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Ladies and Gentlemen, a very good morning to you all.

I am very pleased to be with you today, in these times of high gold prices. With the war drums beating, the global economy in disarray, with terrible times for equities coupled with a general insecurity in the world, one would expect to face a miserable and depressed audience. The gold price environment appears to have changed all that,

and I can see several cheerful faces in the audience. Long may it continue!

With this observation, let me tell you about the new Ashanti. The year 2002 was a good year for us. First our performance continued to be strong. Ashanti's operations registered solid performances in 2002, and we successfully restructured our balance sheet and achieved margin-free trading for our hedge book. Looking ahead, we have excellent growth prospects at and around our mine sites and in our existing portfolio. The holistic philosophy we bring to mine development means that we have excellent relations with our communities, strong environmental practices, and operate at the highest standards of safety.

The winds of change are blowing across Africa, and are slowly but surely transforming the continent for the better.

Without a doubt, Ashanti Goldfields Company is well positioned to take advantage of these changes occurring throughout our continent.

I will take these points in turn, starting with our performance in 2002. This past year, the earnings of our underlying business, before exceptional items, was US\$80 million. This was a 33% increase over 2001's figures. We produced 1.62 million ounces, exceeding targeted production, at a cash operating cost of US\$199 per ounce.

We successfully refinanced the business, and our gross debt levels fell US\$69 million. And, we achieved further reductions in our hedge commitments and floating lease rate exposures.

Ashanti continues to operate its mines at the highest standards of safety, and all our mines are rated NOSA, 4- or 5-star. Our lost time injury frequency rate, defined as hours lost per 200,000 hours worked is now down to 0.37, and on a par with international best practice.

Our two key mines, Obuasi and Geita, exceeded production targets set for 2002, and I have already spoken to you about our cash operating cost performance.

When I addressed this audience a year ago, there were two key uncertainties we faced on the financial front. Could the company successfully redeem US\$219 million of bonds maturing in 2003, and could we maintain margin-free trading for our hedge book beyond 2002? Ladies and

gentlemen, I am here to tell you that, we achieved all our financial objectives in 2002.

First, US\$219 million of exchangeable notes were fully redeemed, ahead of schedule, and at par. In these difficult times, I wonder how many bonds are redeemed at par and ahead of schedule? Cash proceeds from our bond redemption, the sale of our 50% interest in Geita, strong operational performance and the hedge book helped reduce gearing levels from US\$693 million at its peak in mid-2000, to the current level of US\$193 million, or, in percentage terms, from 309% to 36%. As a result of these actions, debt levels are at an 8-year low.

Second, we successfully negotiated margin-free trading for our hedge book, and our counter parties no longer have the

right to call for margin. In 2002, we continued our policy of restructuring and simplifying our hedge book. Consequently, since 1999, commitment levels have been reduced by 47% and floating lease rate exposures by 66%. This means that Ashanti's hedge book allows us to participate in the upside provided by gold price increases. Over the life of the book, only 48% of forecast production is committed, or 38% of reserve equity ounces, and the average price of committed ounces is US\$346 per ounce

The full extent of the changes we have made in our hedge book are laid out in the table that follows: a 5.7 million ounce reduction in commitment levels, a 5.0 million ounce reduction in floating lease rate exposures, and a 3.1 million ounce reduction in protection levels.

At the end of the day, Ashanti's priority is to grow. Let me remind you about the span of our presence in Africa: six operating mines in four African countries, and exploration projects in four other countries. Ashanti span *across* Africa is complemented by its focus *within* Africa, and our presence in these countries serves as vital staging points to launch future growth.

Our track record is clear. Over the last 8 years, between 1994 – 2002, Ashanti has grown proven and probable reserves from 19.7 million ounces to 27.8 million ounces, an increase of 41%, while producing 12 million ounces in the same period.

Last year 2002, resources net of depletion increased by two million ounces, principally at Geita. Reserves similarly

increased by 1.7 million ounces to 28 million ounces, with the increase being accounted for between Geita and Iduapriem/Teberbie. These are trends we hope we can continue.

We are in process, or have completed, plant expansions at three of our mines. At Geita, we have just completed a plant expansion to 5.5 – 6.0 Mtpa, and this should increase Geita production over 600,000 ounces a year. At Iduapriem/Teberbie, an expansion of the CIL plant to 4.5 Mtpa is expected to be completed by the 1st quarter, and this should increase production to 250,000 ounces a year. At Siguri, expansion into a hybrid CIP and heap leach operation has commenced. The CIP plant is expected to produce 9.0 Mtpa, to produce over 300,000 ounces annually; and the conversion of saprolite resources into

reserves has the potential to lengthen the life of the mine even further.

We have major exploration programmes at most of our mines. There are extensive drilling programmes at Obuasi and Geita; a search for new reserves to feed the CIP/CIL expansions at Siguri and Iduapriem respectively; deep drilling and ramp development at Bibiani; a search for satellite deposits at our Freda-Rebecca mine in Zimbabwe, and a major programme has been readied in the advent of peace in the Democratic Republic of Congo.

