Savuka
82,111
68,209
245
248
Mponeng
59,504
61,221
178
223
Ergo
61,810
58,884
184
215
CAPITAL EXPENDITURE

Forecast 2003
2002
2001
2000
1999
Rm
1,659
1,150
875
1,047
922
$m
185
105
101
145
151
Contribution of South African operations (oz)
to the region's production

TAU LEKOA

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

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

WEST WITS

TAU TONA

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

For 2003, gold production is expected to decrease to 623,000oz or 19,362kg, at a total cash cost of $168/oz (R48,677/kg) mainly from lower gold production and inflationary pressures. During the year ahead, capital expenditure on infra-structure refurbishment
and expansion projects is likely to be in the region of $22m, or R198m.

SAVUKA

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

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

MPONENG

Performance at Mponeng improved significantly during the year, with volumes mined increasing by 21% and yields rose to 8.63g/t. Although newly equipped raise lines had an impact on costs during the year, the flexibility afforded by these had a favourable impact on production from mid-year. As a result, gold production increased by 27% to 466,000oz or 14,498kg. Total cash costs decreased by 20% to $178/oz; in Rand terms, total cash costs decreased by 3% to R59,504/kg.

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

ERGO

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

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

Moab Khotsong

The largest project under development in the South Africa region is the Moab Khotsong mine, located in the Vaal River area. Production is scheduled to commence in late 2003 , with full production expected in 2006. The mine will add 4.5Moz to the region's production to 2015, at an average cash cost of $129/oz.

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

Growth

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

MPONENG SHAFT DEEPENING PROJECT

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

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

ADDITIONAL OPPORTUNITIES IN SOUTH AFRICA

Additional gold
Production
Mine
Project
production
start-up
Moab Khotsong

Phase 2: below 101 level
4.4Moz
2012
Mponeng
Lower grade VCR and CLR
3.1Moz
2014
TauTona
CLR 120-125 level and 116 level (east of Bank Dyke)
1.6Moz
2006
Mponeng
VCR: 120 125 level
1.3Moz
2007

TauTona

VCR shaft pillar and 66 level

0.3Moz

2005

Tau Lekoa

Above 900 level

0.2Moz

2006

Great Noligwa

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

TAU TONA EXTENSION PROJECT

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

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

MOAB KHOTSONG MINE

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

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

ADDITIONAL OPPORTUNITIES

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

Sustainable development

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

ENVIRONMENT

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

(From left to right) A pre-schooler enjoying the outside play area at the Shiloh Marabian Mission Mozondi, one of the Mabhongo villagers who was given chickens as a part of the Masikhanyise susta in the new cookery centre at the North West Secondary School for the deaf in Leeudoringstad. All

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

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

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

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

Good progress was made with rehabilitation trials at the Ergo Daggafontein tailings dam. The dam was decommissioned in
December 2001 and will be rehabilitated to environmental closure in terms of the Minerals Act.

SOCIAL INVESTMENT

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

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

Some of the major projects currently in progress include:

* Klerksdorp Methodist Primary School is one of the few English-medium primary schools in one of AngloGold's key operational areas. The school's intake has grown exponentially over the past few years, to the point where new learners had to be turned away due to the lack of space. AngloGold's donation of $118,000 will enable a block of five classrooms to be added to the complex.
* The Boyden Observatory is home to the second largest optical telescope in Africa. The observatory, part of the University of the Free State's Science Block, recently initiated a project to upgrade its facilities to make them more relevant to the school curriculum and accessible to previously disadvantaged communities in the area. The long-term

aim is to foster greater interest in the study of science, engineering and technology.

(From left to right) A Grade 6 pupil doing his homework in the aftercare centre at the Methodist
pupil enjoying the playground equipment that AngloGold sponsored for the Winterberg School Trust,
bedspread that will be sold to raise funds for the Mohau AIDS centre.

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

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

* The National Association of Childcare Workers in the

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

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

* The African Medical Mission in the Eastern Cape received

a grant of $27,000. The hospital which is situated in the town of Bedford, caters for a third of the people in the province many of whom live in rural areas and cannot afford alternative medical facilities and care.

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

* Another project which received support is the St Bernard's

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

* The AngloGold Fund also awarded a grant of $20,000 to

the Triest Training Centre in North West Province. The centre provides care, rehabilitation and the integration of intellectually handicapped people into mainstream society.

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

REVIEW OF OPERATIONS

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

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REVIEW OF OPERATIONS

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Safety and health

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

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

Malaria

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

HIV/AIDS

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

Mali

Tanzania

Namibia

Geita

Sadiola

Yatela

Morila

Navachab

WHO OWNS AND MANAGES THE OPERATIONS

Operation
Country
Partners
Stake
Management
Morila
Mali

AngloGold
40%
AngloGold
Randgold Resources
40%
Government of Mali
20%
Geita
Tanzania
AngloGold
50%
Joint management
Ashanti Goldfields Company 50%
Sadiola
Mali
AngloGold
38%
AngloGold
IAMGOLD
38%
Government of Mali
18%
International Finance
Corporation (IFC)
6%
Navachab
Namibia

100%
AngloGold
Yatela
Mali
AngloGold
40%
AngloGold
IAMGOLD
40%
Government of Mali
20%

Key statistics

2002

2001

Tonnes treated (Mt)
(attributable)

8.0

7.3

Average grade (g/t)

4.22

3.71

Gold production (000oz)
(attributable)

1,085

868

Total cash cost $/oz

126

129

Number of employees* **2,375**

1,600

Efficiencies (g/TEC)

1,855

1,884

Capex ($m)
(attributable)

27

34

* Including contractors

East and
West Africa

AngloGold's operations in East and West Africa

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

SAFETY PERFORMANCE

LTIFR
FIFR
2002
2001

2002
2001
Morila
6.27
1.68
0.33
0.00
Geita
2.11
0.65
0.49
0.00
Sadiola
1.54
0.00
0.00
0.00

Navachab

3.05

2.98

0.00

0.00

Yatela

2.07

2.52

0.00

0.00

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

Performance and outlook

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

MORILA

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

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

GEITA

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

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

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

increasing throughput to 5.6Mtpa had been completed and commissioned.

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

SADIOLA

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

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

Expansion at Geita

The first phase of the Geita gold plant

expansion was approved during the first

quarter following encouraging results from

exploration in the Nyankanga pit, which

increased the total remaining reserve to

33.5Mt. Plant throughput is being increased

from 4.5Mtpa to 6Mtpa in two phases.

Phase 1, which was completed in

December 2002, involved the installation of

secondary crushers and modification to the *ball mill to cater for the increased throughput,*

raising the treatment rate to 5.6Mtpa at a

capital cost of $3m.

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

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

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

NAVACHAB

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

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

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

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

YATELA

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

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

Growth

As a result of the successful brownfields drilling programme at Geita during the year, the reserve has increased by 21% to 4.7Moz, confirming the company's confidence in the prospectivity of the deposit.

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

Sustainable development

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

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

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

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

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

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

for strategic facilities and the construction of dams.

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

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

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

Brazil

Argentina

Serra Grande

Cerro Vanguardia

Morro Velho

AngloGold's operations

in South America

The South America region comprises three

operations, Morro Velho and Serra Grande

(50%) in Brazil and Cerro Vanguardia

(92.5% as of July 2002) in Argentina.

Key statistics

2002

2001

Tonnes treated (Mt)
(attributable)

1.9

1.7

Average grade (g/t)

7.8

7.8

Gold production (oz)
(attributable)

478,000

441,000

Total cash cost ($/oz)

126

134

Number of employees *

2,660

2,300

Efficiencies (g/TEC)

684

611

Capex ($m) (attributable)

24

20

* Excludes contractors for the Cuiab

Expansion and contractors for the implementation phase of Crrego do Stio mine

South America

Safety and health

Safety performance in the region was good, with the overall LTIFR - at 4.21 - below the Ontario benchmark of 6.5. Regrettably, a fatal accident occurred at

Cerro Vanguardia on 17 July.

Following a complete review of risk management procedures in November 2002, Cerro Vanguardia was re-audited and maintained a NOSA 5-star rating and ISO14001 Certification.

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

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

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

Performance and outlook

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

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

MORRO VELHO

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

ANGLOGOLD OPERATIONS SOUTH AMERICA

Operation

Country

Partners

Stake

Management

Morro

Brazil

-

100%

AngloGold

Velho
Serra

Brazil

AngloGold

50%

AngloGold

Grande

TVX Gold inc

50%

Cerro

Argentina

AngloGold

92.5%

AngloGold

Vanguardia

Formicruz, Santa

7.5%

Cruz Province

SAFETY PERFORMANCE

LTIFR

FIFR

2002

2001

2002

2001

Morro Velho

5.73

9.07

0.00

0.58

Serra Grande

0.70

6.42

0.00

0.00

Cerro Vanguardia

3.72

7.54

0.93

0.00

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

SERRA GRANDE

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

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

CERRO VANGUARDIA

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

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

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

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

Growth

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

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

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

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

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

Sustainable development

Environmental and social issues continue to receive attention.

