ASHANTI GOLDFIELDS COMPANY LIMITED

Tuesday, July 31st, 2001

OPENING REMARKS BY THE CEO AT THE ANNOUNCEMENT OF FIRST QUARTER 2001 RESULTS - 26TH APRIL 2001 (TRANS SCRIPT)

Good morning ladies and gentlemen,

and welcome to our quarterly tele-conference call. Once again Ashanti has posted a strong quarter. As a result, we have maintained our steady progress on all fronts, albeit in a slightly improved spot price environment. The principal highlights of the quarter include:

- Continued strong operating performance with production going up by TEN PER CENT and cash operating costs going down by SEVEN PER CENT as compared to the levels achieved during the first quarter.
- Significant increases in earnings as compared to both the first quarter of this year and the second quarter of last year.
- Cash generation from all of our assets which enabled us to reduce our debt levels further.

OPERATIONS

Starting off with operations, I am pleased to report that our total gold production for the quarter reached 437,043 ounces as against the 433,050 ounces we produced in the corresponding period last year, when surface mining was being carried out at Obuasi. As I indicated earlier, this was a 10% increase on the previous quarter - marked increases were recorded at Siguiri, Geita and Bibiani. Later on in this presentation Trevor Schultz our Chief Operating Office will speak further on the progress we have made at Iduapriem / Teberebie and Geita and will give indications of production trends for the forthcoming quarter at the various mines.

Our drive to continuously reduce costs was successful in this quarter as well. Cash operating costs for the quarter under review were US$181 per ounce. This was SEVEN per cent lower than both the corresponding quarter last year and the first quarter of this year. This was a direct result of our cost cutting initiatives at all of our operations. In particular, at Obuasi cash operating costs fell from US$211 per ounce recorded during the second quarter of last year to US$192 per ounce.

Now on to Safety, Health and the Environment. It is with a sense of pride that I reiterate the fact that with the recent attainment by Geita of the International Standards Organisation's ISO 14001, all our six major operations are now internationally audited and rated. Given the environmentally sensitive location of the Geita Mine, we are particularly delighted that the environmental content of the ISO valuation is remarkably high. As we have reported in the recent past, the other operations have all been audited and highly rated by the National Occupational and Safety Association (NOSA) of South Africa.

On Lost Time Injury Frequency Rate, the Group registered 0.51 injuries in 200,000 man-hours and Safety awareness campaigns are on-going throughout the Group. We have also stepped up AIDS awareness programmes at all our mine sites and in Freda Rebecca for instance, the programme we have adopted for our workers recently won a national award.

FINANCIALS
Looking now at the financial front, good operating performance and an improvement in the spot price helped Ashanti record significantly increased earnings of US$14.1 million for the quarter, which equates to TWELVE US cents per share. This is a 57 per cent improvement on the previous quarter's earnings and a 120 percent improvement on the corresponding quarter of last year. During his presentation, Venkat would provide you with further analysis of the increase in earnings.

Turning to the hedge book, I am pleased to report the following:

- Our hedge book continues to generate cash and in the quarter under review, the book generated US$8 million.
- Our unhedged gold production benefited from the increase in the gold price during the quarter.
- At the end of the quarter, our hedge book had a positive mark-to-market value of US$76 million. Mark Arnesen will be presenting the details to you later.

Looking at our debt levels, our focus on cash generation and debt reduction continued. All of our assets have generated cash. In particular, the rationalisation at Obuasi is 'now bearing fruit' with Obuasi having remitted US$3 million to corporate during the quarter.

During the quarter, Ashanti reduced its debt levels by US$9.7 million. At the end of the first quarter the RCF stood at US$78.8 million. I am pleased to be able to report that we have reduced this to US$70 million at the end of the second quarter.

Furthermore, in order to afford ourselves the opportunity of a proper and timely review of the Company's refinancing strategies available to us in the future, including the possible restructuring of the Exchangeable Notes due 2003, we have appointed Houlihan Lokey Howard & Zukin Capital and Close Brothers Corporate Finance as our advisors. Further details will be given as soon as we have something to report.

OTHER MATTERS
Some of you have sought clarification from me regarding the stance of our two major shareholders - Lonmin and Government of Ghana. Both shareholders believe that Ashanti is currently substantially undervalued and are therefore committed to working with management to unlock the inherent value in the Company. In this regard, all options are open.

Now I hand over to Trevor.

Tuesday July 31st, 2001

Thanks Sam and Good Morning to all our participants.

Sam has already given you the highlights of our production and cost performance for the Quarter so I will fill in a few details from the individual mines.

Halfway through the year all our mines are on track to meet their production and cost targets.

	ACTUAL	TARGET
OBUASI @$/oz	262 000 192	525 000 190
BIBIANI @$/oz	121 000 163	220 000 202
IDUAPRIEM @$/oz	96 525 211	180 000 200
SIGUIRI @$/oz	157 000 215	275 000 195 (190 in Q2)
FREDA @$/oz	56 000 213	100 000 200
GEITA @$/oz	132 000 139	240 000 195

- Siguiri and Freda at $215 and $213/oz for the half are above target of $195 and $200 respectively. ·
- Siguiri costs above target due to higher cement consumption from more saprolite in the feed. ·
- Freda Rebecca's cost are also above target due to the difficult economic conditions in Z1M. ·
- In Ghana we completed wage negotiations with an average of 4% increase i.e. less than $2/oz on cash costs.
- OBUASI
    - Good tonnage and grade from the underground
    - Sulphide Treatment Plant (STP) through put put below plan due to failure of a SAG mill motor and continuing difficulties with the liners.
    - Both these problems will be resolved by year end.
- IDUAPRIEM/TEBEREBIE
    - Grade to the Carbon-In-Leach plant (CIL) has improved to 1·9 grammes per tonne compared to L 1·5 last year as mining is now completely in the Teberebie blocks.
- BIBIANI
    - On track with production and costs.
    - Production lower than last year, as expected due to lower grades (3·35 grammes per tonne versus 3·96 grammes per tonne) throught put up slightly.
- SIGUIRI
    - Good Second Quarter
    - Stacking above plan and grades above.
    - Recovery slower.
    - Still feeling effects of multi layer stacking of ore..
    - Reviewing pump capacity and irrigation strategies.

