ANGLOGOLD ASHANTI LTD
Form 6-K
May 04, 2007

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 May 4, 2007
Commission File Number 1-14846
AngloGold Ashanti Limited
(Translation of registrant's name into English)
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 X 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 X
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 X
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 X

Enclosure: Press release – ANGLOGOLD ASHANTI REPORT FOR THE QUARTER 31 MARCH 2007 PREPARED IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING STANDARDS

Quarter 1 2007
Report
for the quarter ended 31 March 2007
Group results for the quarter ….

- Adjusted headline earnings were $97m compared with $46m in the previous quarter, which was affected by once-off accounting adjustments.
- Gold production was 1.33Moz and total cash costs were $332/oz, due to fewer production shifts following the year-end break and lower by-product credits.
- Price received increased 4% to $602/oz. Hedge delta reduced by 570,000 ounces despite a 4% increase in the closing spot price for the quarter.

Quarter
Year
Quarter
Year
ended
March
2007
ended
Dec
2006
ended
March
2006
ended
Dec
2006
ended
March
2007
ended
Dec
2006
ended
March
2006
ended
Dec
2006
SA rand / Metric
US dollar / Imperial
Operating review
Gold
Produced
- kg / oz (000)
41,239
45,697 41,667 175,253
1,326
1,469

1,340
5,635
Price
received
1
- R/kg / $/oz
139,953
135,628 107,903 126,038
602
578
545
577
Total cash costs
- R/kg / $/oz
76,991
72,422 61,023 67,133
332
309
309
308
Total production costs
- R/kg / $/oz
99,905
98,145 82,287 90,345
430
419
417
414
Financial review
Gross profit (loss)
- R / $ million
808
1,639 (327)
2,700
150
133
(63)
443
Gross profit adjusted for the loss on
unrealised non-hedge derivatives
and other commodity contracts
2
- R / $ million
1,836
1,959 1,240 7,207
253
269
201
1,058
Profit (loss) attributable to equity
shareholders

- R / $ million
(133)
69 (1,079)
(587)
21
(72) (186)
(44)
Headline (loss) earnings [3]
- R / $ million
(112)
(150)
(1,072)
(838)
24
(103) (185)
(80)
Headline earnings adjusted for the
loss on unrealised non-hedge
derivatives and other commodity
contracts and fair value adjustments
on convertible bond
4
- R / $ million
699
343 525
2,790
97
46
85
413
Capital expenditure
- R / $ million
1,417
1,861 961
5,533
196
260
156
817
Earnings (loss) per ordinary share
- cents/share
Basic
(47)
25 (407)
(215)
7
(26) (70)
(16)
Diluted
(47)
25 (407)

(215)
7
(26) (70)
(16)
Headline[3]
(40)
(54)
(404)
(307)
9
(37) (70)
(29)
Headline earnings adjusted for the
loss on unrealised non-hedge
derivatives and other commodity
contracts and fair value adjustments
on convertible bond
4
- cents/share
249
124 198
1,023
34
17
32
151
Dividends -
cents/share
450
62
Notes:
1.
Refer to note D of "Non-GAAP disclosure" for the definition.
2.
Refer to note B of "Non-GAAP disclosure" for the definition.
3.
Refer to note 8 of "Notes" for the definition.
4.
Refer to note A of "Non-GAAP disclosure" for the definition.
$ represents US dollar, unless otherwise stated.
Rounding of figures may result in computational discrepancies.

Operations **at a glance**

for the quarter ended 31 March 2007

	Production		**Total cash costs**		**Cash gross profit** [1]		**Gross profit adjusted for the loss on unrealised non-hedge derivatives and other commodity contracts** [2]	
	oz (000)	**% Variance** [3]	**$/oz**	**% Variance** [3]	**$m**	**% Variance** [3]	**$m**	**% Variance** [3]
Mponeng	**143**	(3)	**256**	4	**49**	2	**39**	30
Sunrise Dam	**148**	(3)	**299**	2	**43**	(20)	**32**	(26)
TauTona	**96**	(17)	**279**	1	**31**	(3)	**20**	–

Great Noligwa
124
(17)
362
56
30
(39)
19
(46)
Kopanang
96
(19)
298
14
29
(17)
22
(19)
AngloGold Ashanti Brasil Mineração
66
(4)
207
8
25
(31)
21
(34)
Cripple Creek & Victor
64
(26)
242
(7)
23
(26)
15
(35)
Cerro Vanguardia
4
52
21
188
(45)
20
150
14
1,500
Obuasi
101
3
397
(9)

20
350
5
123
Yatela
4
35
3
223
–
14
(18)
12
(14)
Siguiri
4
73
(5)
424
11
12
50
5
267
Morila
4
41
(15)
358
13
11
(35)
8
(38)
Serra Grande
4
24
–
233
13
10
(9)
8
–
Geita
78
(3)
434
(26)
9
(18)

(1)
–
Tau Lekoa
43
(4)
431
16
7
(13)
1
133
Sadiola
4
31
(38)
427
54
7
(56)
6
(50)
Savuka
18
(14)
355
5
5
(17)
3
(40)
Iduapriem
4
27
(31)
449
23
5
–
3
50
Navachab
20
–
368
21
5
(17)
4
–
Moab Khotsong
14

8
577
16
–
–
(4)
33
Other
33
(3)
–
–
31
(23)
23
(28)
AngloGold Ashanti
1,326
(10)
332
7
386
(11)
253
(6)

NOTE: As highlighted in the last quarterly report, in order to simplify the reporting effect of the gold hedges on the received price, AngloGold Ashanti group financials now show an average received gold price, which is similar across all of its mines. The price received column from this table has therefore been removed.

1
Refer to note F of "Non-GAAP disclosure" for the definition.
2
Refer to note B of "Non-GAAP disclosure" for the definition.
3
Variance March 2007 quarter on December 2006 quarter – increase (decrease).
4 Attributable.
Rounding of figures may result in computational discrepancies.

Financial and **operating review**

OVERVIEW FOR THE QUARTER

Adjusted headline earnings were $97m compared with $46m in the previous quarter, which was affected by once-off accounting adjustments.

During the quarter the company continued to deliver into hedge commitments. Notwithstanding a spot gold price that at quarter-end was $27/oz higher than the previous quarter's close, the hedge delta decreased by 570,000 ounces, to 9.59Moz. The received gold price, at $602/oz, while 4% up on that of the prior quarter was 7.4% less than the ruling spot price for the period and well within the guidance provided to the market.

Operationally, production was lower by 10% although in line with company forecasts at 1.3Moz, while total cash costs, at $332/oz, were 7% higher quarter-on-quarter, primarily as a result of the lower gold production that is customary due to holiday closures in the first quarter and a reduction in by-product revenue from uranium in South Africa and sulphuric acid in Brazil.

With the exception of an improved performance from Moab Khotsong, which posted a 7% production increase due to better yields, production across the South African assets was down this quarter, due in large part to the scheduled year-end break and associated fewer production shifts, as well as seismicity concerns at TauTona and reduced face advance at Great Noligwa. Total cash costs, at R72,979/kg, were consequently 16% higher, with Great Noligwa and Moab Khotsong posting respective increases of 55% and 15%, after corrosion in the South Vaal uranium treatment plant, which is being upgraded, led to reduced uranium production and therefore a by-product loss at these operations.

Of the other African operations, Obuasi in Ghana and Yatela in Mali both posted production improvements of 3%, with total cash costs declining 9% at Obuasi and remaining steady at Yatela. The other Malian operations had more difficult quarters, with production 15% lower at Morila due to a grade decline and 38% lower at Sadiola due to both recovery problems and fewer milling shifts. Geita, in Tanzania, also posted a marginal production decrease to 78,000oz, although total cash costs improved 26% after expenditure on equipment rebuilds and contractor services was reduced. Production at Siguiri in Guinea returned to more normal levels of 73,000oz after an exceptional fourth quarter 2006, while Navachab in Namibia reported steady production but lower grades, resulting in a 21% increase in total cash costs.