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

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

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

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

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

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

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

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

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

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

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

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

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Safety and health

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

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

Performance and outlook

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

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

JERRITT CANYON

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

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

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

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

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USA

Jerritt

Canyon

CC&V

WHO OWNS AND MANAGES THE OPERATIONS

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

Key statistics

2002

2001

Tonnes treated (Mt)
(attributable)

13.3

12.2

Average grade (g/t)

1.08

1.27

Gold production (oz)
(attributable)

462,000

496,000

Total cash cost ($/oz)

222

211

Number of employees*

910

850

Efficiencies (g/TEC)

1,979

2,273

Capex ($m)
(attributable)

74

93

* Including contractors

North America

AngloGold's operations

in North America

The North America region comprises the

Jerritt Canyon Joint Venture (70%) and the

Cripple Creek & Victor Gold Mining

Company (CC&V) (67% interest, with a

100% interest in gold produced).

SAFETY PERFORMANCE

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

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

Total cash costs remained at $187/oz

as higher reagent costs were offset by continued cost-cutting efforts. Mined tonnage and metal production improved towards the latter part of the year as the full benefit of the expansion project was realised.

Operating profit, excluding

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

Growth

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

Sustainable development

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

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

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

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

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

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

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

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

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

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

Expansion at Cripple Creek

& Victor

The expansion project, completed in 2002

without a single lost time injury, has increased

gold production capacity by 40% and extended

the LOM to 2013.

This 1,218ft long bridge, built to

accommodate the expanded CC&V leach pad,

spans a 250ft drop and cost $18m to build.

The bridge is a co-operative effort between

CC&V and the Colorado Department

of Transportation.

Union Reefs

Sunrise Dam

Key statistics

2002

2001

Tonnes treated (Mt)
(attributable)

6.1

8.0

Average grade (g/t)

2.56

1.97

Gold production (oz)
(attributable)

502,000

508,000

Total cash cost
$/oz

193

194

A$/oz

354

375

Number of employees*

600

700

Efficiencies (g/TEC)

2,437

1,952

Capex (attributable)

$m

31

42

A$m

57

82

* Including contractors

Australia

AngloGold's operations in Australia

The Australia region comprises two operations: Sunrise Dam in Western Australia and Union Reefs

in the Northern Territory. Two further operations, Boddington and Tanami, were closed at the end of 2001, with only the residual plant clean-up at Boddington contributing 2,000oz during the year.

Boddington is currently on a care-and-maintenance programme, pending a decision to proceed with the Boddington Expansion Project. The Tanami plant has been leased for third party ore processing.

SAFETY PERFORMANCE*

LTIFR	2002	2001
Sunrise Dam	**11.0**	11.56
Union Reefs	**0.0**	5.08

* Based on South African benchmark

definitions

Safety and health

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

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

Performance and outlook

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

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

SUNRISE DAM

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

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

UNION REEFS

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

Growth

Very encouraging exploration results were achieved at Sunrise Dam during the year. A decision to proceed with the Boddington Expansion Project is expected

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

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

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

Sustainable development

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

AngloGold Australia improved its environ-
mental performance, reducing the number of
Category 3 incidents

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

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

Encouraging exploration results were achieved

at Sunrise Dam, where gold production has

already increased significantly during the year

under review.

REVIEW OF OPERATIONS

ANGLO GOLD LIMITED ANNUAL REPORT 2002

44

Attributable

Average

tonnes

grade

treated

recovered

(Mt)

(g/t)

2002

2001

2002

2001

Operation
SOUTH AFRICA

Ergo

32.8

41.3

0.25

0.25

Great Noligwa

2.5

2.5

11.02

12.34

Kopanang

2.2

2.1

7.23

7.4

Moab Khotsong * - - - -

Mponeng

1.7

1.5

8.63

7.71

Savuka

1.0

0.9

7.07

7.97

Tau Lekoa

2.2

2.0

4.45

4.42

TauTona

1.7

1.6

11.66

11.94

EAST WEST AFRICA

Geita (50%)

2.5

2.3

3.62

3.7

Morila (40%)

1.1

1.1

11.96

6.87

Navachab

1.4

1.3

1.93

2.04

Sadiola (38%)

1.9

2.0

2.96

3.13

Yatela (40%)

1.1

0.5

2.95

3.33

NORTH AMERICA

Cripple Creek &
Victor Joint Venture

12.4

11.3

0.57

0.59

Jerritt Canyon Joint
Venture (70%)

0.9

0.9

7.91

9.41

SOUTH AMERICA

Cerro Vanguardia (92.5%)

0.6

0.4

9.49

10.51

Morro Velho

1.0

1.0

6.71

6.63

Serra Grande (50%)

0.4

0.4

7.84

8.08

AUSTRALIA

Boddington (33.33%) -

2.6

-

0.92

Sunrise Dam

3.4

2.4

3.49

3.81

Union Reefs

2.7

2.6

1.36

1.36

*

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

Operating profit excluding unrealised non-hedge derivatives.

Summary of operations

REVIEW OF OPERATIONS

ANGLO GOLD LIMITED ANNUAL REPORT 2002

45

Attributable

Attributable

gold

Total cash

operating

Attributable

production

costs

profit

EBITDA

(000oz)

($/oz)

($m)

($m)

2002

2001

2002

2001

2002

2001

2002

2001

264

332

184

215

20

16

22

18

880

1,004

124

122

141

147

149

154

511

494

165

178

56

42

63

49

- - **-** - **-** - **-** -

466

366

178

223

30

-

54

18

236

240

245

248

9

4

12

6

311

286

192

203

23

10

32

16

643

622

132

154

98

69

104

75

290

273

175

147

20

25

33

37

421

252

74

103

70

25

99

43

85

87

147

164

12

9

13

10

182

204

163

131

12

21

25

34

107

52

175

149

10

5

15

7

225

214

187

187

6

10

43

32

237

282

249

223

(3)

8

19

26

179

136

104

133

27

14

44

26

205

209

131

127

29

28

41

40

94

96

100

107

17

13

22

19

2

78

-

190

-

5

-

7

382

295

177

153

33

21

51

33

118

114

224

230

3

1

6

5

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

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

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

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

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

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

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

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

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

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

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

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

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

Marketing

D

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

The Afridesia project,

involving the sponsorship and

creation of a South African clothing and gold jewellery

collection at the 2002 New

York Fashion Week, created a

platform for South African

designers and craftspeople at

this important forum.

Exploration

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

Brazil

Argentina

Serra Grande

Cerro Vanguardia

Morro Velho

USA

Jerritt

Canyon

Cripple Creek

& Victor

Mali

Tanzania

Namibia

Geita

Sadiola

Yatela

Morila

Navachab

SA operations

South Africa

Union Reefs

Sunrise Dam

Australia

Alaska

Canada

Peru

Mines
Greenfields exploration areas
Brownfields exploration areas

AngloGold's exploration programme

extends to four continents at a cost

of $51 million during 2002.

Exploration

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

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

EXPLORATION EXPENDITURE BY REGION ($m)

	Forecast 2003	2002	2001
South Africa	4	**1**	4
East & West Africa	11	**11**	7
South America	17	**12**	

11

North America

13

10

7

Australia

13

14

13

Corporate
(includes target generation)

3

3

2

Total

61

51

44

EXPLORATION

49

ANGLO GOLD LIMITED ANNUAL REPORT 2002

SOUTH AFRICA

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

EAST AND WEST AFRICA

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

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

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

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

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

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

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

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

Plan showing areas drilled in

vicinity of Geita in 2002

together with those planned

for 2003.

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

SOUTH AMERICA

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

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

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

NORTH AMERICA

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

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

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

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

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

First phase drilling was completed at the Blue Desert

JV in Alaska.

In Nevada, three Great Basin projects were drill-tested

with a further three targets to be drill-tested during 2003.

AUSTRALIA

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

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

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

Geologists near Lake Carey at Sunrise Dam, Australia region, where

exploration continues to add Mineral Resources (below).

A 3D view of the final pit shell is indicated (above).

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

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

Mineral Resources

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

Some of the largest increases in resource are:

* an increase of 3.7Moz at Tau Lekoa to 17.4Moz, due primarily to the incorporation of adjacent ground at Goedgenoeg;

* an increase of 1Moz to 12.8Moz at Moab Khotsong, due mainly to revised geological modelling;

* an increase of 0.8Moz to 8.1Moz at Geita. This increase includes recent exploration successes;

* an increase at Navachab of 1.8Moz to 4.6Moz. This was largely due to changes in the Namibian Dollar/ US Dollar exchange rate and the effect of this on the Mineral Resource constraints;

* an increase of 1.9Moz at Cerro Vanguardia to 3.5Moz, due partly to the increased stake acquired during 2002 and partly due to some brownfields exploration successes.

Ore Reserves

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

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

* an increase of 4.6Moz at Mponeng mainly due to the inclusion of the Carbon Leader and VCR below 120 level;

* an increase of 4.3Moz at Moab

Khotsong due to the inclusion of Phase 2 which aims to exploit the Vaal Reef below 101 level;

* an increase of 0.8Moz at TauTona

as a result of the inclusion of the Carbon Leader below 120 level, the area East of the Bank Dyke on 116 level and area "A" on the VCR;

* increases of 1.2Moz and 0.7Moz at Savuka and Tau Lekoa respectively due to changes in mine design leading to additional life at both operations;

* an increase of 0.8Moz at Geita due

to the redesign of the Nyankanga, Geita Hill and Lone Cone pits, as well as the inclusion of Chipaka, Area 3W and Roberts;

* an increase of 1.1Moz at Cerro Vanguardia mainly as a result of Anglo- Gold's increase in ownership to 92.5%.