- FREDA REBECCA
    - Production OK.
    - Costs up
- GEITA
    - - Good Quarter with above plan grades and through put.
- OUTLOOK
    - - I don't expect the 3rd Quarter to be as good as 2nd Quarter.
- REASONS:
    1. Geita slowing down - harder ore and going through lower grades. However, we are upgrading our full year forecast for Geita to 500 000 oz at cost $150-$160 per ounce.
    2. Siguiri, heap-leach operation is going into wet season so we are forecasting lower production.
    3. Bibiani has higher strip ratio, harder ore 6 15 - not yet ready to mine the higher grades in the pit bottom.
    4. We still have some work to do to resolve the Obuasi SAG mill liner/lifter problems.

Trevor Schultz
Chief Operating Officer

Tuesday July 31st, 2001

Thank you Trevor, good morning ladies and gentlemen.

It gives me great pleasure to present Ashanti's financial report for the second quarter. As Sam mentioned earlier, we have had a good quarter during which Ashanti recorded:

- A strong operational performance, evidenced by an increase in production and reduction in cash operating costs
- A significant increase in earnings as compared to both the first quarter of this year and the second quarter of 2000, and
- Cash generation from all of our assets which enabled us to reduce our debt levels by a further US$9.7 million.

Earnings
Earnings for the second quarter were US$14.1 million which approximates to 12 cents per share. This is US$5.1 million (that is 57%) higher than the first quarter and US$7.7 million (that is 120%) higher than the corresponding period last year. The increase of US$5.1 million in earnings as compared to the first quarter was primarily due to the following factors:

- Favorable impact of higher production = US$3.2 million
- Net upside from higher spot price = US$2.1 million Ø Impact of lower operating costs = US$3.5 million

Reduced by:

- Increased depreciation on higher production = US$1.6 million
- Increase in accrual for interest = US$1.2 million
- Higher tax provision = US$0.9 million

For the year to date, earnings were US$23.1 million which approximates to 20 cents per share, up US$9.8 million or 73% on last year due to Geita's production, lower operating costs and reduced depreciation and interest charges.

Revenue
Total revenue, including Ashanti's 50% share of Geita, for the quarter was US$139.9 million, equivalent to US$320 per ounce. Year to date total revenue was US$269.4 million equivalent to US$322 per ounce.

Looking at this quarter, spot revenue generated US$119.6 million, whilst hedging income totalled US$20.3 million. The hedging income comprised US$8.0 million from hedge close-outs and US$12.3 million from the release of deferred hedging income. Deferred hedging income at 30 June 2001 stood at US$95 million of which US$28 million will be released in the second half of the year.

In accordance with your previous requests, I provide a breakdown of the realised gold price of US$320 per ounce into its various components, as follows:

- Average spot price of US$274 per ounce

- Proceeds from close-out of maturing hedge contracts of US$18 per ounce
- Release of deferred hedging income of US$28 per ounce

Mark Arnesen will provide you with an update on our hedge book position later on during this call.

Operating Costs

Total cash operating costs for the second quarter were US$181 per ounce, 7% lower than the previous quarter and the corresponding quarter last year, due to increased production and our continuing efforts to reduce costs. Year to date total cash operating costs were US$188 per ounce, as compared to the US$196 per ounce achieved during the same period last year.

Profit

Operating profit for the quarter was US$24.2 million, up US$7.2 million as compared to the previous quarter. Year to date operating profit was US$41.2 million (2000: US$38.5 million).

Exploration expenditure for the quarter was unchanged from the previous quarter at US$1.6 million. Corporate administration costs for the quarter were US$4.9 million, bringing the year to date to US$10.1 million (US$12 per ounce).

Net interest payable for the quarter was US$8.4 million of which US$2.0 million relates to Geita. This is higher than the US$7.2 million charged in the first quarter, primarily due to a catch-up accrual in respect of the commitment and back-end fees payable at the end of this year on our Revolving Credit Facility.

During the quarter, we provided US$1.7 million for tax taking the year-to-date provision for tax to US$2.5 million. This includes, amongst other things, corporation tax payable on Bibiani's profits and the National Reconstruction Levy recently introduced by the Government of Ghana.

Cash Flow and Balance Sheet

Group's cash inflow from operating activities for the quarter was US$23.6 million (2000: US$35.0 million), US$17.3 million lower than Group EBITDA (excluding Geita) primarily due to release of deferred hedging income.

Group's capital expenditure for the quarter was US$10.7 million, comprising US$7.6 million in respect of Obuasi and US$3.1 million in respect of the other mines.

Turning to Group debt levels, I am pleased to be able to report that no drawings were made during the quarter on our Revolving Credit Facility. Furthermore, during the quarter, as a result of cash generation from all of our assets, including Obuasi, Ashanti repaid a further US$8.8 million towards the Revolving Credit Facility reducing it to its lowest level of US$70.0 million. As at 30 June 2001, the Group's gross and net debt levels were lower at US$342.6 million (31 March 2001: US$352.3 million) and US$287.3 million (31 March 2001: US$297.0 million) respectively.