Regarding the international operations, Cerro Vanguardia in Argentina posted a particularly strong operational improvement, where production was 21% higher in line with the mining plan and total cash costs consequently declined 45%. Production was steady at Serra Grande and marginally lower at AngloGold Ashanti Brasil Mineração in Brazil, while total cash costs at Sunrise Dam in Australia were unchanged quarter-on-quarter in spite of a 3% production decline as a consequence of a planned mill shut-down. Cripple Creek & Victor, in the US, also reported excellent cost management, with total cash costs 7% lower despite a 26% reduction in production, after ore was loaded at greater distance from the leach pad liner.

This quarter unfortunately saw another poor safety performance. Fourteen employees lost their lives at work, while the lost time injury frequency rate deteriorated by 7.5% to 7.86 per million hours worked. In response to this unacceptable outcome, a full safety review has yielded a range of new outcome-based initiatives focused on key areas, which include a focus on fatigue management, production flexibility, skills retention, culture surveys and a renewed focus on fall of ground management. The example set by the CC&V mine in Colorado, which has operated for over three years without a lost-time injury, and with three other operations completing this quarter without a lost-time injury, remains the benchmark to which all operations aspire.

Looking ahead, production for the second quarter is estimated to be 1.39Moz at an average total cash cost of $325/oz, assuming the following exchange rates: R7.30/$, A$/$0.80, BRL2.12/$ and Argentinean peso 3.13/$. Capital expenditure is estimated at $319m and will be managed in line with profitability and cash flow.

Following the partial slope failure at Geita's Nyankanga pit in late January 2007, work continues on optimising the new mine plan, with the operation on track to produce some 400,000 ounces of gold this year. The 2008 outlook for Geita, along with all other operations, will be completed during the latter part of the year.

For the full year, AngloGold Ashanti is targeting gold production of around 5.7Moz at a total cash cost of approximately $320/oz based on the following exchange rates: R7.32/$, A$/$0.79, BRL2.12/$ and Argentinean peso 3.12/$. This represents an increase of $11/oz from previous market guidance and is mainly due to stronger local currency assumptions ($5/oz) and higher royalty assumptions ($5/oz), both arising from an improved gold price outlook for remainder of the year.

OPERATING RESULTS FOR THE QUARTER
SOUTH AFRICA

At **Great Noligwa**, lower face advance this quarter led to volume declining by 18%. Gold production consequently decreased to 3,863kg (124,000oz), despite a 6% higher yield, and total cash costs rose by 55% to R84,059/kg ($362/oz), also as a result of a uranium by-product loss. Adjusted gross profit was 45% lower to R140m ($19m), due to the significant cash cost increase.

The Lost-Time Injury Frequency Rate (LTIFR) was 16.13 lost-time injuries per million hours worked (11.49 for the previous quarter). Regrettably, two people were fatally injured in separate fall of ground incidents during the quarter.

At **Kopanang,** fewer shifts as a consequence of the year-end break led to a 12% decline in volumes and a related 18% decrease in production. Total cash costs accordingly increased 12% to R69,223/kg ($298/oz) and adjusted gross profit, at R157m ($22m), declined by 22%.

The LTIFR was 16.21 (13.75). Regrettably, three people died during the quarter in accidents involving machinery, explosives and a rock inundation.

Production at **Moab Khotsong** rose 7% quarter-on-quarter to 439kg (14,000oz) following better yields. Nevertheless, total cash costs were 15% higher at R134,175/kg ($577/oz) primarily due to a uranium by-product loss. Adjusted gross loss improved 26% to R32m ($4m) as a result of the yield-related production increase.

The LTIFR was 12.27 (9.53). Regrettably, two people died during the quarter, one in an explosives accident and the other as a result of mud rush during backfill operations.

At **Tau Lekoa,** gold production declined 4% to 1,325kg (43,000oz) following a 15% yield decline after inventory depleted during the year-end break in the previous quarter was replaced in the first quarter. Total cash costs consequently increased 14% to R100,102/kg ($431/oz). Adjusted gross profit was R10m ($1m) versus a loss of R25m ($3m) in the previous quarter, due to a significantly improved price received.

The LTIFR was 11.14 (24.22).

At **Mponeng**, a combination of lower volumes and marginally lower yield resulted in a production decrease of 3% to 4,435kg (143,000oz). Total cash costs, at R59,318/kg ($256/oz), were 2% higher after cost savings initiatives partially mitigated the effect of the lower production. Adjusted gross profit increased 25% to R280m ($39m), primarily due to an improved price received.

The LTIFR was 11.96 (12.17). Regrettably, one fatal accident occurred during scraper winch operations.

Production at **Savuka** was 13% lower to 571kg (18,000oz) as a result of fewer shifts associated with the year-end break. Total cash costs accordingly increased 4% to R82,550/kg ($355/oz) and adjusted gross profit decreased 34% to R25m ($3m).

The LTIFR was 10.08 (13.97). Regrettably, one person died in a seismic-related fall of ground.

At **TauTona**, production declined 17% to 2,981kg (96,000oz) after seismicity in the previous quarter stopped the mining of several high-grade panels. Despite this, total cash costs decreased marginally to R64,782/kg ($279/oz) following the implementation of cost savings initiatives. Adjusted gross profit decreased 3% to R143m ($20m).

The LTIFR was 23.71 (17.27).

ARGENTINA

At **Cerro Vanguardia** (92.5% attributable), gold production improved 21% to 52,000oz, primarily due to higher feed grade. This improvement was in line with the mining plan sequence, and grades at or near this level are expected for the remainder of the year. Total cash costs, at $188/oz, decreased 45% as a result of increases in both gold production and the silver by-product credit, in addition to lower maintenance costs. Adjusted gross profit rose to $14m, versus a loss of $1m in the previous quarter, as a consequence of increases in the quantity of gold sold and the price received, as well as significantly lower total cash costs.

The LTIFR was 2.27 (1.97).

AUSTRALIA

At **Sunrise Dam,** mining continued in the higher grade areas as planned, although tonnes treated were slightly lower as a consequence of a planned mill shut-down, and production accordingly decreased to 148,000oz, or by 3% quarter-on-quarter. Total cash costs, however, remained steady at A$381/oz ($299oz) as a result of higher grades. Adjusted gross profit declined 25% to A$41m ($32m), due in part to a lower price received.

The underground project, where mining continues to access the high-grade Western Shear zone ore, continued to supplement Sunrise Dam production. Development is also accessing further ore in the Dolly, Mako and Watu lodes. During the quarter, 506m of underground capital development and 1,485m of operational development were completed.

The LTIFR was 2.63 (0.00).

BRAZIL

A
t **AngloGold Ashanti Brasil Mineração**, the rainy season negatively affected heap leaching activities, which combined with lower feed grade from the Cuiabá mine, resulted in a production decrease of 4% to 66,000oz. Total cash costs rose 8% to $207/oz, primarily due to a lower acid by-product credit, while adjusted gross profit declined 34% to $21m, mainly as a consequence of a 19% decline in the price received, combined with higher total cash costs.

The LTIFR was 3.15 (2.15).

At **Serra Grande** (50% attributable), gold production remained steady at 24,000oz although total cash costs increased 13% to $233oz due to rising power costs and an increase in the treatment of lower-grade material. Adjusted gross profit remained constant at $8m, as the higher quantity of gold sold offset the effects of both a lower price received and higher total cash costs.

The LTIFR was 2.12 (2.32).