The Ore Reserves are relatively

insensitive to changes in gold price and exchange rates of up to 10%, positive or negative.

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

Competent persons

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

&#8226 V A Chamberlain, MSc (Mining

Engineering), BSc (Hons) (Geology), MAusIMM, 17 years' experience.

&#8226 M F O'Brien, MSc (Engineering),

BSc (Hons) (Geology), Dip Data, Pr.Sci.Nat., MAusIMM, 23 years' experience.

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

&#8226 B W Guenther, BSc (Mining

Engineering), MAusIMM, 22 years' experience.

&#8226 D L Worrall, ACSM, MAusIMM,

22 years' experience.

&#8226 J van Zyl Visser, BSc (Mineral

Resource Management), PLATO, 16 years' experience.

Notes

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

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

ORE RESERVES (as at 31 December 2002)

	METRIC			IMPERIAL		
	Tonnes	Grade	Contained	Tons	Grade	Contained
	Mt	g/t	gold t	Mt	oz/t	gold Moz
South Africa***						
Proved	94.7	2.22	210.4	104.4	0.065	6.8
Probable	246.3	5.14	1,267.2	271.5	0.150	40.7
Total	**341.0**	**4.33**	**1,477.5**	**375.9**	**0.126**	**47.5**

East & West Africa*

Proved	21.5	3.50	75.1	23.7	0.102	2.4
Probable	52.3	3.73	195.3	57.7	0.109	6.3
Total	**73.8**	**3.66**	**270.4**	**81.4**	**0.107**	**8.7**
South America*						
Proved	15.3	6.22	95.5	16.9	0 .181	3.1
Probable	12.7	4.92	62.4	14.0	0.143	2.0
Total	**28.0**	**5.63**	**157.8**	**30.9**	**0.164**	**5.1**
North America*						
Proved	57.8	1.34	77.7	63.7	0.039	2.5
Probable	69.4	0.99	68.8	76.5	0.029	2.2
Total	**127.3**	**1.15**	**146.5**	**140.3**	**0.034**	**4.7**
Australia*						

Proved					
49.0	1.42	69.7	54.0	0.042	2.2
Probable					
100.4	1.26	126.4	110.7	0.037	4.1
Total					
149.4	**1.31**	**196.1**	**164.7**	**0.038**	**6.3**
Totals*					
Proved					
238.3	2.22	528.3	262.7	0.065	17.0
Probable					
481.2	3.57				
1,720.0	530.4	0.104	55.3		
Total					
719.5	**3.12**	**2,248.3**	**793.1**	**0.091**	**72.3**

*

Reserves attributable to AngloGold.

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

MINERAL RESOURCES* (as at 31 December 2002)

METRIC

IMPERIAL

Tonnes

Grade

Contained Tons

Grade

Contained

Mt

g/t

gold t

Mt

oz/t

gold Moz

South

Africa***

Measured

300.3 1.84 552.1 331.0 0.054 17.8

Indicated

647.7 4.42

2,865.1 714.0 0.129 92.1

Inferred

463.1 7.97

3,692.3 510.5 0.233 118.7

Total

1,411.0

5.04 7,109.5 1,555.4 0.147 228.6

East & West Africa** Measured

37.5

2.68

100.7 41.3

0.078

3.2

Indicated

107.6 2.81 301.9 118.6 0.082 9.7

Inferred

144.4 1.68 242.2 159.2 0.049 7.8

Total

289.5 2.23 644.7 319.1 0.065 20.7

South America**					
Measured					
32.4	4.41	143.1	35.7	0.129	4.6
Indicated					
22.1	4.68	103.4	24.4	0.137	3.3
Inferred					
42.2	6.20	261.8	46.5	0.181	8.4
Total					
96.7	**5.26**	**508.4**	**106.6**	**0.153**	**16.3**
North America**					
Measured					
85.1	1.24	105.7	93.8	0.036	3.4
Indicated					
107.3	1.12	120.1	118.3	0.033	3.9
Inferred					
69.2	1.28	88.7	76.3	0.037	2.9
Total					
261.6	**1.20**	**314.6**	**288.4**	**0.035**	**10.1**
Australia**					
Measured					
61.2	1.41	86.4	67.5	0.041	2.8
Indicated					
143.5	1.22	175.0	158.2	0.036	5.6
Inferred					
89.7	1.18	106.3	98.9	0.035	3.4
Total					

294.4 **1.25** **367.7** **324.5** **0.036** **11.8**

Totals**

Measured

516.5 1.91 988.0 569.3 0.056 31.8

Indicated

1,028.2

3.47 3,565.5 1,133.4 0.101 114.6

Inferred

808.6 5.43

4,391.3 891.3 0.158 141.2

Total

2,353.2

3.80 **8,944.8** **2,594.0** **0.111** **287.6**

*

Inclusive of the ore reserve component.

** Resources attributable to AngloGold.
*** Excludes the Free State mines which were sold effective from 1 January 2002.
NB: Rounding of figures may result in computational discrepancies.

Executive directors

R M GODSELL (50)

BA, MA

Chief executive officer

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

J G BEST (54)

ACIS, ACIMA, MBA

Finance director

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

D L HODGSON (55)

BSC (MINING ENGINEERING), BSC (CIVIL

ENGINEERING), BCOM, AMP (HARVARD

Chief operating officer

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

K H WILLIAMS (54)

BA
Marketing director

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

Non-executive directors

R P EDEY (60)

FCA
Chairman

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

DR T J MOTLATSI (51)

HOND SOC SCI (LESOTHO)

Deputy chairman

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

F B ARISMAN (58)

MSC (FINANCE)

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

MRS E LE R BRADLEY (64)

BSC, MSC

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

C B BRAYSHAW (67)

CA(SA), FCA

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

DR V K FUNG (57)

PH D (BUSINESS ECONOMICS), MSC

(ELECTRICAL ENGINEERING)

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

Dr Fung has advised that he will not

be making himself available for re- election when he retires by rotation from the board at the company's forthcoming annual general meeting.

A W LEA (54)

BA (HONS)

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

W A NAIRN (58)

BSC (MINING ENGINEERING)

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

J OGILVIE THOMPSON (69)

MA

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

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Directors and executive management

N F OPPENHEIMER (57)

MA

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

A J TRAHAR (53)

BCOM , CA(SA)

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

Alternate directors

D D BARBER (50)

FCA, AMP (HARVARD)

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

A H CALVER (55)

BSC (HONS) ENGINEERING, MDP

(UNISA), PMD (HARVARD)

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

P G WHITCUTT (37)

BCOM (HONS), CA(SA), MBA

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

Members of the executive committee

R M GODSELL (50)

Chief executive officer

J G BEST (54)

Finance director

D L HODGSON (55)

Chief operating officer

K H WILLIAMS (54)

Marketing director

Executive officers

R CARVALHO SILVA (51)

BACC, BCORP ADMIN

South America region

Roberto Carvalho Silva joined the Anglo American group in Brazil in 1973 and was appointed president and CEO of AngloGold South America in January 1999. He became an executive officer in February 2000.

R N DUFFY (39)

BCOM, MBA

Business planning

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

J J KOMADINA (46)

BSC (METALLURGICAL ENGINEERING),

MBA, AMP (WHARTON)

North America region
Jim Komadina has 25 years of diverse mining experience and was appointed president and CEO of AngloGold North America in 1999. He became an executive officer in February 2000.
S J LENAHAN (47)

BSOC SC, MSC

Corporate affairs
Steve Lenahan has been working in the mining industry since 1978 when he started his career at De Beers. He was appointed investor relations executive in 1998 and assumed responsibility for corporate affairs in early 2001.
R W MICSAK (48)

BS, MLA, JD
Law and Environment
Bob Micsak served as vice president, general counsel and chief environmental officer of AngloGold North America before he was appointed an AngloGold executive officer with the environment as his portfolio in August 2000. He assumed responsibility for AngloGold's corporate legal affairs in September 2002.
N F NICOLAU (43)

NHD (METALLIFEROUS MINING), MBA

South Africa region
Neville Nicolau became the executive officer responsible for AngloGold's South Africa region in November 2001. He has 24 years of mining experience.
N W UNWIN (50)

BA
Human resources and information technology Nigel Unwin has had many years of experience in the field of human resources. He has been an executive officer since 1999. He relinquished his executive officer responsibilities for

AngloGold's Australia region during 2002.

Managing secretary

MS Y Z SIMELANE (37)

BA LLB, FILPA, MAP

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

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

Directors

R P Edey *Chairman*

R M Godsell *Chief Executive Officer*

J G Best *Finance Director*

C B Brayshaw *Chairman, Audit Committee*

Managing Secretary

Ms Y Z Simelane

ANNUAL FINANCIAL STATEMENTS

ANGLO GOLD LIMITED ANNUAL REPORT 2002

Directors' approval

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

Ms Y Z Simelane
Managing Secretary

Johannesburg
3 March 2003

Secretary's certificate

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

Scope

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

AN AUDIT INCLUDES

examining, on a test basis, evidence supporting the amounts and disclosures in the annual financial statements;

assessing the accounting principles used and significant estimates made by management; and

evaluating the overall financial statement presentation.