For the benefit of everyone on this call, I set out the breakdown of the Group's gross debt of US$342.6 million as follows:

Particulars	**US$m**
Revolving Credit Facility	70.0
5.5% Exchangeable Notes	218.6
Fully cash collateralised Zimbabwe loan	13.2
Iduapriem & Teberebie non-recourse project finance loans	25.0
Kimin non-recourse loans	7.6
Other loans, overdrafts and finance leases	8.2
Total	**342.6**

These exclude the following amounts:

- Interest accrued on the Iduapriem & Teberebie project finance loans amounting to some US$5.0 million. This is currently included within creditors and is due to be capitalised later on this year upon finalisation of the loan documentation.
- 50% share of the US$135.0 million non-recourse Geita project finance loan.

Trevor explained to you the operational and seasonal constraints facing our mines during the third quarter. This combined with the six monthly interest payment of US$6 million on the Exchangeable Notes means that we are not anticipating the same quantum of debt reduction during the third quarter.

We have been proactive in addressing our 2003 debt maturity profile and have appointed Houlihan Lookey Howard & Zukin Capital and Close Brothers Corporate Finance to advise us in connection with the Company's refinancing strategies in the future, including the possible restructuring of the Notes due 2003. Following request for further clarification from your colleagues in this morning's UK tele-conference call, I wish to make the following points:

- In making this selection, we carried out a beauty parade of six potential advisers who had to satisfy challenging criteria.
- We have agreed on a remuneration structure designed to achieve two objectives. Firstly, it is substantially success driven.

Secondly, is also designed to align their interests with that of our shareholders. During the remainder of 2001, we will be working closely with our advisers and will be exploring the options available to Ashanti in this regard.

In summary, we have had an excellent quarter which has exceeded our expectations. Whilst a repetition of this excellent performance cannot be guaranteed, we nevertheless expect the third quarter's financial performance to be acceptable. We continue to make progress and have taken the necessary steps with a view to addressing the longer-term issues facing Ashanti.

I will now hand you over to Mark Arnesen.

Venkat Srinivasan
Chief Financial Officer

July 31st, 2001

Thank you Venkat. Good morning.

As mentioned previously the Mark-to-Market (MTM) of the hedge book at quarter end at a spot price of US$269.75 cents was US$76 million positive compared to a MTM at the end of the previous quarter of US$143 million at a spot price of US$259.25.The difference in MTM is due almost entirely to the higher spot price.

The lease rate volatility and higher lease rates that we experienced in the 1st quarter continued into the 2nd quarter. We had fixed most of our short dated lease rate exposure thereby substantially negating any negative effect on hedge flows. Lease rates have now softened with one month lease rates presently trading at around 70 basis points.

No restructurings of significance were carried out during the quarter; we are however still looking at ways to / and will continue to reduce our levels of commitments and lease rate exposure while maintaining a conservative level of protection. Protection at quarter end covered 5.4 million ounces at an average price of US$362/oz.

As indicated by this quarter's results Ashanti benefits from higher gold prices as :- ·

- in any given 12 month period we are not over-committed, although we are in certain quarters, ·
- and the strike prices of our commitments as set out in the hedging tables are a long way above recent spot prices.

The Geita hedge portfolio at quarter end had a negative MTM of some US$5 million. It must be pointed out that Geita trades on a margin free basis with the hedges being provided by the project financiers.

MARK ARNESEN
MD, INTERNATIONAL TREASURY

Q2 Results to follow:

ASHANTI GOLDFIELDS COMPANY LIMITED

PRESS RELEASE

FOR IMMEDIATE RELEASE **31 JULY 2001**

SECOND QUARTER REPORT 2001

Ashanti doubles earnings on a strong quarter's performance

Overview

Ashanti's steady progress continued during the second quarter. Higher production, higher spot price and lower operating costs enabled the Group to record earnings for the second quarter of US$14.1 million (US$0.12 per share). This represents an increase of US$5.1 million over the first quarter and is US$7.7 million higher than the corresponding period last year. A reduction in debt of US$9.7 million was also achieved.

Total gold production for the quarter was 437,043 ounces, higher than the 433,050 ounces produced in the corresponding period last year and 10% higher than the previous quarter. Significant increases over the first quarter were recorded at Siguiri, Geita and Bibiani. At Obuasi, all primary ore is now derived from underground and plant production has been rationalised on this basis. The Iduapriem CIL plant is being fed with higher grade ore from Teberebie while Geita is now operating at full design capacity.

Cash operating costs for the second quarter were US$181 per ounce, 7% lower than the previous quarter and the corresponding quarter last year. This was achieved as a result of increased production and the continuing efforts to reduce costs. Consequently, year to date cash operating costs were US$188 per ounce. This compares with US$196 per ounce which was achieved during the same period in 2000.

During the quarter, Ashanti reduced its gross and net debt levels by US$9.7 million. This included a further repayment of US$8.8 million towards the Revolving Credit Facility which was reduced to US$70.0 million at the quarter end.

Ashanti has appointed Houlihan Lokey Howard & Zukin Capital and Close Brothers Corporate Finance to advise the Company in connection with the Company's refinancing strategies in the future, including the possible restructuring of the 5.5% Exchangeable Notes due 2003. Williams de Broë has also been appointed as the Company's stockbrokers.

With Geita having achieved an ISO 14001 accreditation, the safety, health and environment aspects of all of Ashanti's operations are now internationally audited and rated. The Group Lost Time Injury Frequency Rate for the quarter was 0.51 injuries per 200,000 man hours worked and 0.61 for the year-to-date, maintaining the Group's strong safety record.