GHANA

At **Iduapriem** (85% attributable), production decreased 31% to 27,000oz after a gearbox problem in the mill reduced tonnage throughput by 37% quarter-on-quarter. Although this problem was resolved near the end of the quarter, total cash costs rose 23% to $449/oz. Adjusted gross profit was 50% higher at $3m, primarily due to an improved price received.

LTIFR was 1.09 (1.12)

At **Obuasi,** despite lower tonnage, improved grades resulted in a 3% production increase to 101,000oz. Consequently, total cash costs decreased 9% to $397/oz, also aided by payroll savings associated with retrenchments undertaken in the previous quarter, as well as savings derived from procurement initiatives. Due in part to an improved price received, adjusted gross profit increased to $5m, compared with a $22m loss in the previous quarter, when a retrenchment cost of $15m negatively impacted profit.

The LTIFR was 1.54 (2.63). Regrettably, three fatal accidents were recorded during the quarter. One employee died in a machinery-related accident, another employee was killed in a fall of ground and the third accident occurred when an employee fell into an excavation.

REPUBLIC OF GUINEA

After an exceptional fourth quarter 2006, production at **Siguiri** (85% attributable) returned to more normal levels in the first quarter of 2007, declining 5% to 73,000oz. This, combined with higher royalty payments, resulted in a total cash cost increase of 11%

to $424/oz. Adjusted gross profit was $5m, versus a loss of $3m in the previous quarter, mainly as a result of a higher price received.
The LTIFR was 0.00 (1.23)
MALI
At **Morila** (40% attributable), production decreased 15% to 41,000oz due to a 12% decline in recovered grade, and total cash costs consequently increased 13% to $358/oz. Adjusted gross profit, at $8m, was 38% lower due to declines in both production and the price received.
The LTIFR was 0.00 (1.18). Regrettably, two employees were fatally injured in February when an hydrochloric acid container exploded.
At **Sadiola** (38% attributable), production decreased 38% to 31,000oz due to declines in both tonnage throughput and recovered grades. The 13% decrease in tonnage throughput was the result of a deliberate slowing of the sulphide circuit to improve recoveries, as well as 13% fewer milling shifts than in the previous quarter. Recovery problems on the higher-grade sulphides, combined with a subsequent switch to lower-grade oxides pending resolution of the sulphide recovery problem, resulted in a 27% decline in recovered grade for the quarter. The combined effect on production of lower throughput and grades resulted in a 54% increase in total cash costs to $427/oz, while adjusted gross profit declined 50% to $6m, also due in part to a lower price received.
The LTIFR was 1.79 (0.98).
Production increased 3% at **Yatela** (40% attributable), to 35,000oz after the effect of a planned decline in tonnage stacked, related to 13% fewer production shifts, was offset by the release of higher-grade ounces stacked in the previous quarter. Total cash costs were marginally up at $223/oz. Adjusted gross profit decreased 14% to $12m, primarily due to a lower price received.
The LTIFR was 0.00 (1.66).

NAMIBIA

Gold production at **Navachab** was unchanged quarter-on-quarter at 20,000oz, with an increase in tonnage throughput offsetting the effect of a decline in recovered grade, which nonetheless led to a 21% increase in total cash costs to $368/oz. Higher labour and explosives costs also contributed to the rise in total cash costs. Adjusted gross profit was equal to last quarter's level of $4m.

The LTIFR was 12.83 (0.00).

TANZANIA

Production at **Geita** declined 3% to 78,000oz as a consequence of a 7% decline in tonnage throughput, which was partially offset by an improvement in recovered grade. Tonnage throughput was adversely affected during the quarter by wet ore, mill lubrication system problems and a major shut-down of the primary crusher for planned maintenance. Despite the production decline, total cash costs were 26% lower at $434/oz due to reduced expenditure on equipment rebuilds and contractor services. Adjusted gross loss was $1m, versus a break-even position in the previous quarter, as a result of declines in both production and the price received.

In early February, a slope failure occurred in the Nyankanga pit, which has delayed access to the exposed ore in this area. The mining plan for the Nyankanga pit is currently being revised.

The LTIFR was 0.74 (0.34).

NORTH AMERICA

At **Cripple Creek & Victor** (67% ownership with 100% interest in production until initial loans are repaid), gold production decreased 26% to 64,000oz after ore was loaded at greater distance to the leach pad liner. Total cash costs decreased 7% to $242/oz, due in part to reduced contractor costs. Adjusted gross profit was 35% lower to $15m, as a consequence of the production decline.

The LTIFR was 0.00 (0.00). In December, CC&V achieved 40 months without a lost-time accident.

Notes:

- All references to price received includes realised non-hedge derivatives.
- In the case of joint venture and operations with minority holdings, all production and financial results are attributable to AngloGold Ashanti.
- Adjusted gross profit (loss) is gross profit (loss) adjusted to exclude unrealised non-hedge derivatives and other commodity contracts.
- Adjusted headline earnings is headline earnings before unrealised non-hedge derivatives and other commodity contracts, fair value adjustments on the option component of the convertible bond and interest rate swaps and deferred tax thereon.
- Rounding of figures may result in computational discrepancies.

Exploration

Total exploration expenditure amounted to $33m ($24m expensed, $9m capitalised) during the first quarter of 2007, compared to $32m ($16m expensed, $16m capitalised) in the previous quarter.

BROWNFIELDS EXPLORATION

In **South Africa**, at Moab Khotsong, drilling of three surface boreholes intended to further define the geological model of the mine continued, with boreholes MZA9 and MGR7 each obtaining two further intersections of the Vaal Reef.

At Obuasi, in **Ghana**, surface borehole USDD3 was abandoned and USDD2 continued drilling, reaching a depth of 1,837m. The first of four planned long inclined boreholes, which will ultimately replace the surface boreholes and will explore the depths of the Obuasi orebody, has reached a depth of 145m.

In **Australia**, at the Boddington mine, seven diamond drill rigs have been employed in advancing resource conversion and near-mine extension exploration, including the testing of a near-mine geophysical target. Approximately 28,418m of new drilling in 34 holes has been completed.

At Siguiri, in **Guinea**, drilling continued at the Sintroko prospect, which is situated some 8km south of the existing operation and where results to date are encouraging. At the Kintinian prospect, situated 4km north of the mining operation, extension drilling continued. Drilling of the spent heap leach pads was completed during the quarter with a view to upgrading at least a portion of these into an Ore Reserve.

At Block 2, located 20km northwest of the plant, exploration activities were concentrated on drill testing four geochemical targets while diamond drilling continued at the Foulata and Saraya targets to further define mineralisation and structural controls. An airborne electromagnetic survey over all four blocks is scheduled for the second quarter.

At Geita, in **Tanzania**, significant results have been obtained from holes drilled in the Ridge 8 – Star & Comet Gap area, where the mineralisation continues to be open ended down-dip, while extension drilling at Area 3 Central and Area 3 West also returned encouraging results and suggests strike extensions between these two orebodies are likely. Positive results were received from down-dip extension drilling at the Matandani and Kululuma orebodies, where verification of last year’s electromagnetic survey has commenced and rotary air blast drilling of some anomalous areas is scheduled to commence in the second quarter.

At Morila in **Mali**, the last three holes of the grant-wide exploration programme were completed during the quarter, bringing the total to 92 holes. The programme, which defined a low-grade, uneconomic north-west trending zone associated with the main pit, has now entered an interpretive desktop phase.

At Sadiola, drilling has focused on upgrading selected portions of the hard sulphides to an Indicated Mineral Resource. This Phase 8 drilling targeted the high-grade portions of the main ore shoot as well as high-grade portions of the footwall bands, which are currently classified as Inferred Mineral Resources. This drilling is expected to be completed in the second quarter. Drilling of lower-priority mineralisation associated with this project will then commence.