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

Audit opinion

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

ERNST & YOUNG
Registered Accountants and Auditors

Johannesburg

Chartered Accountants (SA)

3 March 2003

Introduction

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

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

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

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

* The separation of the combined role of chairman and chief executive officer with the appointment of a non-executive director as chairman.
* AngloGold's annual report 2001 being adjudged the "Best Overall Annual Report" at the premier South African Annual Report Awards ceremony, sponsored, amongst others, by the JSE Securities Exchange South Africa (JSE).
* The adoption of a mission and values statement in line with the present and longer-term strategic direction of the AngloGold group. The full text of the statement is to be found on the inside front cover of this report.
* The adoption of an entirely new set of Memorandum and Articles of Association to take cognisance of numerous amendments to companies' legislation in South Africa over many years, changes to the Listings Requirements of the JSE, the impact of STRATE (Share Transactions Totally Electronic), the requirements of King II and changes in international corporate administrative practices.
* The publication of the following documents:

  An HIV/AIDS Report 2001/2002 which details the company's comprehensive response to AIDS in the workplace. This publication has been augmented with a subsequent announcement that AngloGold has extended its antiretroviral therapy implementation project to include all eligible employees;

  Towards Sustainability A Social Investment Report 2001/2002. The report sets out the company's obligations and role as a corporate citizen and reviews the health and safety of employees, the management of environmental strategy and programmes for social investment.

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The board of directors

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

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

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

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

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

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

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

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

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

Particulars regarding directors' remuneration and share options, as well as their interests in the issued ordinary share capital of the company, are set out in full on pages 71, 72 and 73 of this report.
DETAILS OF ATTENDANCE BY DIRECTORS AT THE SEVEN BOARD MEETINGS HELD DURING 2002 ARE SET OUT BELOW:
All meetings were held in Johannesburg with the exception of the meeting on 7 May which took place in London. *
* unscheduled meetings
includes attendance through teleconference or video
conference facilities
A absent with apologies
Not required to be present
1
appointed Chairman 1 May 2002
2
appointed Deputy chairman 1 May 2002
3
relinquished Chairmanship 30 April 2002
4
appointed 29 April 2002 A register of directors and officers is available for inspection at the company's registered office in Johannesburg, South Africa.

Board committees

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

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

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

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

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

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

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

AUDIT COMMITTEE

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

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

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

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

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

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

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

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

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

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MPLOYMENT EQUITY AND DEVELOPMENT COMMITTEE

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

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

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

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

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

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

INVESTMENT COMMITTEE

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

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

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

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

MARKET DEVELOPMENT COMMITTEE

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

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

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

Date of meeting	**Apologies tendered**
29 January	Dr V K Fung Dr T J Motlatsi

26 April

Dr T J Motlatsi

29 July

Dr V K Fung
R M Godsell

REMUNERATION COMMITTEE

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

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

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

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

SAFETY, HEALTH AND SUSTAINABLE DEVELOPMENT

COMMITTEE

(Previously the Safety, Health and Environment (SHE) Committee) W A Nairn (Chairman), R M Godsell and Dr T J Motlatsi

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

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

Other committees

TREASURY COMMITTEE

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

The members of this Committee are:

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

FINANCE COMMITTEE

This Committee, which meets on a weekly basis to review matters essentially of a financial and administrative nature, comprises:
J G Best (Chairman) - *Executive director - finance*
R C Croll - *Manager - mining valuations*
P J G Dennison - *Manager - mergers and acquisitions*
R N Duffy - *Executive officer - business planning*
Ms D Earp - *Manager - corporate accounting*
Ms H H Hickey - *Group-internal audit manager*
M P Lynam - *Treasurer*
O C Murphy - *Corporate taxation manager*

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

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

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

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

To comply with requirements for reporting by non-US companies registered with the SEC, the company has prepared a set of financial statements (Form 20-F) in accordance with US Generally Accepted Accounting Principles

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

Risk management and internal control

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

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

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

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

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

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

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

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

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

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

Sustainable development

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

Company secretarial function

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

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

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

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

Insider trading

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

Employee participation

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

Communication

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

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

In addition to the facilities offered by the corporate secretarial department and the company's share registrars, AngloGold has established an investor relations and communications programme in South Africa, Europe, Asia, the United States and Australia, to maintain contact with members of the investing communities and the media around the world.

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

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

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

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

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

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

Principles of business conduct

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

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

Sponsor

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

Policy

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

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

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

Executive remuneration

The following elements constitute executive remuneration:

- Salary
- Annual performance bonus
- Participation in the Share Option Scheme

Benefits, including pension, disability and death cover and healthcare.

SALARY

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

ANNUAL PERFORMANCE BONUS

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

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

SHARE OPTION SCHEME

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

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

PENSIONS

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

OTHER BENEFITS

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

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

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' EMOLUMENTS

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

Remuneration report

Nature of business

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

Sub-division of ordinary shares

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

Events subsequent to the balance sheet

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

Holding company

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

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

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

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

Share capital

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

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

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

ISSUED

	2002		2001	
	Number of shares	Rand	Number of shares	Rand
At 1 January	**215,268,116**	**53,817,029**	214,042,174	53,510,544
Issues during year				
Issue of shares in terms of Normandy top-up facility*	**127,156**	**31,789**	16,474	4,118
Normandy share-swap*	**6,403,236**	**1,600,809**		

466,366

116,592

AngloGold odd-lot offer**

278,196

69,549

Exercise of options by participants in the
AngloGold Share Incentive Scheme

478,720

119,680

718,000

179,500

Acacia Employee Option Plan

66,598

16,650

25,102

6,275

At 31 December

222,622,022

55,655,506

215,268,116

53,817,029

Issues subsequent to year end
Exercise of options by participants in the
AngloGold Share Incentive Scheme

76,732

19,183

Acacia Employee Option Plan

2,100

525

At 24 February 2003

222,700,854

55,675,214

*

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

Directors' report

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

RESULTS OF ODD-LOT OFFER

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

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

Prior to the odd-lot offer to shareholders, the company had a total of 31,013 shareholders and at 31 January 2003 this number had

reduced to 16,284. A total of 2,098 shareholders, holding in aggregate 50,794 ordinary shares, elected to retain their odd-lot holdings of less than 100 shares (post sub-division).

UNISSUED

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

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

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

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

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

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

American Depositary Shares

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

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

Share Incentive Schemes

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

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

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

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

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

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

ANGLOGOLD SHARE INCENTIVE SCHEME

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

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

Time related options granted, may be exercised as follows:

Percentage

Period after date of grant of options

20

2 years

40

3 years

60

4 years

100

5 years

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

may be exercised or will expire.

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

Options

Average

exercise price

per ordinary

Number

share

At 1 January 2002

2,565,600

R121.14

Movements during year
- Granted*

108,000

R190.21

- Exercised

478,720

R118.79

- Lapsed terminations

35,600

R145.55

At 31 December 2002

2,159,280

R124.72

Subsequent to year end
 - Exercised

76,732

R121.71

 - Lapsed - terminations

20,000

R137.73

At 24 February 2003

2,062,548

R124.70

*

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

DIRECTORS' REPORT

ANGLO GOLD LIMITED ANNUAL REPORT 2002

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

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

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

Options

Average

exercise price

per ordinary

Number

share

At 1 January 2002

Movements during year
- Granted

1,182,500

R299.50

- Exercised

- Lapsed - terminations

3,400

R299.50

At 31 December 2002

1,179,100

R299.50

Subsequent to year end
- Exercised

- Lapsed - terminations

24,600

R299.50

At 24 February 2003

1,154,500

R299.50

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

Options

Average

Ordinary

exercise price

shares

per ordinary

issued

Number

share

At 1 January 2002

1,060,600

2,565,600

R121.14

Movements during year
- Granted*

1,290,500

R290.35

- Exercised

478,720

478,720

R118.79

- Lapsed - terminations

39,000

R158.97

At 31 December 2002

1,539,320

3,338,380

R186.45

Subsequent to year end
- Exercised

76,732

76,732

R121.71

- Lapsed - terminations

44,600

R226.96

At 24 February 2003

1,616,052

3,217,048

R187.43

*

Includes prior year adjustment.

Analysis of options in issue at 24 February 2003:

Holding

Holders

Number

Value R000

1-

100

101-

500

501- 1,000

233

214,000

64,093

1,001- 5,000

285

499,700

139,938

5,001- 10,000

127

951,100

162,567

10,001- 100,000

57

1,357,948

212,325

Over 100,000

1

194,300

24,055

Total

703

3,217,048

602,978

ACACIA EMPLOYEE OPTION PLAN

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

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

Number

Equivalent

Ordinary

Average issue

of

AngloGold

shares

price of AngloGold

options

ordinary shares

issued

ordinary shares

At 1 January 2002

1,041,400

72,898

25,102

R122.83

Movements during year
- Issued

–

–

- Exercised

951,400

66,598

66,598

R175.41

- Lapsed

–

–

At 31 December 2002

90,000

6,300

91,700

R161.02

Subsequent to year end
- Exercised

30,000

2,100

2,100

R146.94

At 24 February 2003

60,000

4,200

93,800

R160.71

Financial results

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

Review of operations

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

Dividends

DIVIDEND POLICY

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

DIVIDENDS PAID SINCE 1 JANUARY

Final dividend

Interim dividend

Final dividend

number 91

number 92

number 93

Declaration date

30 January 2002

30 July 2002

30 January 2003

Last date to trade ordinary shares cum dividend

15 February 2002

16 August 2002

14 February 2003

Record date

22 February 2002

23 August 2002

21 February 2003

Amount per ordinary share
- South African currency (cents) 550

675

675

- United Kingdom currency (pence) 34.19

42.25

48.43

Amount per CDI* - Australian currency (cents) 18.88

24.34

27.00

Payment date

4 March 2002

30 August 2002

28 February 2003

Amount per ADS** - United States currency (cents)