Board of Directors

On 23 July 2001, Dr Kwabena Duffuor resigned as a non-executive director of the Company and Mr Alex Ashiabor has indicated to the Board that he will step down as a non-executive director of the Company on 31 July 2001.

With the resignations of these individuals who, as directors, were helpful in the management of the Company's relationship with the previous Government in Ghana, the Board has appointed, on 27 July, Mr Theophilus Ernest Anin as a non-executive director. Mr Anin, a lawyer and a banker by profession, brings a wealth of experience to the Board. His appointment has been warmly welcomed by the new Government.

- Quarter's earnings of US$14.1 million – up 57% on previous quarter and up 120% on corresponding quarter last year
- Net debt reduced by US$9.7 million during the quarter
- Gold production of 437,043 ounces – up 10% on the previous quarter
- Cash operating costs of US$181 per ounce – 7% lower than previous quarter and second quarter 2000
- Geita obtains international accreditation for environmental management

Highlights	3 months to 30 June 01	3 months to 30 June 00	6 months to 30 June 01	6 months to 30 June 00
Financial (US$m)				
Turnover	**139.9**	145.4	**269.4**	289.4
EBITDA	**50.6**	50.1	**92.4**	101.1
Profit before tax	**15.8**	7.9	**25.6**	15.5
Earnings	**14.1**	6.4	**23.1**	13.3
Earnings per share (US$)	**0.12**	0.06	**0.20**	0.12
Gold Production (ounces)				
Total	**437,043**	433,050	**836,035**	850,900
Attributable	**416,484**	409,702	**798,031**	805,542
Gold Price (US$ per ounce)				
Realised by Ashanti	**320**	336	**322**	340
Spot price	**274**	281	**268**	286
Production Costs (US$ per ounce)				
Cash operating costs	**181**	196	**188**	196
Royalties	**8**	8	**8**	8
Depreciation and amortisation	**60**	67	**61**	72
Total	**249**	271	**257**	276

The numbers for 2001 include our 50% share of Geita (2000: 100%).

Ghana

Obuasi

Obuasi's second quarter gold production of 130,099 ounces, was 25% below the 173,322 ounces achieved in the corresponding period for 2000 prior to the cessation of surface mining operations and the closure of the Pompora Treatment Plant. The cash operating costs for the second quarter was US$192 per ounce, a US$19 reduction on the US$211 per ounce reported for the second quarter of 2000.

Mining. Underground production was 625,000 tonnes compared with 584,000 tonnes mined in the second quarter of 2000 whilst the head grade at 7.94 g/t was 4% higher than the 7.64 g/t achieved the previous year. The grade improved in June to above 8.00 g/t. Underground infrastructure projects that continued during the quarter include the 41 level haulage where the drive south to the Brown Sub-Vertical Shaft (BSVS) was completed and the drive north to mining blocks five and six was further extended. In the Sansu ventilation shaft the mechanicals were completed and the fans commissioned. Work continued on the 300 South ventilation raise project and the Kwesi Mensah Shaft (KMS) spillage decline between 50 and 52 levels.

Processing. Throughput at the Sulphide Treatment Plant (STP) was 558,000 tonnes compared with 615,000 tonnes in the corresponding period last year. The head grade increased to 7.91 g/t from 4.91 g/t and recovery at the plant increased to 84.2% from 78.8% in the second quarter of 2000. The improved recovery and feed grade helped increase gold production to 119,425 ounces, a 56% increase on the 76,608 ounces produced in the corresponding period last year. Towards the end of the quarter, unscheduled maintenance and repair work on the SAG mill, which has extended into July, constrained throughput and resulted in a lower than planned processed tonnage.

Exploration. Underground exploration continued to yield encouraging results including 12.2 g/t over 8.1 metres and 12.4 g/t over 6.6 metres on the east lode and 16.2 g/t over 6 metres on the west lode on 20 level at Sansu and 18.8 g/t over 1.9 metres on 38 level in the BSVS area.

Mining and processing operations continued at Ayanfuri throughout the quarter but at a reduced rate. In June, mining of the Dadieso deposit commenced following the receipt of approvals.

Iduapriem/Teberebie

Gold production from the Iduapriem and Teberebie mines was 50,125 ounces at cash operating costs of US$200 per ounce compared with the record 56,530 ounces at US$216 per ounce for the corresponding period in 2000 when the old Teberebie leach pads were still productive. Gold production exceeded the target of 45,000 ounces despite a two month delay in the planned recommissioning of the Teberebie east heap leach plant.

Bibiani

Bibiani produced 63,137 ounces of gold from the processing of 735,000 tonnes of ore at 3.31 g/t at a cash operating cost of US$170 per ounce compared with US$152 per ounce reported for the second quarter of 2000 when 698,000 tonnes at 3.67 g/t were processed to produce 68,304 ounces.

Guinea

Siguiri

Gold production at Siguiri was 86,934 ounces compared with the 80,277 ounces produced in the second quarter of 2000. Cash operating costs for the quarter were US$190 per ounce compared with the US$188 per ounce in the corresponding period last year. Measures adopted to improve leach rates and reduce gold lock up on the pads have proved successful and the anticipated results were achieved in the second quarter.

Zimbabwe

Freda-Rebecca

Freda-Rebecca gold production was 29,987 ounces, marginally higher than the 29,016 ounces achieved in the second quarter of 2000. Cash operating costs were US$200 per ounce, a US$23 per ounce improvement upon the US$223 per ounce achieved in the corresponding period last year due to management's focus on cost control.

Tanzania

Geita

In its second quarter of joint ownership, the 50/50 Joint Venture between Ashanti and AngloGold Limited at Geita produced 143,820 ounces at a cash operating cost of US$134 per ounce. Ashanti's attributable ounces amounted to 71,910 ounces.