At Yatela, 15 holes were drilled to the north-west of the current pit limits to investigate an area shown to be prospective for a minor pit extension. Results proved to be encouraging and further follow-up drilling is currently being planned for this area.

At Navachab, in **Namibia,** positive drilling results have been received from the North Pit area (mineralisation in the vicinity of the main orebody) as well as at the Gecko Central prospect. Stream sediment sampling will commence during the second quarter to cover new target areas and complement previous sampling completed both on and off the exploration lease area.

At Córrego do Sitío, in Brazil, new targets (Paraiso and Paiol) are being defined by drilling.

At Cripple Creek & Victor in the **United States**, drilling in the Mine Life Extension Project area continues at a spacing of 30m to 60m, as results have thus far been encouraging. Drilling focused on the west side of the Altman deposit as well as the Globe Hill deposit where metallurgical core was collected. Development drilling continues in the South Cresson and Southwest Cresson areas to define the final pit depths and refine the high wall designs.

GREENFIELDS EXPLORATION

Greenfields exploration activities continued in seven countries (Australia, Colombia, the DRC, China, Laos, the Philippines, and Russia) during the first quarter of 2007. A total of 43,255m of diamond and reverse circulation (RC) drilling was completed, drill testing priority targets in Australia, the DRC, and Colombia.

In **Australia**, encouraging drill results continue to be obtained at the Tropicana JV Project (AngloGold Ashanti 70%, Independence Group 30%) from both the Tropicana and Havana zones. Encouraging results (at more than 1g/t cut-off) received during the quarter from the Tropicana zone included: 12m at 4.03g/t, 20m at 3.28g/t, 13m at 2.71g/t, 14m at 2.92g/t, and 13m at 2.91g/t.

Some exceptional drill results were also received from the southern high grade zone at Havana. At more than 1g/t cut-off, better results included: 17m at 4.56g/t, 26m at 9.35g/t, 8m at 5.4g/t, 15m at 5.34g/t, 15m at 6.86g/t, 15m at 19.8g/t, 23m at 4.26g/t, 8m at 6.01g/t, 22m at 4.9g/t, 17m at 6.73g/t, 13m at 11.8g/t, 11m at 10.5g/t, and 10m at 16.7g/t. Mineralisation at Havana is still open down-dip. Drilling to the south of Havana on broad-spaced sections of 200m x 100 metres has indicated that only weak mineralisation extends to the south.

RC drilling was also completed at the recently-identified Hat Trick anomaly, located 3km north of Tropicana, where assays are pending. Initial aircore drilling was also completed on several prospects located within a 10km radius of Tropicana and Havana. Some encouraging anomalies have been returned along strike to Tropicana-Havana, with priority anomalies scheduled to be drill-tested in the second quarter.

Regional exploration and target generation activities continued in **Colombia** during the first quarter. Drilling also continued on the bulk-tonnage gold target at Gramalote, and first-pass drilling of the new La Colosa gold-copper porphyry prospect was initiated. Significant drill results received during the first quarter from Gramalote included 204m at 1.06g/t (DDH 13), 124m at 0.57g/t (DDH 14), 120m at 0.88g/t (DDH 16), 380m at 1.06g/t (DDH 19), 246m at 0.75g/t (DDH 25) and 142m at 2.62g/t (DDH 27). Drill testing of the joint venture prospects El Carmen and Nechi (with local partner Mineros) and San Martin de Loba (with Bema Gold) are underway, with results pending.

Drilling continued in the Mongbwalu region of the north-eastern **DRC** with one diamond rig and two newly-arrived RC rigs. Diamond drilling focused on defining the resource potential of the mineralised mylonite zone immediately to the south-east of the Nzebi mine, which is no longer in production. The two RC rigs were dedicated to evaluating the shallow, open-pit resource potential of three sectors – Adidi North, Sokomutu and Pluto. Best drill results obtained during the quarter included: 5m at 9.10g/t (RA009) and 5m at 16.53g/t (RA005) from Adidi North, 5.55m at 16.60g/t (DD217) and 2.75m at 18.28g/t (DD 209) at Nzebi, and 5.53m at 8.59g/t (DD 134) in the Adidi mylonite at Pluto.

Regional target generation activities were also initiated in Concession 40. A 15,450 line kilometre airborne magnetic and radiometric survey was completed over the central Mongbwalu area and data processing and interpretation are in progress. Approximately 3,000 line kilometres of airborne time-domain electromagnetic data was also collected during the quarter.

In **Russia**, Trans-Siberian Gold shareholders approved the sale of the Veduga and Bogunay projects to AngloGold Ashanti. Both of these assets will now be incorporated in the Polymetal strategic alliance.

In **China**, activities were focused on obtaining final approvals for the co-operative joint ventures (CJVs) in Xinjiang and Gansu. Negotiations on a third CJV, located in Sichuan province, were also advanced during the quarter. Additionally, AngloGold Ashanti's option to earn-in to Dynasty Gold's interest in the Red Valley CJV was exercised.

In the **Philippines**, work continued on finalising the Mapawa and Outer Siana joint venture agreements with Red 5 Limited. Field mapping and rock chip sampling was carried out in the southern portion of the Outer Siana area.

In **Laos**, regional reconnaissance sampling and mapping programmes were undertaken in ten areas, which were defined from previous targeting exercises in the Truongson and Luang Prabang Fold Belts under the joint venture with Oxiana Limited. Anomalous stream sediment results were returned from three of these areas, with a maximum value of 1.77g/t. A further area returned anomalous rock chip values, with up to

15.6g/t. Follow up field work has commenced in the anomalous areas.

Review of the **gold market**

As in the previous quarter, spot gold traded in a range of $87/oz during the first quarter of 2007, although at the significantly higher price levels of $602/oz to $689/oz versus $561/oz to $649/oz in the fourth quarter of 2006. The spot price remained above the $640/oz level from the end of January through most of the quarter, with only a slight dip in early March.

The average spot price for the quarter of $650/oz represents an increase of 6% over that of the previous quarter and a 17% increase over the average price in the same quarter in 2006.

The rand gold price maintained its strength from 2006, with a first quarter average of R150,686/kg. This marks a 5% increase on that of the previous quarter and is some 15% higher than the 2006 average of R131,373/kg.

PHYSICAL MARKET

During the period under review, gold showed little sign of sustained recovery in volume terms on the consumption side. Italian exports are expected to be weak; with US consumption figures accordingly lower. Middle Eastern and Asian consumers also appear to have been scared off by the gold price increase towards the end of the first quarter, which has continued into the second. European consumption, however, seemed to buck the general trend and remained solid throughout the quarter. Despite the suppressive effect of a fairly consistent rise in the gold price this quarter on consumption, the price increase has, on a positive note, also meant a ratcheting up of the floor at which gold consumers enter the market to sell scrap.

Looking at the remainder of 2007, gold demand is expected to strengthen as consumers grow accustomed to higher price levels. Fabrication demand continues to provide a firm base to the market and there have already been signs of a recovery in jewellery demand when prices stabilise even in the mid-$600/oz range. This seems due to the re-filling of a depleted supply pipeline, especially after a somewhat stronger-than-expected fourth quarter, combined with the continued benefits associated with robust economic growth in major markets such as India and China. Net official selling is also anticipated to stay subdued as sales in 2006 were well below the official quotas of the Central Bank Gold Agreement (CBGA) rules, while scrap supply is forecast to fall year-on-year as a major stock clear-out seems unlikely to be repeated.

In North America, Valentine's Day showed strong growth with some retailers reporting sales increases of over 20% compared to prior years.

In the USA, the largest department store retailer in gold reported sales doubling on those of 2005, publicly stating that their unprecedented group marketing initiative had significant consumer impact and was instrumental in the growth of gold jewellery sales.