49.06

63.81

82.12

Payment date

14 March 2002

10 September 2002

10 March 2003

*

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

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

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

Borrowing powers

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

Fixed assets

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

Investments

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

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

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

Material resolutions

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

Nature of resolution	Effective date
AngloGold Limited	
Passed at the annual general meeting held on 30 April 2002:	
General approval for the acquisition by the company, or a subsidiary of the company, of its own shares	8 May 2002
Amendment to the company's articles of association substituting a more simplified version of the existing Article 70, pertaining to the determination of directors' remuneration by means of an ordinary resolution of shareholders in general meeting	8 May 2002

Passed at a general meeting held on 5 December 2002:

Adoption of a new memorandum and articles of association

10 December 2002

Sub-division of the company's ordinary shares on a 2 for 1 basis

10 December 2002

A specific approval for the acquisition by the company of
any excess ordinary shares arising in terms of the company's
odd-lot offer to shareholders

10 December 2002

Subsidiaries

Chellaston Limited*

Acquisition of a 46.25% interest in the equity of
Cerro Vanguardia SA

26 July 2002

Walsdon Limited*

Change of name to AngloGold International Holdings Limited

6 December 2002

AngloGold Investments

Change of name to AngloGold (Gibraltar) Holdings Limited

6 December 2002

(Senegal) Limited*

AngloGold International

Change of name from AngloGold International

Holdings Socit Anonyme**

Holdings Limited

10 December 2002

*

Incorporated in the British Virgin Islands

** Incorporated in Luxembourg

Annual general meeting

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

* the adoption of the annual report for the year ended 31 December 2001; * the re-election of Mr J G Best, Mrs E le R Bradley, Mr C B Brayshaw, Mr D L Hodgson, Mr A W Lea, Mr W A Nairn and Mr K H Williams as directors of the company;

* the renewal of the general authority placing the unissued ordinary shares of the company under the control of the directors;
* the granting of a general authority to issue ordinary shares in the capital of the company for cash, subject to certain limitations in terms of the Listings Requirements of the JSE;

* increases in annual directors' remuneration, with effect from 1 May 2002, as follows:

- Directors: from R50,000 to R100,000

- Chairman: from R80,000 to R200,000

- Deputy Chairman: from R80,000 to R150,000

- A travel allowance of $2,000 per meeting payable to each director, including the chairman and deputy chairman, who travel internationally to attend board meetings of the company;

* an amendment to the rules of the share incentive scheme to provide for the exercise of options to be based on a condition, related to the performance of the company, to be determined by the directors and which will be objective and specified.

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

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

General meeting

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

* approval of an odd-lot offer to ordinary shareholders of the company; * the granting of an authority to a director of the company to implement all resolutions passed at the meeting. Details concerning the special resolutions passed by shareholders at this meeting are disclosed on page 69.

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

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

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

The names of the directors and alternate directors of the company in office at the date of this report are listed on page 143.

Biographies of the board of directors appear on pages 54 and 55.

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

Directors' emoluments

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

Bonuses and

Pre-tax

performance

Pension

gains on

related

scheme

share options

Other

Salary

payments

contributions

exercised

benefits

Total

EXECUTIVE DIRECTORS

REMUNERATION 2002

R M Godsell (Chief Executive Officer)

4,217

1,295

496

283

6,291

J G Best

2,476

928

300

2,130

32

5,866

D L Hodgson

2,475

678

300

2,972

100

6,525

K H Williams

2,673

898

333

2,154

150

6,208

Total

11,841

3,799

1,429

7,256

565

24,890

EXECUTIVE DIRECTORS

REMUNERATION 2001*

R M Godsell (Chief
Executive Officer)

3,323

634

378

50

4,385

J G Best

2,122

506

252

1,575

182

4,637

D L Hodgson (appointed
1 November 2001)

387

109

54

1,061

9

1,620

K H Williams

2,268

571

276

1,053

47

4,215

Total

8,100

1,820

960

3,689

288

14,857

*

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

NON-EXECUTIVE DIRECTORS REMUNERATION

2002

2001

Directors'

Committee

Travel

Directors'

Committee

fees

fees

allowance* Total

fees fees

Total

R P Edey (Chairman)

160

126

41

327

80

110

190

Dr T J Motlatsi (Deputy

Chairman)

117

107

21

245

50

100

150

F B Arisman

83

60

41

184

50

60

110

Mrs E le R Bradley

83

107

190

50

94

144

C B Brayshaw

83

47

130

50

40

90

Dr V K Fung

83

30

20

133

50

36

86

A W Lea

83

28

111

21

21

W A Nairn

83

104

187

31

64

95

J Ogilvie Thompson

83

30

113

50

30

80

N F Oppenheimer

83

30

113

48

30

78

A J Trahar

83

30

113

50

13

63

Total

1,024

699

123

1,846

530

577

1,107

Alternates
P G Whitcutt

30

30

6

6

Total

30

30

6

6

Fees paid to former non-executive directors and former alternate directors
Dr J W Campbell

29

18

47

D M J Ncube

60**

60

29

40

69

M W King

19

17

36

R P Garnett

17

17

Total

60

60

77

92

169

Grand total

1,024

789

123

1,936

607

675

1,282

*

Introduced with effect from 1 May 2002.

** Prior years' adjustment.

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

Share incentive scheme

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

Executive

Total Total

RM Godsell

JG Best DL Hodgson KH Williams

Total

officers

Managers

2002

2001

Granted as at
1 January 2002
Number

178,300

74,800

58,000

83,600

394,700

167,200*

2,003,700*

2,565,600

2,977,400

Average exercise
price per share - R

108.04

113.30

109.59

104.96

108.61

121.35

123.59

121.14

118.58

Granted during year
Number

16,000

10,500

40,500**

10,500

77,500

90,400

1,122,600#

1,290,500

493,000

Average exercise price per share - R

299.50

299.50

195.50

299.50

245.15

247.22

296.95

290.35

121.54

Exercised during year
Number

-

11,200

14,800

12,000

38,000

32,000

408,720

478,720

718,000

Average exercise price per share - R

-

104.00

104.00

104.00

104.00

107.54

121.05

118.79

109.92

Average market price per share at date of exercise - R

-

294.18

304.78

283.53

294.94

254.12

269.82

270.76

174.05

Pre-tax gain at date
of exercise
- R value

-

2,130,000

2,971,504

2,154,400

7,255,904

4,690,576

60,806,607

72,753,087

46,049,078

- Average R per

share

-

190.18

200.78

179.53

190.94

146.58

148.77

151.97

64.13

Lapsed during year
Number

-

-

-

-

-

-

39,000

39,000

186,800

Average exercise
price per share - R

-

-

-

-

-

-

158.97

158.97

124.40

Held as at
31 December 2002
Number

194,300

74,100

83,700

82,100

434,200

225,600

2,678,580

3,338,380

2,565,600

Average exercise
price per share - R

123.80

141.10

152.15

129.98

133.39

173.74

196.12

186.45

121.15

Subsequent to year end
Exercised
Number

-

-

-

-

-

8,000

68,732

76,732

Average exercise
price per share - R

-

-

-

-

-

121.36

121.75

121.71

Average market
price per share at
date of exercise - R

-

-

-

-

-

272.50

308.96

305.16

Pre-tax gain at
date of exercise
- R value

-

-

-

-

-

1,209,100

12,867,335

14,076,435

- Average R per

share

-

-

-

-

-

151.14

187.21

183.45

Lapsed
Number

-

-

-

-

-

-

44,600

44,600

Average exercise
price per share - R

-

-

-

-

-

-

226.96

226.96

Held as at
24 February 2003
Number

194,300

74,100

83,700

82,100

434,200

217,600

2,565,248

3,217,048

Average exercise
price per share - R

123.80

141.10

152.15

129.98

133.39

175.67

197.58

187.43

Latest expiry
date

2 May 2012 2 May 2012 2 May 2012 2 May 2012

2 May 2012 2 May 2012

Prior year adjustments:
*

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

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

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

#

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

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DIRECTORS' REPORT

ANGLO GOLD LIMITED ANNUAL REPORT 2002

Directors' interests in shares

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

31 December 2002

31 December 2001

Beneficial Non-

Beneficial Non-

Direct

Indirect

beneficial

Direct

Indirect

beneficial

EXECUTIVE DIRECTORS

R M Godsell

460

-

-

460

-

-

K H Williams

-

920

-

-

920

-

Total

460

920

-

460

920

-

NON-EXECUTIVE DIRECTORS

F B Arisman

-

2,000

-

-

2,000*

-

Mrs E le R Bradley

-

28,200

10,000

-

5,200*

11,000

R P Edey

-

1,000

-

-

1,000

-

J Ogilvie Thompson

-

-

478

-

-

478

N F Oppenheimer

-

-

6,426

-

-

9,026

Total

-

31,200

16,904

-

8,200*

20,504

ALTERNATES

A H Calver

-

-

-

46

-

-

P G Whitcutt

-

-

-

46

-

-

Total

-

-

-

92

-

-

Grand total

460

32,120

16,904

552*

9,120*

20,504

*

Restated

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

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

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GROUP FINANCIAL STATEMENTS

ANGLO GOLD LIMITED ANNUAL REPORT 2002

Group income statement

for the year ended 31 December 2002

2001

2002

Figures in million

Notes

2002

2001

SA Rands

US Dollars

18,309

19,267

Revenue

3

1,847

2,121

17,590

18,372

Gold income

2, 3

1,761

2,041

(12,973)