Exploration

East Africa

Tanzania

At Geita, additional drilling was undertaken on the Chipaka prospect. Drilling results included 33 metres grading 3.8 g/t gold from a depth of 30 metres, 27 metres at 3.1 g/t from 37 metres and 24 metres of 3.6 g/t gold from 13 metres. A resource will be determined during the next quarter.

Also at Geita, the pre-feasibility study on the Nyankanga underground resource indicated the potential for a five-year operation capable of producing 150,000 ounces per year at cash operating costs of approximately US$170 per ounce. Further infill drilling is required to confirm this underground resource and complete full feasibility studies. The Nyankanga resource remains open down dip in the west and additional drilling is also required there to fully delineate the resource.

Ashanti continued its regional assessment of the Lake Victoria Goldfields during the quarter.

West Africa

Guinea

Exploration at Siguiri in the second quarter concentrated on the Sintroko-Sokunu corridor, south of the main area of mining, targeting both laterite and saprolite mineralisation. Intersections at the new Sokunu prospect included 26 metres grading 2.2 g/t from 44 metres, 21 metres at 1.9 g/t from 19 metres and 11 metres of 4.2 g/t from 23 metres. Additional infill drilling is required to outline resources.

Côte d'Ivoire

Detailed soil sampling prior to a planned Rotary Air Blast drilling was completed on four targets with regional soil anomalies and artisanal workings near Zaranou, Ehuasso, Bebou and M'Basso Agni.

Southern Africa

Zimbabwe

Drilling continued on the Ran project claims near Freda-Rebecca. The mineralised zone has now been extended over a strike length of 500 metres. Results included 46.9 metres grading 3.8 g/t gold and 0.66% copper from 24 metres, 54.3 metres at 4.5 g/t gold and 0.38% copper from surface, and 14.6 metres of 12.3 g/t gold and 0.19% copper from 301 metres. Resource estimates will be undertaken during the third quarter after completion of the current drilling phase.

Summary of production and cash operating costs per ounce

	Obuasi Underground	Obuasi Surface	Obuasi Tailings	Obuasi Total	Ayanfuri	Iduapriem	Bibiani	Siguiri	Freda-Rebecca	Geita	Total/ Average
3 months to 30 June 2001											
Production (ounces)	119,552	–	10,577	130,099	4,851	50,125	63,137	86,934	29,987	71,910	**437,043**
Cost per ounce (US$)	199	–	112	192	268	200	170	190	200	134	**181**
3 months to 30 June 2000											
Production (ounces)	121,642	41,080	10,600	173,322	9,071	56,530	68,304	80,277	29,016	16,530	**433,050**
Cost per ounce (US$)	205	253	116	211	235	216	152	188	223	120	**196**
6 months to 30 June 2001											
Production (ounces)	238,930	–	22,791	261,721	11,517	96,525	121,017	156,835	56,240	132,180	**836,035**
Cost per ounce (US$)	200	–	109	192	243	211	163	215	213	139	**188**
6 months to 30 June 2000											
Production (ounces)	237,064	96,385	21,037	354,486	19,845	94,587	138,545	176,273	50,634	16,530	**850,900**
Cost per ounce (US$)	211	245	123	217	223	229	150	171	224	120	196

The numbers for 2001 include our 50% share of Geita (2000: 100%).

Gold Production Summary

	3 months to 30 June 2001	3 months to 30 June 2000	**6 months to 30 June 2001**	6 months to 30 June 2000
Obuasi				
Underground Mining				
Ore production (000 tonnes)	**625**	584	**1,241**	1,171
Ore grade (g/t)	**7.94**	7.64	**7.92**	7.67
Surface Mining				
Ore production (000 tonnes)	–	382	–	862
Ore grade (g/t)	–	4.70	–	4.22
Waste mined (000 tonnes)	–	2,885	–	7,776
Strip ratio	–	7.6	–	9.0
Sulphide Treatment Plant				
Ore processed (000 tonnes)	**558**	615	**1,155**	1,231
Head grade (g/t)	**7.91**	4.91	**7.64**	4.91
Recovery (%)	**84.2**	78.8	**83.5**	78.5
Gold produced (ounces)	**119,425**	76,608	**236,843**	152,433
Pompora Treatment Plant				
Ore processed (000 tonnes)	–	368	–	787
Head grade (g/t)	–	8.46	–	8.01
Recovery (%)	–	82.4	–	82.4
Gold produced (ounces)	**97**	82,446	**2,087**	167,156
Oxide Treatment Plant				
Ore processed (000 tonnes)	–	61	–	193
Head grade (g/t)	–	2.50	–	2.83
Recovery (%)	–	75.4	–	78.9
Gold produced (ounces)	–	3,668	–	13,860
Tailings Treatment Plant				
Ore processed (000 tonnes)	**391**	454	**822**	917
Head grade (g/t)	**2.48**	2.41	**2.52**	2.32
Recovery (%)	**33.9**	30.1	**34.2**	30.7
Gold produced (ounces)	**10,577**	10,600	**22,791**	21,037
Obuasi Total Processed				
Ore processed (000 tonnes)	**949**	1,498	**1,977**	3,128
Head grade (g/t)	**5.67**	4.93	**5.51**	4.80
Recovery (%)	**75.1**	73.0	**74.7**	73.3
Total gold produced (ounces)	**130,099**	173,322	**261,721**	354,486
Obuasi Production Distribution				
Obuasi underground (ounces)	**119,522**	121,642	**238,930**	237,064
Obuasi surface (ounces)	–	41,080	–	96,385
Obuasi tailings (ounces)	**10,577**	10,600	**22,791**	21,037
Obuasi total (ounces)	**130,099**	173,322	**261,721**	354,486
Ayanfuri				
Mining				
Ore production (000 tonnes)	**140**	221	**332**	439
Ore grade (g/t)	**1.50**	1.65	**1.50**	1.51
Waste mined (000 tonnes)	**519**	667	**1,059**	1,601
Strip ratio	**3.7**	3.0	**3.2**	3.6
Heap Leach				
Ore stacked (000 tonnes)	**133**	280	**329**	611
Head grade (g/t)	**1.07**	1.38	**1.20**	1.27
Recovery (%)	**106.0**	73.2	**90.8**	79.5
Gold produced (ounces)	**4,851**	9,071	**11,517**	19,845