CENTRAL BANK SALES

Speculation that the CBGA signatories are unlikely to fulfil their sales quotas for the remaining three years of the Agreement was further enhanced this quarter by a report to the IMF proposing the sale of 400t in order to meet an expected shortfall in IMF annual revenue. The report recommends that potential sales not add to the announced volume of sales from official sources as stipulated by the original CBGA, of which the IMF is a signatory, indicating that the advisory group believes that the other signatories will continue to sell under their limit, making the IMF sale a reasonable way to address its expected revenue shortfall.

In the current CBGA year (September 2006 to September 2007), signatories have sold approximately 6Moz, or 38% of the allowable annual total.

INVESTMENT MARKET

Exchange traded gold holdings grew by nearly 6% in the first quarter of 2007, representing an increase of 36t. World-wide investment in ETFs reached $14bn by the end of March, with two new ETF-like funds launched in India since the beginning of the year. Investor interest in physical gold also remained strong, exemplified by sales of the US Eagle and Buffalo coins by the US Mint equivalent to 129,500oz, up 4% on the same period in 2006.

PRODUCER HEDGING

The 2006 trend of producer de-hedging continued in the first quarter of 2007, with Gold Fields Limited buying back the 1.2Moz Western Areas gold hedge and Lihir Gold Limited announcing both the closure of its 934,500oz hedge book and the early repayment of an outstanding 480,000oz gold loan. While some new gold hedging is being undertaken by producers in association with debt financing obligations, it seems likely that producers will remain net de-hedgers in 2007, which should at least be supportive of the gold price.

CURRENCIES AND GOLD

The rand depreciated nearly 4% over the quarter, opening at R7.00/$ and finishing at R7.30/$, while trading for most of the quarter in a relatively tight band of between R7.30/$ and R7.10/$. In early March, renewed fears of slower global growth saw a high-yield and emerging market currencies sell-off, causing the rand to trade to an intra-quarter high of R7.54/$. These fears proved short-lived, however, and the rand returned to trading below the R7.20/$ level.

Against the Euro, the US dollar has begun to display sustained weakness, trading below the Euro/$1.36 level. This dollar weakness seems likely to persist as interest rate expectations between the two currencies narrow, offering further support to the gold price.

Hedge position

As at 31 March 2007, the group had the following outstanding forward-pricing commitments against future production. The total net delta tonnage of the hedge on this date was 9.59Moz or 298t (at 31 December 2006: 10.16Moz or 316t).

The marked-to-market value of all hedge transactions making up the hedge positions was a negative $3.027bn (negative R21.92bn) as at 31 March 2007 (at 31 December 2006: negative $2.903bn or R20.324bn). The value was based on a gold price of $663.20/oz, (some $26.90/oz higher than that of the previous quarter), exchange rates of R7.24/$ and A$/$0.8088 and the prevailing market interest rates and volatilities at that date.

This net delta position reflects a decrease of 0.57Moz or 17.6t during the quarter, as a result of delivering into maturing hedge positions and entering into new long positions as a continuation of the hedge reduction strategy.

The company continues to actively manage its hedge position in a value-accretive manner, whilst actively reducing the overall hedge delta. To this end, further long positions were entered into during the quarter.

These positions as at 31 March were 24,078kg at $657/oz for 2007 and a further 6,758kg at $658/oz for 2008.

For the quarter, the company received a price of $602/oz, which is $48/oz less than the average spot price of $650/oz. The deficit between the received price and the spot price is likely to remain at 8% to 10% for the remainder of the year, provided the gold price continues to trade between $600/oz and $700/oz.

As at 2 May 2007, the marked-to-market value of the hedge book was a negative $3.063bn (negative R21.56bn), based on a gold price of $673.50/oz and exchange rates of R7.038/$ and A$/$0.823 and the prevailing market interest rates and volatilities at the time.

These marked-to-market valuations are in no way predictive of the future value of the hedge position, nor of future impact on the revenue of the company. The valuation represents the cost of buying all hedge contracts at the time of valuation, at market prices and rates available at the time.

Year

2007

2008

2009
2010
2011
2012-2016
Total
DOLLAR GOLD
Forward contracts
Amount (kg)
14,433
22,817
21,738
14,462
12,931
24,307
110,689
US$/oz
$309
$314
$316
$347
$397
$418
$351
*Forward contracts
(Long)
Amount (kg)
24,078
6,758
30,836
US$/oz
$657
$658
$657
Put options purchased
Amount (kg)
1,019
1,019
US$/oz
$291
$291
Put options sold
Amount (kg)
25,925
11,555
3,748
1,882
1,882
5,645
50,637
US$/oz
$644

$587
$530
$410
$420
$440
$582
Call options purchased
Amount (kg)
12,127
8,568
20,696
US$/oz
$408
$428
$416
Call options sold
Amount (kg)
44,575
49,575
43,636
34,098
36,810
56,069
264,763
US$/oz
$517
$476
$484
$471
$495
$580
$508
RAND GOLD
Forward contracts
Amount (kg)
*350
933
583
Rand per kg
R292,107
R116,335
R10,647
Put options sold
Amount (kg)
311
311
Rand per kg
R154,645
R154,645
Call options sold
Amount (kg)

311
2,986
2,986
2,986
9,269
Rand per kg
R158,503
R202,054
R216,522
R230,990
R214,575
Rounding of figures may result in computational discrepancies.

Year
2007
2008
2009
2010
2011
2012-2016
Total
A DOLLAR GOLD
Forward contracts
Amount (kg)
9,953
2,177
3,390
3,110
18,631
A$ per oz
AUD 676
AUD 656
AUD 650
AUD 683
AUD 670
Put options purchased
Amount (kg)
2,488
2,488
A$ per oz
AUD 839
AUD
839
Put options sold
Amount (kg)
4,354
4,354
A$ per oz
AUD 809
AUD
809
Call options purchased
Amount (kg)
3,732
3,110
1,244
3,110
11,197
A$ per oz
AUD 668
AUD 680
AUD 694
AUD 712
AUD 686

Call options sold
Amount (kg)
4,354
4,354
A$ per oz
AUD 849
AUD
849
Delta
(kg)
(14,213) (49,802)
(65,339)
(47,793)
(48,019) (73,205) (298,371)
** Total net gold:
Delta
(oz)
(456,958) (1,601,169)
(2,100,695)
(1,536,578)
(1,543,844) (2,353,592) (9,592,837)
DOLLAR SILVER
Forward contracts
Amount (kg)
$ per oz
Put options purchased
Amount (kg)
32,659
43,545
76,204
$ per oz
$7.40
$7.66
$7.55
Put options sold
Amount (kg)
32,659
43,545
76,204
$ per oz
$5.93
$6.19
$6.08
Call options purchased
Amount (kg)
$ per oz
Call options sold
Amount (kg)
32,659
43,545
76,204

$ per oz
$8.40
$8.64
$8.54
*
Indicates a long position resulting from forward purchase contracts. The group enters into forward purchase contracts as part of its strategy to actively manage and reduce the size of the hedge book.
**
The Delta of the hedge position indicated above is the equivalent gold position that would have the same marked-to-market sensitivity for a small change in the gold price. This is calculated using the Black-Scholes option formula with the ruling market prices, interest rates and volatilities as at 31 March 2007.