(12,550)

Cost of sales

4

(1,203)

(1,519)

4,617

5,822

558

522

(96)

962

Non-hedge derivatives

92

(5)

4,521

6,784

Operating profit*

650

517

(194)

(258)

Corporate administration and other expenses

(25)

(22)

(133)

(179)

Market development costs

(17)

(16)

(228)

(296)

Exploration costs

5

(28)

(26)

225

446

Investment income

6

43

26

(48)

(164)

Other net expenses

7

(16)

(7)

(608)

(464)

Finance costs

8

(44)

(72)

-

(102)

Abnormal item settlement of claim

(10)

-

3,535

5,767

Profit before exceptional items

9

553

400

(259)

(293)

Amortisation of goodwill

15/16

(28)

(29)

(32)

(145)

Loss on disposal of mines

31

(13)

(4)

(11)

2

Other

-

(3)

3,233

5,331

Profit on ordinary activities before taxation

512

364

(983)

(1,730)

Taxation 11

(165)

(111)

2,250

3,601

Profit on ordinary activities after taxation

347

253

(70)

(157)

Minority interest

(15)

(8)

2,180

3,444

Net profit

332

245

*** Operating profit excluding unrealised**

4,647

6,683

non-hedge derivatives

2

638

527

2,476

3,920

Headline earnings

12

376

281

Headline earnings before unrealised non-hedge

2,536

3,854

derivatives

12

368

286

Earnings per ordinary share (cents)

12

1,017

1,552

Basic

150

114

1,015

1,545

Diluted

149

114

1,156

1,767

Headline

169

131

1,184

1,737

Headline before unrealised non-hedge derivatives

166

133

900

1,350

Dividends declared per ordinary share (cents)

13

146

87

Dividend cover based on headline earnings

1.3

1.3

before unrealised non-hedge derivatives

1.1

1.5

Group balance sheet

at 31 December 2002

ASSETS

Non-current assets

24,606

19,555

Mining assets

14

2,280

2,057

4,652

3,210

Goodwill 15

374

389

151

165

Investments in associates

16

19

13

275

197

Other investments

17

23

23

460

275

AngloGold Environmental Rehabilitation Trust

19

32

38

1,372

549

Derivatives 35

64

115

204

466

Long-term loans

20

55

17

31,720

24,417

2,847

2,652

Current assets

1,534

1,996

Derivatives 35

233

128

1,867

2,190

Trade and other receivables

21

255

156

1,948

1,848

Inventories 22

216

163

109

3

Current portion of long-term loans

20

-

9

2,284

3,544

Cash and cash equivalents

23

413

191

7,742

9,581

1,117

647

39,462

33,998

Total assets

3,964

3,299

EQUITY AND LIABILITIES

13,357

12,375

Shareholders' equity*

1,443

1,117

355

347

Minority interests

40

30

13,712

12,722

1,483

1,147

Non-current liabilities

4,192

7,219

Borrowings 25

842

350

2,573

2,008

Provisions 26

234

215

3,423

3,445

Deferred taxation

27

402

286

1,917

2,028

Derivatives 35

236

160

12,105

14,700

1,714

1,011

Current liabilities

2,984

2,588

Derivatives 35

302

250

2,464

2,145

Trade and other payables

28

250

206

7,619

719

Current portion of borrowings

25

84

637

578

1,124

Taxation

131

48

13,645

6,576

767

1,141

39,462

33,998

Total equity and liabilities

3,964

3,299

*

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

2001

2002

Figures in million

Notes

2002

2001

SA Rands

US Dollars

GROUP FINANCIAL STATEMENTS

ANGLO GOLD LIMITED ANNUAL REPORT 2002

Group cash flow statement

for the year ended 31 December 2002

Cash flows from operating activities

18,333

19,020

Cash receipts from customers

1,808

2,153

(12,861)

(10,765)

Cash paid to suppliers and employees

(1,050)

(1,480)

5,472

8,255

Cash generated from operations

30

758

673

176

331

Interest received

32

20

(85)

(169)

Environmental contributions and expenditure

(16)

(10)

11

19

Dividends received from associates

16

2

1

(613)

(410)

Finance costs

(40)

(73)

(897)

(1,376)

Mining and normal taxation paid

(131)

(111)

4,064

6,650

Net cash inflow from operating activities

605

500

Cash flows from investing activities
Capital expenditure

14

(1,886)

(1,844)

- to expand operations

(176)

(219)

(681)

(998)

- to maintain operations

(95)

(79)

63

11

Proceeds from disposal of mining assets

1

6

878

1,544

Net proceed from disposal of mines

31

140

109

878

1,813

Proceeds

164

109

-

(269)

Contractual obligations

(24)

-

(11)

Associate acquired

16

(1)

(24)

(355)

Investments acquired

(34)

(3)

4

1,829

Proceeds from sale of investments

158

-

-

(979)

Acquisition of shares

31

(97)

-

(37)

(51)

Loans advanced

(5)

(4)

367

175

Repayment of loans advanced

17

43

(1,327)

(668)

Net cash outflow from investing activities

(91)

(148)

Cash flows from financing activities

85

156

Proceeds from issue of share capital

18

7

-

(116)

Share issue expenses

(11)

-

2,381

8,599

Proceeds from borrowings

798

276

(3,567)

(9,789)

Repayment of borrowings

(912)

(414)

(1,447)

(2,821)

Dividends paid

(260)

(167)

(2,548)

(3,971)

Net cash outflow from financing activities

(367)

(298)

189

2,011

Net increase in cash and cash equivalents

147

54

618

(751)

Translation

75

(58)

1,477

2,284

Cash and cash equivalents at beginning of year

191

195

2,284

3,544

Cash and cash equivalents at end of year

23

413

191

2001

2002

Figures in million

Notes

2002

2001

SA Rands

US Dollars

76

77

GROUP FINANCIAL STATEMENTS

ANGLO GOLD LIMITED ANNUAL REPORT 2002

Group statement of changes in shareholders' equity

for the year ended 31 December 2002

US Dollars

Balance at 31 December 2000

7

1,043

20

43

-

340

1,453

Effect of adoption of IAS 39

49

(25)

24

Net profit

245 245

Dividends (note 13)

(167) (167)

Ordinary shares issued

22

22

Net gain on cash flow hedges

removed from equity and reported

in income

(1) (1)

Net loss on cash flow hedges

(283)

(283)

Deferred taxation on cash flow

hedges

112

112

Transfer from non-distributable

reserves (1)

1

-

Translation (3)

(388)

(7)

207

35

(132)

(288)

Balance at 31 December 2001

4 677

12

250

(88) 262

1,117

Net profit

332 332

Dividends (note 13)

(251) (251)

Ordinary shares issued

-

140

140

Net loss on cash flow hedges

removed from equity and reported

in income

61

61

Net loss on cash flow hedges

(105)

(105)

Deferred taxation on cash flow

hedges

(29)

(29)

Net gain on available-for-sale

financial assets

7

7

Acquisition of shares

(3)

(3)

Transfer from non-distributable

reserves (1)

1

-

Translation 3

296

5

(207)

(28)

105

174

Balance at 31 December 2002

7 1,113

16

43

(185)

449 1,443

Note 24

24

SA Rands

Balance at 31 December 2000

54

7,897

149

325

2,579

11,004

Effect of adoption of IAS 39

373

(186)

187

Net profit

2,180 2,180

Dividends (note 13)

(1,447) (1,447)

Ordinary shares issued

189

189

Net gain on cash flow hedges

removed from equity and reported

in income

(8)

(8)

Net loss on cash flow hedges

(2,438)

(2,438)

Deferred taxation on cash flow

hedges

968 968

Transfer from non-distributable

reserves (6)

6

-

Translation 2,674

48

2,722

Balance at 31 December 2001

54 8,086

143

2,999

(1,057) 3,132

13,357

Net profit

3,444 3,444

Dividends (note 13)

(2,728) (2,728)

Ordinary shares issued

2

1,465

1,467

Net loss on cash flow hedges

removed from equity and reported

in income

644

644

Net loss on cash flow hedges

(1,102)

(1,102)

Deferred taxation on cash flow

hedges

(304)

(304)

Net gain on available-for-sale

financial assets

60

60

Acquisition of shares

(26)

(26)

Transfer from non-distributable

reserves (5)

5

-

Translation (2,639)

202

(2,437)

Balance at 31 December 2002

56 9,551

138

360

(1,583) 3,853

12,375

Note 24

24

*

Non-distributable reserves comprise a surplus on disposal of company shares of $16m (R141m) and a negative foreign equity

reserve of $ nil (R3m).

** Other comprehensive income represents the effective portion of fair value gains or losses in respect of cash flow hedges until the

underlying transaction occurs, upon which the gains or losses are recognised in earnings.