At Obuasi, we have located a number of drill sites at the 5000-foot, or 50 level, across the 8 km span of the mine, from which we are conducting our underground programmes. Interim results are most encouraging because

we are finding higher grade quartz mineralisation at depth, and as this slide shows, we are seeing some spectacular grades. For this particular intersection just around the 50 level, grades increase from 18g/t over 4.5 metres, to 65m g/t over 10.6 metres, to 177 g/t over 2 metres. Mouth-watering, indeed!

At Geita, we have increased open-pit reserves 22% to 9.4 million ounces (100%), and at Siguiiri, we have made recent discoveries of saprolite reserves at Bidini, for instance, that could be processed through the expected CIP addition. Bibiani's open-pit reserves are expected to deplete at the end of 2004, so we have commenced deep drilling and ramp development to open up the underground, which was mined for many years before its closure in the late 1960s.

In the Democratic Republic of Congo, I believe that Ashanti holds one of the most prospective, yet to be systematically explored, gold concessions in the world today. I am talking about the Kilo gold belt in the north-eastern Congo, which has historically produced over five million ounces of gold compared to one million produced at our own Geita concession during a comparable period. The Kilo concession is also extensive – at 8,000 kilometres square, and has numerous drill targets already identified from previous activity. Needless to say, we are waiting anxiously for peace and stability in the region so that we can commence our exploration and development programme.

Three years ago, in 1999. Ashanti signalled to the market that we were ready to diversify into the Platinum Group

Metals (PGMs). In 2002, we took our first modest, but significant step to achieve these objectives, by acquiring a 40% interest in Tameng Mining and Exploration (Pty) Limited, a South African consortium, made up of a number of Black Empowerment Groupings. Tameng was recently awarded a Platinum Group Metals (PGM) property in the South African Bushveld complex called M'Phatlele's Location through a highly competitive tender held by the South African government.

Preliminary indications are encouraging. M'Phatlele's Location is on the best PGM-bearing ground in the world, and as this map shows, all the world's major PGM mines ring the area. Specifically, M'Phatlele shares a boundary to property held by Southern Era who are currently

developing the Messina mine along strike from our property. Southern Era recently announced the results of a bankable feasibility study on Doornvlei, directly contiguous to M'Phatlele. The positive feasibility study on Doornvlei, over the 3.8 km strike length, showed a measured and indicated resource of 6.3 million ounces, and a probable reserve of 4.5 million ounces. M'Phatlele has an 8.2 km strike length, double the strike length of Doornvlei, up to the Wonderkop Fault that bisects the property. We are looking forward to commencing our exploration programme sometime this year.

As we look to the future, Ashanti will pursue a three-pronged growth strategy: We aim to realise the full potential of our existing assets, by completing expansion

programmes currently underway or planned, by improving throughput and recoveries at our mines, and by ramping up exploration to increase reserves for expansion. We aim to make opportunistic cash-generative acquisitions, and a refinanced Ashanti is well positioned to do so. And we aim to continue our diversification into precious metals, leveraging our considerable skills and experience in Africa to pursue high return projects.

In these efforts, I believe we have the support of our major shareholders, Lonmin and the Ghana Government, who worked together in refinancing the company to realise value for all our shareholders.

In turn, I am proud of Ashanti's own support of the communities in which we operate. We place a premium on the development and training of our African nationals because it makes good sense, and because it is cost-effective. We have a track record of providing water, sanitation, and roads, as well as health and medical services in all the communities in which we operate. We have active HIV/AIDS counseling and support programmes at all our mines; we have initiated various micro-credit and agricultural cooperative schemes that are having enormous impact in their local communities. We are revegetating our environment, and planting hundreds of thousands of seedlings every year. Our record is unambiguous.

In conclusion, Ashanti's plans for the future begin with building on our strong performance in the year just ended. Our successful refinancing lays a vital foundation for our future growth. Our expansion plans are on-track to increase annual production and our resource and reserve base. We aim to continue our diversification into precious metals; we aim to deepen our commitment to the communities in which we operate.

Ashanti's share price has seen considerable appreciation in recent times. Yet the consensus of most of the market analysts – one that we share – is that the company is significantly undervalued. And why wouldn't it be?

- (i) Our balance sheet is strong and will be further strengthened with our rights issue;

- (ii) We have a good project pipeline which will enhance our profitability and growth going forward;
- (iii) We are consistently exceeding market expectations;
- (iv) We have a large reserve base to leverage: Indeed, we have grown our reserves over 40% in the last eight years, to 28 million ounces;
- (v) Over the life of the hedge book, only 48% of our forecast production is committed;
- (vi) Our flagship mine at Obuasi, which is over one hundred years old, continues to pleasantly surprise us with new discoveries and has the

potential to produce as much again as it has already produced in the past;

- (vii) Our franchise – Ashanti – continues to reap the considerable goodwill in Africa, as evidenced by our recent platinum acquisition.

There is no question in my mind that if there were one stock to own, it would surely be Ashanti's. But you would expect me to say that, wouldn't you?

Thank-you very much.