	3 months to 30 June 2001	3 months to 30 June 2000	6 months to 30 June 2001	6 months to 30 June 2000
Iduapriem				
Mining				
Ore production (000 tonnes)	**1,227**	1,168	**2,227**	2,524
Ore grade (g/t)	**1.59**	1.08	**1.63**	1.08
Waste mined (000 tonnes)	**3,411**	3,806	**6,650**	7,343
Strip ratio	**2.8**	3.3	**3.0**	2.9
CIL Plant				
Ore processed (000 tonnes)	**685**	636	**1,341**	1,336
Head grade (g/t)	**1.94**	1.47	**1.90**	1.43
Recovery (%)	**95.8**	94.3	**95.7**	93.4
Gold produced (ounces)	**40,919**	29,929	**78,226**	58,360
Heap Leach (Iduapriem/Teberebie)				
Ore stacked (000 tonnes)	**677**	610	**1,135**	1,294
Head grade (g/t)	**0.81**	0.73	**0.85**	0.74
Recovery (%)	**52.2**	88.3	**51.5**	74.7
Gold produced	**9,206**	26,601	**18,299**	36,227
Iduapriem total (ounces)	**50,125**	56,530	**96,525**	94,587
Bibiani				
Mining				
Ore production (000 tonnes)	**464**	513	**952**	1,028
Ore grade (g/t)	**4.13**	2.76	**3.93**	3.28
Waste mined (000 tonnes)	**3,538**	3,678	**7,813**	6,741
Strip ratio	**7.6**	7.5	**8.2**	6.6
CIL Plant				
Ore processed (000 tonnes)	**735**	698	**1,367**	1,323
Head grade (g/t)	**3.31**	3.67	**3.35**	3.96
Recovery (%)	**85.5**	88.3	**85.8**	86.1
Gold produced (ounces)	**63,137**	68,304	**121,017**	138,545
Siguiri				
Mining				
Ore production (000 tonnes)	**1,887**	2,716	**4,373**	5,279
Ore grade (g/t)	**1.46**	1.37	**1.35**	1.43
Waste mined (000 tonnes)	**1,145**	1,381	**3,109**	2,645
Strip ratio	**0.6**	0.5	**0.7**	0.5
Heap Leach				
Ore stacked (000 tonnes)	**2,474**	2,235	**5,067**	4,763
Head grade (g/t)	**1.46**	1.34	**1.34**	1.34
Recovery (%)	**74.8**	83.4	**71.9**	85.9
Gold produced (ounces)	**86,934**	80,277	**156,835**	176,273
Freda-Rebecca				
Underground Mining				
Ore production (000 tonnes)	**302**	255	**586**	453
Ore grade (g/t)	**3.80**	3.78	**3.62**	3.64
Processing				
Ore processed (000 tonnes)	**298**	226	**567**	485
Head grade (g/t)	**3.63**	4.39	**3.52**	3.55
Recovery (%)	**86.3**	91.0	**87.6**	89.4
Gold produced (ounces)	**29,987**	29,016	**56,240**	50,834
Geita				
Surface Mining				
Ore mined (000 tonnes)	**1,350**	323	**2,157**	513
Grade (g/t)	**3.57**	3.03	**3.72**	3.01
Waste mined (000 tonnes)	**6,529**	2,955	**12,504**	5,390
Strip ratio	**4.8**	9.1	**5.8**	10.5
Processing				
CIL Plant				
Ore processed (000 tonnes)	**1,172**	194	**2,322**	194
Head grade (g/t)	**4.07**	3.61	**3.80**	3.61
Recovery (%)	**94.0**	93.7	**94.0**	93.7
Gold produced (ounces)	**143,821**	16,530	**264,360**	16,530
Group Summary				
Managed gold production (ounces)	**365,133**	433,050	**703,855**	850,900
Geita JV 50%	**71,910**	–	**132,180**	–
Total	**437,043**	433,050	**836,035**	850,900
Less minority interests	**20,559**	23,348	**38,004**	45,358
Attributable (ounces)	**416,484**	409,702	**798,031**	805,542

Earnings

Earnings for the second quarter were US$14.1 million (US$0.12 per share), US$5.1 million higher than the first quarter and US$7.7 million higher than the corresponding period last year. The increase in earnings as compared with the first quarter was due to higher production, a higher spot price and lower operating costs.

For the year to date, earnings were US$23.1 million (US$0.20 per share), up US$9.8 million on last year due to lower operating costs, depreciation and interest charges.

Revenue

Total revenue, including Ashanti's 50% share of Geita, for the quarter was US$139.9 million, equivalent to US$320 per ounce. Spot revenue generated US$119.6 million, whilst hedging income totalled US$20.3 million comprising US$8.0 million from hedge close-outs and US$12.3 million from the release of deferred hedging income. Year-to-date total revenue was US$269.4 million, equivalent to US$322 per ounce. Deferred hedging income at 30 June 2001 stood at US$95 million of which US$28 million will be released in the second half of the year.