Ordinary Non-

Foreign

Other

Share-

share Share

distributable currency

comprehensive

Retained

holders'

Figures in million

capital

premium

reserves*

translation

income**

earnings

equity

1 Accounting policies

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

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

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

The following method of translation has been used:
equity items other than net profit at the closing rate on each balance sheet date;
assets and liabilities at the closing rate on each balance sheet date;
income, expenses and cash flows at the average exchange rate; and
resulting exchange differences are included in equity.

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

BASIS OF CONSOLIDATION

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

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

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

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

FOREIGN ENTITIES

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

ACQUISITION AND GOODWILL ARISING THEREON

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

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

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

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

JOINT VENTURES

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

ASSOCIATES

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

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

1

Accounting policies (continued)

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

MINING ASSETS

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

Mine development costs

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

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

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

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

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

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

Mine infrastructure

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

Land

Land is not depreciated.

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

Dumps are amortised over the period of treatment.

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

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

Borrowing costs

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

Leased assets

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

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

Accounting policies (continued)

Research and exploration expenditure

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

Inventories

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

&#8226 gold in process is valued at the average total production cost at the relevant stage of production;
&#8226 gold on hand is valued on an average total production cost method;
&#8226 ore stockpiles are valued at the average moving cost of treating and processing the ore;
&#8226 by-products, which include uranium oxide and sulphuric acid are valued on an average total production cost method; and
&#8226 consumable stores are valued at average cost.

Provisions

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

Employee benefits

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

DEFINED BENEFIT PLANS

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

DEFINED CONTRIBUTION PLANS

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

Environmental expenditure

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

DECOMMISSIONING COSTS

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

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

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

RESTORATION COSTS

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

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

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

1
Accounting policies (continued)
ENVIRONMENTAL REHABILITATION TRUST

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

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

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. The following criteria must also be present:
&#8226 the sale of mining products is recognised when the significant risks and rewards of ownership of the products are transferred

to the buyer;

&#8226 dividends are recognised when the right to receive payment is established; and
&#8226 interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the

period to maturity, when it is determined that such income will accrue to the group.

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

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

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

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

Financial instruments

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

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

A financial instrument or a portion of a financial instrument will be derecognised and a gain or loss recognised when the company loses the contractual rights or extinguishes the obligation associated with such an instrument.

On derecognition of a financial asset, the difference between the proceeds received or receivable and the carrying amount of the asset is included in income.

On derecognition of a financial liability the difference between the carrying amount of the liability extinguished or transferred to another party and the amount paid for is included in income.

DERIVATIVES

The group enters into derivatives to ensure a degree of price certainty and to guarantee a minimum revenue on a portion of the future planned gold production of its mines.

IAS39 (AC133) requires that derivatives be treated as follows:
&#8226 Commodity based ("normal purchase or normal sale") contracts that meet the requirements of IAS39 are recognised in

earnings when they are settled by physical delivery.

&#8226 Where the conditions in IAS39 for special hedge accounting are met the derivative is recognised on the balance sheet as either

a derivative asset or derivative liability and recorded at fair value. The group enters into cash flow hedges whereby the effective portion of fair value gains or losses is recognised in equity (other comprehensive income) until the underlying transaction occurs, then the gains or losses are recognised in earnings or included in the initial measurement of the asset or liability. The ineffective portion of fair value gains and losses is reported in earnings in the period to which they relate.

&#8226 All other derivatives are subsequently measured at their estimated fair value, with the changes in estimated fair value at each

reporting date being reported in earnings in the period to which it relates.

The estimated fair values of derivatives are determined at discrete points in time based on the relevant market information. These estimates are calculated with reference to the market rates using industry standard valuation techniques.

1

Accounting policies (continued)

INVESTMENTS

Listed investments, other than investments in subsidiaries, joint ventures, and associates, are subsequently measured at fair value, which is calculated by reference to the quoted selling price at the close of business on the balance sheet date. Unlisted investments are shown at fair value, or at cost where fair value cannot be reliably measured.

Investments classified as available-for-sale financial assets are subsequently measured at fair value, with changes in fair value recognised in equity (other comprehensive income) in the period in which they arise. These amounts are removed from equity and reported in income when the asset is derecognised or when there is evidence that the asset is impaired.

LONG-TERM LOANS RECEIVABLE

Long-term loans receivable are subsequently measured at amortised cost using the effective interest rate method.

TRADE AND OTHER RECEIVABLES

Trade and other receivables originated by the group are subsequently measured at amortised cost less allowance for doubtful debts.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value and are subsequently measured at cost.

IMPAIRMENT OF FINANCIAL ASSETS

At each balance sheet date an assessment is made of whether there is any evidence of impairment of financial assets. If such evidence exists, the estimated recoverable amount of that asset is determined and any impairment loss recognised in income for the difference between the recoverable amount and the carrying amount.

FINANCIAL LIABILITIES

Financial liabilities, other than trading financial liabilities and derivatives, are subsequently measured at amortised cost being the original obligation less principal payments and amortisations. Trading financial liabilities and derivatives are subsequently measured at fair value.

2

Segmental information

Based on risks and returns the directors consider that the primary reporting format is by business segment. The directors consider that there is only one business segment being mining, extraction and production of gold. Therefore the disclosures for the primary segment have already been given in these financial statements.

The secondary reporting format is by geographical analysis by origin and destination.

Geographical analysis by origin is as follows:

Operating profit

Gold

excluding unrealised

Average number

income

non-hedge derivatives

EBITDA

of employees

2002	2001	2002	2001	2002	2001	2002	2001

US Dollars

South Africa

930

1,298

389

341

373

351

46,657

64,881

East & West Africa

329

250

129

87

190

134

2,276

1,627

South America

195

177

84

65

118

98

2,656

2,292

North America

152

161

3

16

59

58

909

854

Australia

155

155

33

18

55

38

599

726

1,761

2,041

638

527

795

679

53,097

70,380

SA Rands
South Africa

9,718

11,164

4,102

3,036

3,923

3,118

East & West Africa

3,428

2,171

1,343

758

1,980

1,156

South America

2,032

1,529

878

557

1,234

847

North America

1,581

1,377

17

134

616

491

Australia

1,613

1,349

343

162

579

338

18,372

17,590

6,683

4,647

8,332

5,950

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2

Segmental information (continued)

	Gold production (oz 000)		Gold production (kg)	
	2002	2001	2002	2001
South Africa	**3,412**	4,670	**106,106**	145,247
East & West Africa	**1,085**	868	**33,754**	26,992
South America	**478**	441	**14,854**	13,709
North America	**462**	496		

14,371

15,436

Australia

502

508

15,626

15,819

5,939

6,983

184,711

217,203

Net operating assets

Total assets

Capital expenditure

2002 2001 2002 2001 2002 2001

US Dollars (m)
South Africa

1,012

858

1,663

1,283

112

106

East & West Africa

433

448

777

721

27

34

South America

435

302

579

465

27

23

North America

403

338

438

381

74

93

Australia

239

202

507

449

31

42

2,522

2,148

3,964

3,299

271

298

SA Rands (m)
South Africa

8,681

10,260

14,262

15,349

1,168

915

East & West Africa

3,709

5,353

6,661

8,624

287

287

South America

3,732

3,619

4,965

5,562

283

201

North America

3,461

4,044

3,756

4,557

776

800

Australia

2,047

2,418

4,354

5,370

328

364

21,630

25,694

33,998

39,462

2,842

2,567

Geographical analysis by destination is as follows:

Gold income

US Dollars (m)

SA Rands (m)

2002   2001   2002   2001

South Africa

601

31

6,269

270

North America

144

1,225

1,505

10,562

Australia

145

180

1,508

1,547

Europe

437

410

4,560

3,531

United Kingdom

434

195

4,530

1,680

1,761

2,041

18,372

17,590

84

3

Revenue

Revenues consists of the following principal categories:

17,590

18,372

Gold income (note 2)

1,761

2,041

543

522

Sale of uranium, silver and sulphuric acid

50

60

176

373

Interest receivable (note 6)

36

20

18,309

19,267

1,847

2,121

4

Cost of sales

10,454

9,812

Cash operating costs

939

1,226

240

291

Other cash costs

28

29

10,694

10,103

Total cash costs

967

1,255

185

30

Retrenchment costs (note 10)

3

22

123

119

Rehabilitation and other non-cash costs

12

13

11,002

10,252

Production costs

982

1,290

1,884

2,566

Amortisation of mining assets (notes 9, 14 and 30)

245

220

12,886

12,818

Total production costs

1,227

1,510

87

(268)

Inventory change

(24)

9

12,973

12,550

1,203

1,519

5 Exploration costs

382

532

Expenditure incurred during the year

51

44

(154)

(236)

Expenditure transferred to mining assets

(23)

(18)

228

296

28

26

6 Investment income

Investment income consists of the following principal categories:

176

373

Interest receivable (notes 3 and 30)

36

20

7

37

Profit from associates after taxation (notes 16 and 30)

4

1

Growth in AngloGold Environmental Rehabilitation

42

36

Trust (notes 19 and 30)

3

5

225

446

43

26

7

Other net expenses

Other net expenses consist of the following
principal categories:

(16)

(45)

Foreign exchange loss on transactions other than sales

(4)

(2)

(10)

(30)

Loss on disposal of assets (note 30)

(3)

(2)

-

(49)

Post-retirement medical expenses for disposed mines

(5)

-

(26)

(124)

(12)

(4)

Unwinding of decommissioning obligation

(22)

(40)

(notes 26 and 30)

(4)

(3)

(48)

(164)

(16)

(7)