The following table indicates the group's currency hedge position at 31 March 2007
Year
2007
2008
2009
2010
2011
2012-2016
Total
RAND DOLLAR (000)
Forward contracts
Amount ($)
US$/R
Put options purchased
Amount ($)
$75,000
$75,000
US$/R
R7.40
R7.40
Put options sold
Amount ($)
$80,000
$80,000
US$/R
R7.09
R7.09
Call options purchased
Amount ($)
US$/R
Call options sold
Amount ($)
$125,000
$125,000
US$/R
R7.60
R7.60

A DOLLAR (000)
Forward contracts
Amount ($)
73,518
20,000
93,518
A$/US$
A$0.77
A$0.73
A$0.76
Put options purchased
Amount ($)
50,000
50,000
A$/US$
A$0.77
A$0.77
Put options sold
Amount ($)
50,000
50,000
A$/US$
A$0.80
A$0.80
Call options purchased
Amount ($)
A$/US$
Call options sold
Amount ($)
50,000
50,000
A$/US$
A$0.75
A$0.75
BRAZILIAN REAL (000)
Forward contracts
Amount ($)
12,000
12,000
US$/BRL
BRL2.17
BRL2.17
Put options purchased
Amount ($)
6,000
6,000
US$/BRL
BRL2.20
BRL2.20
Put options sold
Amount ($)

(6,000)
6,000
US$/BRL
BRL2.05
BRL2.05
Call options purchased
Amount ($)
US$/BRL
Call options sold
Amount ($)
6,000
6,000
US$/BRL
BRL2.23
BRL2.23
Rounding of figures may result in computational discrepancies.

Derivative analysis by accounting designation as at 31 March 2007

US Dollars (millions)	**Normal sale exempted**	**Cash flow hedge accounted**	**Non-hedge accounted**	**Total**
Commodity option contracts	(531)	–	(1,160)	(1,691)
Foreign exchange option contracts	–	–	(11)	(11)
Forward sale commodity contracts	(1,071)	(378)	115	(1,334)
Forward foreign exchange contracts	–	2	4	6
Interest rate swaps	(35)	–	37	2
Total hedging contracts	**(1,637)**	**(376)**	**(1,014)**	**(3,027)**
Option component of convertible bonds	–	–	(53)	(53)
Total derivatives	**(1,637)**	**(376)**	**(1,067)**	**(3,080)**

Rounding of figures may result in computational discrepancies.

Group **income statement**
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
March
December
March
December
2007
2006
2006
2006
SA Rand million
Notes
Unaudited
Unaudited
Unaudited
Audited
Revenue
2
5,668
5,975
4,456
21,104
Gold income
5,450
5,634
4,246
20,137
Cost of sales
3
(4,220)
(4,477)
(3,472)
(15,482)
(Loss) profit on non-hedge derivatives and other commodity contracts
(422)
482
(1,100)
(1,955)
Gross profit (loss)
808
1,639
(327)
2,700
Corporate administration and other expenses

(203)
(174)
(127)
(567)
Market development costs
(23)
(32)
(26)
(108)
Exploration costs
(176)
(116)
(73)
(417)
Other operating expenses
4
(47)
(26)
(30)
(129)
Operating special items
5
14
(98)
11
(130)
Operating profit (loss)
373
1,193
(572)
1,349
Interest received
73
69
30
218
Exchange gain (loss)
3
(11)
(4)
(17)
Fair value adjustment on option component of convertible bond
135
(210)
(233)
137
Finance costs and unwinding of obligations
(200)
(246)
(210)
(822)

Share of associates' (loss) profit
(4)
2
(4)
(6)
Profit (loss) before taxation
380
797
(993)
859
Taxation
6
(451)
(676)
(40)
(1,232)
(Loss) profit after taxation from continuing operations
(71)
120
(1,032)
(373)
Discontinued operations
Loss for the period from discontinued operations
7
(6)
(1)
(7)
(12)
(Loss) profit for the period
(77)
119
(1,039)
(385)
Allocated as follows:
Equity shareholders
(133)
69
(1,079)
(587)
Minority interest
56
50
40
202
(77)
119
(1,039)
(385)
Basic (loss) earnings per ordinary share (cents)
(Loss) profit from continuing operations
1

(45)
25
(404)
(211)
Loss from discontinued operations
1
(2)
-
(3)
(4)
(Loss) profit
(47)
25
(407)
(215)
Diluted (loss) earnings per ordinary share (cents)
(Loss) profit from continuing operations
2
(45)
25
(404)
(211)
Loss from discontinued operations
2
(2)
-
(3)
(4)
(Loss) profit
(47)
25
(407)
(215)
Dividends
- Rm
1,246
- cents per Ordinary share
450
- cents per E Ordinary share
120
1
Calculated on the basic weighted average number of ordinary shares.
2
Calculated on the diluted weighted average number of ordinary shares.
Rounding of figures may results in computational discrepancies.

Group **income statement**

Quarter

Quarter

Quarter

Year

ended

ended

ended

ended

March

December

March

December

2007

2006

2006

2006

US Dollar million

Notes

Unaudited

Unaudited

Unaudited

Audited

Revenue

2

784

818

724

3,106

Gold income

754

770

690

2,964

Cost of sales

3

(584)

(612)

(565)

(2,282)

(Loss) on non-hedge derivatives and other commodity contracts

(19)

(25)

(188)

(239)

Gross profit (loss)

150

133

(63)

443

Corporate administration and other expenses

(28)
(24)
(21)
(84)
Market development costs
(3)
(4)
(4)
(16)
Exploration costs
(24)
(16)
(12)
(61)
Other operating expenses
4
(7)
(4)
(4)
(18)
Operating special items
5
2
(14)
2
(18)
Operating profit (loss)
90
71
(103)
246
Interest received
10
10
5
32
Exchange gain (loss)
-
(2)
(1)
(2)
Fair value adjustment on option component of convertible bond
19
(28)
(39)
16
Finance costs and unwinding of obligations
(28)
(34)
(34)
(123)

Share of associates' loss
(1)
-
(1)
(1)
Profit (loss) before taxation
91
17
(172)
168
Taxation
6
(62)
(82)
(7)
(180)
Profit (loss) after taxation from continuing operations
29
(65)
(179)
(12)
Discontinued operations
Loss for the period from discontinued operations
7
(1)
-
(1)
(2)
Profit (loss) for the period
29
(65)
(180)
(14)
Allocated as follows:
Equity shareholders
21
(72)
(186)
(44)
Minority interest
8
7
6
30
29
(65)
(180)
(14)
Basic earnings (loss) per ordinary share (cents)
Profit (loss) from continuing operations
1

7
(26)
(70)
(15)
Loss from discontinued operations
1
-
-
-
(1)
Profit (loss)
7
(26)
(70)
(16)
Diluted earnings (loss) per ordinary share (cents)
Profit (loss) from continuing operations
2
7
(26)
(70)
(15)
Loss from discontinued operations
2
-
-
-
(1)
Profit (loss)
7
(26)
(70)
(16)
Dividends
3
- $m
171
- cents per Ordinary share
62
- cents per E Ordinary share
16
1
Calculated on the basic weighted average number of ordinary shares.
2
Calculated on the diluted weighted average number of ordinary shares.
3
Dividends are translated at actual rates on date of payment.
Rounding of figures may results in computational discrepancies.