Hedging

As at 30 June 2001, Ashanti had 5.4 million ounces of protection at an average price of US$362 per ounce with commitments to deliver gold of 8.7 million ounces. The mark-to-market value of the hedge book was positive US$76 million based on a spot price of US$270 per ounce. Full details of the hedge position are set out on pages 12 and 13.

As at 30 June 2001, Ashanti's share of the Geita hedge book was negative US$3 million. Full details are set out on page 14.

Operating Costs

Total cash operating costs for the second quarter were US$181 per ounce, 7% lower than the previous quarter and the corresponding quarter last year, due to increased production and the continuing efforts to reduce costs. Year-to-date total cash operating costs were US$188 per ounce (2000: US$196 per ounce).

Profit

Operating profit for the quarter was US$24.2 million, up US$7.2 million as compared with the previous quarter. Year-to-date operating profit was US$41.2 million (2000: US$38.5 million).

Exploration expenditure for the quarter was unchanged from the previous quarter at US$1.6 million. Corporate administration costs for the quarter were US$4.9 million, bringing the year-to-date to US$10.1 million (US$12 per ounce). Net interest payable for the quarter was US$8.4 million of which US$2.0 million relates to Geita.

Cash Flow and Balance Sheet

Group cash inflow from operating activities for the quarter was US$23.6 million (2000: US$35.0 million), US$17.3 million lower than Group EBITDA primarily due to release of deferred hedging income.

Group capital expenditure for the quarter was US$10.7 million, comprising US$7.6 million at Obuasi and US$3.1 million at the other mines.

During the quarter, Ashanti repaid a further US$8.8 million towards the Revolving Credit Facility reducing it to US$70.0 million. As at 30 June 2001, the Group's gross and net debt levels were lower at US$342.6 million (31 March 2001: US$352.3 million) and US$287.3 million (31 March 2001: US$297.0 million) respectively. These exclude the 50% share of the US$135.0 million non-recourse Geita project finance loan.

Refinancing – Appointment of Advisers

Ashanti has appointed Houlihan Lokey Howard & Zukin Capital and Close Brothers Corporate Finance to advise the Company in connection with refinancing strategies in the future, including the possible restructuring of the 5.5% Exchangeable Notes due 2003. Ashanti has agreed that part of their success fee will be payable by an allotment to Close Brothers of 800,000 ordinary shares, on completion of the transaction.

Independent Review Report to Ashanti Goldfields Company Limited

Introduction
We have been instructed by the company to review the financial information set out on pages 8 to 11 and we have read the other information contained in the second quarter report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities
The second quarter report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The Listing Rules of the United Kingdom Listing Authority require that the accounting policies and presentation applied to interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed
We conducted our review in accordance with guidance contained in United Kingdom Bulletin 1999/4 issued by the United Kingdom Auditing Practices Board. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Uncertainty relating to banking arrangements
In arriving at our review conclusion, we have considered the adequacy of the disclosures made in note 1 to the financial information concerning the uncertainty as to the Group meeting its commitments under the terms of its banking arrangements. In view of the significance of this uncertainty, we consider that it should be drawn to your attention, but our review conclusion does not require modification in this respect.

Review conclusion
On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2001.

Deloitte & Touche – Accra
Chartered Accountants

30 July 2001

Group Profit and Loss Account

	Note	3 months to 30 June 2001 Group US$m	3 months to 30 June 2001 Interest in joint venture US$m	3 months to 30 June 2001 Total US$m	3 months to 30 June 2000 US$m	6 months to 30 June 2001 Group US$m	6 months to 30 June 2001 Interest in joint venture US$m	6 months to 30 June 2001 Total US$m	6 months to 30 June 2000 US$m
Turnover	2	**119.9**	**20.0**	**139.9**	145.4	**232.4**	**37.0**	**269.4**	289.4
Operating costs	2	**(76.1)**	**(9.6)**	**(85.7)**	(91.9)	**(152.1)**	**(18.4)**	**(170.5)**	(181.4)
Royalties		**(2.9)**	**(0.7)**	**(3.6)**	(3.4)	**(5.4)**	**(1.1)**	**(6.5)**	(6.9)
Depreciation and amortisation		**(23.9)**	**(2.5)**	**(26.4)**	(29.7)	**(45.3)**	**(5.9)**	**(51.2)**	(62.6)
Total costs		**(102.9)**	**(12.8)**	**(115.7)**	(125.0)	**(202.8)**	**(25.4)**	**(228.2)**	(250.9)
Operating profit	2	**17.0**	**7.2**	**24.2**	20.4	**29.6**	**11.6**	**41.2**	38.5
Share of operating profit of joint venture		**7.2**			–	**11.6**			–
Total operating profit		**24.2**			20.4	**41.2**			38.5
Net interest payable: Group		**(6.4)**			(12.5)	**(11.6)**			(23.0)
Joint venture		**(2.0)**			–	**(4.0)**			–
Profit before taxation		**15.8**			7.9	**25.6**			15.5
Taxation		**(1.7)**			(1.5)	**(2.5)**			(1.5)
Profit after taxation		**14.1**			6.4	**23.1**			14.0
Minority interests		**–**			–	**–**			(0.7)
Profit attributable to shareholders		**14.1**			6.4	**23.1**			13.3
Dividends		**–**			–	**–**			–
Retained profit for the period		**14.1**			6.4	**23.1**			13.3
Earnings per share (US$)		**0.12**			0.06	**0.20**			0.12