2001

2002

Figures in million

2002

2001

SA Rands

US Dollars

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Notes to the group financial statements

for the year ended 31 December 2002

8 Finance costs

606

377

Interest paid on bank loans and overdrafts

36

72

7

-

Interest paid on debentures

1

-

87

Other

8

-

613

464

Total interest

44

73

(5)

-

Less: amounts capitalised

-

(1)

608

464

(Note 30)

44

72

9

Profit before exceptional items is
arrived at after taking account of:
Auditors' remuneration

8

10

Audit fees

1

1

1

-

Under provision prior year

-

-

2

2

Other services*

-

-

11

12

1

1

Amortisation of mining assets (notes 4, 14 and 30)

1,857

2,526

Owned assets

241

217

27

40

Leased assets

4

3

1,884

2,566 **245**

220

38

46

Grants for educational and community development

4

4

33

47

Operating lease charges

5

4

* Other services include IT Security reviews and

acting as reporting accountants

10 Employee benefits

Employee benefits including executive directors

4,663

4,110

Salaries, wages and other benefits

392

538

Health care and medical scheme costs

229

241

- current medical expenses

23

27

55

52

- post-retirement medical expenses

5

5

300

210

Defined contribution pension plans expense

20

35

185

30

Retrenchment costs (note 4)

3

22

5,432

4,643

Employee benefits included in cost of sales

443

627

Actuarial defined benefit plan expense analysis

Defined benefit pension plan expense

35

40

- current service cost

4

4

84

99

- interest cost

9

10

(91)

(87)

- expected return on plan assets

(8)

(11)

20

(9)

- actuarial (gain) loss

(1)

2

Defined benefit post-retirement medical expense

6

10

- current service cost

1

1

98

72

- interest cost

7

11

-

(3)

- actuarial gain

-

-

-

(153)

- curtailment

(15)

-

152

(31)

(3)

17

Actual return on plan assets

91

6

Defined benefit pension plan

1

11

Refer to directors' report for details of
directors' emoluments

2001

2002

Figures in million

2002

2001

SA Rands

US Dollars

GROUP FINANCIAL STATEMENTS

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for the year ended 31 December 2002

86

11 Taxation

Current taxation

375

373

Mining taxation

32

41

509

832

Non-mining taxation

83

55

-

41

Under provision prior year

3

-

66

68

Secondary tax on companies

6

7

Exceptional items (note 12)

-

688

- recoupments tax on Free State disposal (note 31)

63

-

-

(78)

- mining tax on Free State operating loss

(10)

-

950

1,924

177

103

Deferred taxation

105

341

Current

34

13

(66)

35

Unrealised non-hedge derivatives (note 12)

4

(5)

Exceptional items

(6)

-

- debt written off (note 12)

-

-

-

(570)

- disposal of Free State operations (note 12)

(50)

-

33

(194)

(Note 27)

(12)

8

983

1,730 **165**

111

At 31 December 2001 there was unredeemed capital expenditure estimated at $298m, R3,564m which was available for set-off against future taxable income from the mining operations of Joel mine. Joel mine was sold with effect from 1 January 2002, resulting in the unredeemed capital expenditure not being utilised.

The unutilised tax losses of the North American operations which are available for offset against future profits earned in the USA, amount to $182m, R1,561m (2001: $177m, R2,115m).

The unutilised tax losses of the South American operations which are available for offset against future profits earned in these countries, amount to $86m, R738m (2001: $49m, R583m).

Analysis of tax losses

71

Assessed losses utilised during the year

8

Utilised tax losses remaining to be used against
future profits can be split into the following periods:

34

Utilisation required within one year

4

105

Utilisation required within one and two years

12

96

Utilisation required within two and five years

11

2,064

Utilisation in excess of five years

241

2,299

268

2001

2002

Figures in million

2002

2001

SA Rands

US Dollars

GROUP FINANCIAL STATEMENTS

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11 Taxation (continued)

Tax reconciliation
A reconciliation of the marginal South African tax rate compared with that charged in the income statement is set out in the following table:

Marginal tax rate

46

46

Disallowable expenditure

4

5

Goodwill amortised

2

2

Taxable non-mining income

(3)

(3)

Amortisation and inventory change

7

12

Mining capital allowances

(11)

(10)

Mining tax formula adjustment

2

(1)

Dividends received

(5)

(7)

Foreign income tax allowances

(14)

(7)

Other

4

(7)

Effective tax rate

32

30

2001 2002

2002

2001

SA cents per share

US cents per share

12 Earnings per ordinary share

1,017

1,552

Basic **150**

114

The calculation of basic earnings per ordinary share is based on net profit of $332m, R3,444m (2001: $245m, R2,180m) and 221,883,567 (2001: 214,278,892) shares being the weighted average number of ordinary shares in issue during the financial year.

1,156

1,767

Headline

169

131

Headline earnings removes items of a capital nature
from the calculation of earnings per share.

The calculation of headline earnings per ordinary
share is based on headline earnings of $376m, R3,920m
(2001: $281m, R2,476m) and 221,883,567 (2001: 214,278,892)
shares being the weighted average number of ordinary
shares in issue during the year.

Headline earnings before unrealised non-hedge

1,184

1,737

derivatives. **166**

133

This calculation is based on headline earnings before
unrealised non-hedge derivatives of $368m, R3,854m
(2001: $286m, R2,536m) and 221,883,567
(2001: 214,278,892) shares being the weighted average
number of ordinary shares in issue during the
financial year.

1,015

1,545

Diluted

149

114

The calculation of diluted earnings per ordinary share
is based on net profit of $332m, R3,444m (2001: $245m,
R2,180m) and 222,899,926 (2001: 214,715,806) shares
being the diluted number of ordinary shares.

Figures in million

2002

2001

%

88

12 Earnings per ordinary share (continued)

The net profit has been adjusted by the following to arrive at headline and headline earnings before unrealised non-hedge derivatives:

2,180

3,444

Net profit

332

245

259

293

Amortisation of goodwill (notes 15, 16 and 30)

28

29

32

145

Loss on disposal of mines

13

4

Current and deferred taxation on exceptional items

-

40

disposal of Free State operations (note 11)

3

-

(6)

-

Deferred taxation on debt written off (note 11)

-

-

Other comprises the following:

54

(2)

Termination of retirement benefit plans

-

5

21

-

Debt written off

-

3

3

-

Impairment of mining assets

-

1

(67)

-

Reversal of impairment on investments

-

(6)

2,476

3,920

Headline earnings

376

281

126

(101)

Unrealised (gain) loss on non-hedge derivatives

(12)

10

(66)

35

Deferred tax on unrealised non-hedge derivatives (note 11)

4

(5)

Headline earnings before unrealised non-hedge

2,536

3,854

derivatives

368

286

The weighted average number of shares has been adjusted by the following to arrive at the diluted number of ordinary shares:

Weighted average number of shares

221,883,567

214,278,892

Dilutive potential of share options

1,016,359

436,914

Diluted number of ordinary shares

222,899,926

214,715,806

At a general meeting held on 5 December 2002, a share split was approved by way of a special resolution.

AngloGold's ordinary shares of 50 cents each were sub-divided into ordinary shares of 25 cents each, with effect from the close of business on 24 December 2002. Throughout the annual financial statements presented herein, the number of shares and the calculation of earnings per ordinary share have been changed to retroactively reflect this change in the number of shares.

13 Dividends

Ordinary shares
No. 91 of 550 SA cents per ordinary share declared on 30 January 2002 and paid on 4 March 2002

696

1,223

(49 US cents per share).

109

86

No. 92 of 675 SA cents per ordinary share declared on 30 July 2002 and paid on 30 August 2002

751

1,505

(64 US cents per share).

142

81

1,447

2,728

251

167

No. 93 of 675 SA cents per ordinary share was declared on 30 January 2003 and paid on 28 February 2003 (82 US cents per share).

2001

2002

Figures in million

2002

2001

SA Rands

US Dollars

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for the year ended 31 December 2002

Mineral

Mine

Mine

rights,

development

infra-

dumps and

Figures in million

costs

structure

ore reserves

Land

Total

14. Mining assets

US Dollars

Cost

Balance at beginning of year

1,863

1,185

250

14

3,312

Additions

- Expand operations

108

60

8

-

176

- Maintain operations

57

38

-

-

95

Acquisition and disposals (note 31)

(346)

(28)

29

-

(345)

Transfers and other movements

10

(4)

(3)

-

3

Translation 354

128

17

1

500

Balance at end of year

2,046

1,379

301

15

3,741

Accumulated amortisation
Balance at beginning of year

638

594

23

-

1,255

Amortisation charge for the year
(notes 4, 9 and 30)

118

103

24

-

245

Disposal (note 31)

(160)

(67)

(1)

-

(228)

Transfers and other movements

2

(10)

(3)

-

(11)

Translation 117

80

3

200

Balance at end of year

715

700

46

-

1,461

Net book value at 31 December 2001

1,225

591

227

14

2,057

Net book value at 31 December 2002

1,331

679

255

15

2,280

SA Rands
Cost
Balance at beginning of year

22,282

14,180

2,997

156

39,615

Additions
- Expand operations

1,136

631

77

-

1,844

- Maintain operations

599

396

-

3

998

Acquisition and disposals (note 31)

(3,822)

(375)

283

1

(3,913)

Transfers and other movements

107

(47)

(22)

(3)

35

Translation