Group **balance sheet**

As at
As at
As at
March
December
March
2007
2006
2006
SA Rand million
Notes
Unaudited
Audited
Unaudited
ASSETS
Non-current assets
Tangible assets
44,282
42,382
36,927
Intangible assets
3,073
2,909
2,419
Investments in associates
371
300
214
Other investments
926
884
647
Inventories
2,167
2,006
1,272
Trade and other receivables
475
405
126
Derivatives
22
45
171
Deferred taxation
444
432
321
Other non-current assets
340

313
136
52,100
49,676
42,233
Current assets
Inventories
3,529
3,424
2,472
Trade and other receivables
1,550
1,300
1,670
Derivatives
4,651
4,546
4,876
Current portion of other non-current assets
5
5
6
Cash restricted for use
272
75
21
Cash and cash equivalents
2,908
3,467
1,419
12,915
12,817
10,464
Non-current assets held for sale
113
123
100
13,029
12,940
10,564
TOTAL ASSETS
65,129
62,616
52,797
EQUITY AND LIABILITIES
Share capital and premium
10
22,196
22,083
19,070
Retained earnings and other reserves

11
(970)
(1,188)
(4,681)
Shareholders' equity
21,227
20,895
14,389
Minority interests
12
481
436
384
Total equity
21,708
21,331
14,773
Non-current liabilities
Borrowings
9,010
9,963
10,798
Environmental rehabilitation and other provisions
2,927
2,785
2,271
Provision for pension and post-retirement benefits
1,193
1,181
1,252
Trade, other payables and deferred income
138
150
80
Derivatives
1,827
1,984
2,928
Deferred taxation
7,832
7,722
6,866
22,927
23,785
24,195
Current liabilities
Current portion of borrowings
1,714
413
871
Trade, other payables and deferred income

3,934
3,701
2,874
Derivatives
13,384
12,152
9,212
Taxation
1,462
1,234
872
20,494
17,500
13,829
Total liabilities
43,421
41,285
38,024
TOTAL EQUITY AND LIABILITIES
65,129
62,616
52,797
Net asset value - cents per share
7,730
7,607
5,572
Rounding of figures may results in computational discrepancies.

Group **balance sheet**
As at
As at
As at
March
December
March
2007
2006
2006
US Dollar million
Notes
Unaudited
Audited
Unaudited
ASSETS
Non-current assets
Tangible assets
6,069
6,054
5,986
Intangible assets
421
415
392
Investments in associates
51
43
35
Other investments
127
126
105
Inventories
297
287
206
Trade and other receivables
65
58
20
Derivatives
3
6
28
Deferred taxation
61
62
52
Other non-current assets
47

44
22
7,141
7,095
6,846
Current assets
Inventories
484
489
401
Trade and other receivables
212
185
271
Derivatives
638
649
790
Current portion of other non-current assets
1
1
1
Cash restricted for use
37
11
3
Cash and cash equivalents
399
495
230
1,770
1,830
1,697
Non-current assets held for sale
16
18
16
1,786
1,848
1,713
TOTAL ASSETS
8,927
8,943
8,559
EQUITY AND LIABILITIES
Share capital and premium
10
3,042
3,154
3,091
Retained earnings and other reserves

11
(133)
(169)
(758)
Shareholders' equity
2,909
2,985
2,333
Minority interests
12
66
62
62
Total equity
2,975
3,047
2,395
Non-current liabilities
Borrowings
1,235
1,423
1,750
Environmental rehabilitation and other provisions
401
398
368
Provision for pension and post-retirement benefits
164
169
203
Trade, other payables and deferred income
19
21
13
Derivatives
250
283
475
Deferred taxation
1,074
1,103
1,113
3,142
3,397
3,922
Current liabilities
Current portion of borrowings
235
59
141
Trade, other payables and deferred income

539
528
466
Derivatives
1,834
1,736
1,493
Taxation
200
176
141
2,809
2,499
2,242
Total liabilities
5,951
5,896
6,164
TOTAL EQUITY AND LIABILITIES
8,927
8,943
8,559
Net asset value - cents per share
1,059
1,087
903
Rounding of figures may results in computational discrepancies.

Group **cash flow statement**

Quarter

Quarter

Quarter

Year

ended

ended

ended

ended

March

December

March

December

2007

2006

2006

2006

SA Rand million

Unaudited

Unaudited

Unaudited

Audited

Cash flow from operating activities

Receipts from customers

5,431

5,906

4,800

21,237

Payments to suppliers and employees

(3,339)

(3,289)

(3,246)

(12,438)

Cash generated from operations

2,092

2,617

1,554

8,799

Cash (utilised) generated by discontinued operations

(10)

7

(11)

(6)

Taxation paid

(332)

(553)

(90)

(968)

Net cash inflow from operating activities

1,750

2,071

1,453
7,825
Cash flows from investing activities
Capital expenditure
(1,417)
(1,861)
(961)
(5,533)
Proceeds from disposal of tangible assets
17
322
11
393
Proceeds from disposal of assets of discontinued operations
2
23
10
63
Other investments acquired
(40)
(47)
(5)
(471)
Associate loans and acquisitions
(63)
4
-
(63)
Proceeds from disposal of investments
21
2
17
449
Cash restricted for use
(189)
(29)
30
(19)
Interest received
60
55
18
173
Loans advanced
(26)
(5)
-
(5)
Repayment of loans advanced
1
2

2
38
Net cash outflow from investing activities
(1,634)
(1,533)
(877)
(4,975)
Cash flows from financing activities
Proceeds from issue of share capital
104
7
23
3,068
Share issue expenses
-
-
-
(32)
Proceeds from borrowings
185
619
329
1,525
Repayment of borrowings
(143)
(321)
(369)
(3,957)
Finance costs
(212)
(82)
(251)
(586)
Dividends paid
(694)
(55)
(183)
(913)
Net cash (outflow) inflow from financing activities
(760)
168
(451)
(895)
Net (decrease) increase in cash and cash equivalents
(643)
706
125
1,955
Translation
84
(109)

(33)
184
Cash and cash equivalents at beginning of period
3,467
2,871
1,328
1,328
Net cash and cash equivalents at end of period
2,908
3,467
1,419
3,467
Cash generated from operations
Profit (loss) before taxation
380
797
(993)
859
Adjusted for:
Movement on non-hedge derivatives and other commodity contracts
958
304
1,582
4,590
Amortisation of tangible assets
948
1,215
859
4,059
Finance costs and unwinding of obligations
200
246
210
822
Deferred stripping
(100)
(34)
(107)
(528)
Interest receivable
(73)
(69)
(30)
(218)
Operating special items
(14)
98
(11)
161
Amortisation of intangible assets
4

4
3
13
Fair value adjustment on option components of convertible bond
(135)
210
233
(137)
Environmental, rehabilitation and other expenditure
(14)
(133)
(69)
(160)
Other non-cash movements
146
109
156
213
Movements in working capital
(208)
(130)
(280)
(875)
2,092
2,617
1,554
8,799
Movements in working capital
(Increase) decrease in inventories
(302)
156
(145)
(1,852)
(Increase) decrease in trade and other receivables
(251)
181
(80)
(27)
Increase (decrease) in trade and other payables
345
(467)
(55)
1,004
(208)
(130)
(280)
(875)
Rounding of figures may results in computational discrepancies.

Group **cash flow statement**

	Quarter ended March 2007	**Quarter ended December 2006**	**Quarter ended March 2006**	**Year ended December 2006**
US Dollar million	Unaudited	Unaudited	Unaudited	Audited
Cash flow from operating activities				
Receipts from customers	**753**	804	777	3,134
Payments to suppliers and employees	**(465)**	(450)	(524)	(1,853)
Cash generated from operations	**288**	354	253	1,281
Cash (utilised) generated by discontinued operations	**(1)**	1	(2)	(1)
Taxation paid	**(46)**	(80)	(15)	(143)
Net cash inflow from operating activities	**240**	275		

236
1,137
Cash flows from investing activities
Capital expenditure
(196)
(260)
(156)
(817)
Proceeds from disposal of tangible assets
2
46
2
57
Proceeds from disposal of assets of discontinued operations
-
3
2
9
Other investments acquired
(5)
(8)
(1)
(71)
Associate loans and acquisitions
(9)
1
-
(9)
Proceeds from disposal of investments
3
-
3
66
Cash restricted for use
(26)
(5)
5
(3)
Interest received
8
7
3
25
Loans advanced
(4)
(1)
-
(1)
Repayment of loans advanced
-
-

-
6
Net cash outflow from investing activities
(226)
(216)
(143)
(738)
Cash flows from financing activities
Proceeds from issue of share capital
14
1
4
512
Share issue expenses
-
-
-
(5)
Proceeds from borrowings
26
86
54
226
Repayment of borrowings
(20)
(29)
(60)
(623)
Finance costs
(29)
(10)
(41)
(88)
Dividends paid
(94)
(8)
(29)
(132)
Net cash (outflow) inflow from financing activities
(103)
40
(73)
(110)
Net (decrease) increase in cash and cash equivalents
(89)
99
20
289
Translation
(8)
26

1
(3)
Cash and cash equivalents at beginning of period
495
370
209
209
Net cash and cash equivalents at end of period
399
495
230
495
Cash generated from operations
Profit (loss) profit before taxation
91
17
(172)
168
Adjusted for:
Movement on non-hedge derivatives and other commodity contracts
93
134
266
627
Amortisation of tangible assets
131
167
141
597
Finance costs and unwinding of obligations
28
34
34
123
Deferred stripping
(14)
(12)
(17)
(75)
Interest receivable
(10)
(10)
(5)
(32)
Operating special items
(2)
14
(2)
22
Amortisation of intangible assets
-

-
-
2
Fair value adjustment on option components of convertible bond
(19)
28
39
(16)
Environmental, rehabilitation and other expenditure
(2)
(18)
(10)
(22)
Other non-cash movements
23
16
26
27
Movements in working capital
(31)
(16)
(47)
(140)
288
354
253
1,281
Movements in working capital
Increase in inventories
(10)
(57)
(41)
(211)
(Increase) decrease in trade and other receivables
(27)
1
(20)
19
Increase (decrease) in trade and other payables
6
40
14
52
(31)
(16)
(47)
(140)
Rounding of figures may results in computational discrepancies.

Group **operating results**
Mar
Dec
Mar
Dec
Mar
Dec
Mar
Dec
2007
2006
2006
2006
2007
2006
2006
2006
OPERATING RESULTS
UNDERGROUND OPERATION
Milled
- 000 tonnes
/ - 000 tons
3,088
3,296
3,236
13,489
3,404
3,633
3,567
14,870
Yield
- g / t
/ - oz / t
7.22
7.47
7.12
7.20
0.211
0.218
0.208
0.210
Gold produced
- kg
/ - oz (000)
22,296
24,611
23,055
97,112
717
791
741

3,123
SURFACE AND DUMP RECLAMATION
Treated
- 000 tonnes
/ - 000 tons
3,051
3,029
2,769
12,414
3,364
3,339
3,052
13,684
Yield
- g / t
/ - oz / t
0.46
0.52
0.55
0.50
0.013
0.015
0.016
0.015
Gold produced
- kg
/ - oz (000)
1,407
1,569
1,517
6,246
45
50
49
201
OPEN-PIT OPERATION
Mined
- 000 tonnes
/ - 000 tons
39,640
44,614
41,911
173,178
43,696
49,179
46,199
190,897
Treated
- 000 tonnes
/ - 000 tons
6,262

7,242
6,253
26,739
6,903
7,983
6,892
29,475
Stripping ratio
- t (mined total - mined ore) / t mined ore
5.00
4.51
4.79
4.82
5.00
4.51
4.79
4.82
Yield
- g / t
/ - oz / t
2.25
2.13
2.20
2.14
0.066
0.062
0.064
0.063
Gold in ore
- kg
/ - oz (000)
12,571
9,240
14,587
39,983
404
297
469
1,285
Gold produced
- kg
/ - oz (000)
14,083
15,451
13,726
57,334
453
497
441
1,843

HEAP LEACH OPERATION
Mined
- 000 tonnes
/ - 000 tons
14,942
15,534
15,348
63,519
16,471
17,124
16,918
70,018
Placed
1
- 000 tonnes
/ - 000 tons
5,180
5,888
5,562
23,329
5,710
6,490
6,131
25,716
Stripping ratio
- t (mined total - mined ore) / t mined ore
1.98
1.84
1.78
1.83
1.98
1.84
1.78
1.83
Yield
2
- g / t
/ - oz / t
0.73
0.73
0.78
0.78
0.021
0.021
0.023
0.023
Gold placed
3
- kg
/ - oz (000)
3,765

4,295
4,356
18,162
121
138
140
584
Gold produced
- kg
/ - oz (000)
3,453
4,066
3,369
14,561
111
131
108
468
TOTAL
Gold produced
- kg
/ - oz (000)
41,239
45,697
41,667
175,253
1,326
1,469
1,340
5,635
Gold sold
- kg
/ - oz (000)
41,558
45,866
42,164
173,639
1,336
1,475
1,356
5,583
Price received
- R / kg
/ - $ / oz
- sold
139,953
135,628
107,903
126,038
602
578

545
577
Total cash costs
- R / kg
/ - $ / oz
- produced
76,991
72,422
61,023
67,133
332
309
309
308
Total production costs
- R / kg
/ - $ / oz
- produced
99,905
98,145
82,287
90,345
430
419
417
414
PRODUCTIVITY PER EMPLOYEE
Target
- g
/ - oz
375
438
381
412
12.05
14.07
12.26
13.25
Actual
- g
/ - oz
334
372
338
358
10.74
11.97
10.86
11.49
CAPITAL EXPENDITURE - Rm
/ - $m

1,417
1,861
961
5,533
196
260
156
817
1
Tonnes (Tons) placed on to leach pad.
2
Gold placed / tonnes (tons) placed.
3
Gold placed into leach pad inventory.
Rounding of figures may results in computational discrepancies.
Quarter ended
Quarter ended
Unaudited
Rand / Metric
Unaudited
Dollar / Imperial
Year
Year

Statement of **recognised income and expense**
Quarter
Year
Quarter
ended
ended
ended
March
December
March
2007
2006
2006
Unaudited
Audited
Unaudited
Actuarial gain on pension and post-retirement benefits
-
283
-
Net loss on cash flow hedges removed from equity and reported in income
215
1,274
193
Net loss on cash flow hedges
(304)
(1,604)
(745)
Gain on available-for-sale financial assets
38
78
15
Deferred taxation on items above
52
50
151
Net exchange translation differences
971
2,292
(525)
Net income recognised directly in equity
972
2,373
(911)
Loss for the year
(77)
(385)
(1,039)
Total recognised income (expense) for the period
895
1,988

(1,950)
Attributable to:
Equity shareholders
825
1,755
(1,978)
Minority interest
70
233
28
895
1,988
(1,950)
Actuarial gain on pension and post-retirement benefits
-
42
-
Net loss on cash flow hedges removed from equity and reported in income
32
217
31
Net loss on cash flow hedges
(42)
(229)
(121)
Gain on available-for-sale financial assets
5
12
3
Deferred taxation on items above
7
8
26
Net exchange translation differences
96
281
(86)
Net income recognised directly in equity
98
331
(147)
Profit (loss) for the year
29
(14)
(180)
Total recognised income (expense) for the period
127
317
(327)
Attributable to:
Equity shareholders

119
289
(333)
Minority interest
8
28
6
127
317
(327)
Rounding of figures may results in computational discrepancies.
SA Rand million
US Dollar million

Segmental reporting
for the quarter ended 31 March 2007
Quarter
Quarter
Quarter
Year
Quarter
Quarter
Quarter
Year
ended
ended
ended
ended
ended
ended
ended
ended
March
December
March
December
March
December
March
December
2007
2006
2006
2006
2007
2006
2006
2006
Unaudited
Unaudited
Unaudited
Audited
Unaudited
Unaudited
Unaudited
Audited
Gold income
South Africa
2,195
2,390
1,931
9,151
304
326
314

1,347
Argentina
230
175
168
841
32
24
27
125
Australia
681
623
309
1,851
94
86
50
271