	As at 30 June 2001 Group US$m	As at 30 June 2001 Interest in joint venture US$m	As at 30 June 2001 Total US$m	As at 30 June 2000 US$m	As at 31 Dec 2000 US$m
Fixed assets					
Intangible assets	20.3	61.5	81.8	143.6	21.5
Tangible assets	622.6	105.1	727.7	1,063.0	645.8
Investments					
– Geita joint venture	76.9	(76.9)	–	–	69.3
– Loans to joint venture and other investments	32.6	–	32.6	–	32.6
	752.4		842.1	1,206.6	769.2
Current assets					
Stocks	74.3	6.4	80.7	80.4	77.8
Debtors	17.0	4.1	21.1	41.6	15.6
Cash	55.3	9.5	64.8	85.9	73.6
	146.6	20.0	166.6	207.9	167.0
Creditors: amounts falling due within one year					
Creditors	(168.2)	(40.1)	(208.3)	(184.5)	(169.0)
Borrowings	(5.0)	(9.7)	(14.7)	(217.6)	(7.2)
	(173.2)	(49.8)	(223.0)	(402.1)	(176.2)
Net current liabilities	(26.6)	(29.8)	(56.4)	(194.2)	(9.2)
Total assets less current liabilities	725.8	136.8	785.7	1,012.4	760.0
Creditors: amounts falling due over one year					
Creditors	(60.6)	–	(60.6)	(137.1)	(98.2)
Borrowings	(337.6)	(57.9)	(395.5)	(444.3)	(358.5)
Provisions for liabilities and charges	(25.7)	(2.0)	(27.7)	(24.7)	(24.5)
	301.9		301.9	406.3	278.8
Capital and reserves					
Stated capital	544.3			544.3	544.3
Reserves	(246.5)			(139.8)	(269.6)
Equity shareholders' funds	297.8			404.5	274.7
Equity minority interests	4.1			1.8	4.1
	301.9			406.3	278.8

The financial information for the second quarter and six months ended 30 June 2001 were approved by the Board of directors on 30 July 2001 and signed on its behalf by:

S E Jonah
Director

S Venkatakrishnan
Director

Group Cash Flow Statement

	3 months to 30 June 2001 US$m	3 months to 30 June 2000 US$m	6 months to 30 June 2001 US$m	6 months to 30 June 2000 US$m
Cash inflow from operating activities	**23.6**	35.0	**41.5**	63.8
Returns on investments and servicing of finance				
Interest received	**0.6**	1.2	**1.7**	2.4
Interest paid	**(3.5)**	(17.4)	**(13.2)**	(26.7)
Net cash outflow from returns on investments and service of finance	**(2.9)**	(16.2)	**(11.5)**	(24.3)
Taxation				
Corporate tax paid	**–**	(2.3)	**(2.6)**	(2.3)
Capital expenditure and financial investments				
Purchase of tangible fixed assets	**(10.7)**	(31.4)	**(22.1)**	(85.9)
Net cash outflow from capital expenditure and financial investment	**(10.7)**	(31.4)	**(22.1)**	(85.9)
Acquisitions and disposals	**–**	(4.6)	**–**	(4.6)
Cash inflow/(outflow) before financing	**10.0**	(19.5)	**5.3**	(53.3)
Financing				
Loans drawn down	**–**	10.0	**–**	56.0
Loan repayments	**(10.0)**	(2.9)	**(23.6)**	(6.5)
Net cash (outflow)/inflow from financing	**(10.0)**	7.1	**(23.6)**	49.5
Decrease in cash	**–**	(12.4)	**(18.3)**	(3.8)

1. Basis of Preparation

The unaudited results for the six months ended 30 June 2001 have been prepared in accordance with the accounting policies set out in the Annual Report and Accounts for the year ended 31 December 2000.

The Group currently has over US$100 million of undrawn committed facilities which are available to be drawn by the Group during 2001 subject to the Group complying with the covenants contained in the Revolving Credit Facility. The Group is required under the terms of the Revolving Credit Facility and the margin free trading arrangements it has with its hedging counterparties to submit a refinancing plan to its banks and hedge counterparties by no later than 31 January 2002. If this plan is objected to by the banks or the hedge counterparties, the Group is obliged to deliver a revised refinancing plan. If the latest revised refinancing plan is objected to by the banks by 30 June 2002, or if the Group breaches other covenants contained in either the Revolving Credit Facility or the margin free trading letter, then the bank facilities may be withdrawn and become repayable early and the margin free trading arrangements may also be withdrawn.

With effect from 31 December 2001 all undrawn facilities will be cancelled and the Group will be required to make repayments under its facilities commencing 31 March 2002. The Group will need to meet its repayments, which fall due in 2002, from operating cash flow and hedge close outs or otherwise seek replacement facilities. The sufficiency of the cash flows and the availability of these facilities in 2002, will depend to a large extent on the gold price at that time and the Group maintaining its operational efficiencies.

Based on the Group's current cash flow projections and the other options available to the Group there is reasonable expectation that the Group will continue in operational existence for at least the next 12 months. Consequently, Directors have formed the judgement, at the time of approving the financial information, that it is appropriate to continue to use the going concern basis in preparing the financial information.

2. Operating Profit Analysis by Business Area

6 months to 30 June 2001	Obuasi	Ayanfuri	Idua-priem	Bibiani	Siguiri	Freda-Rebecca	Hedging income	Explora-tion	Corp. Admin	Group	Geita	Total
Production ounces	261,721	11,517	96,525	121,017	156,835	56,240	–	–	–	703,855	132,180	836,035
US$ million												
Revenue – spot	69.7	3.1	25.6	32.1	41.7	17.0	–	–	–	189.2	35.1	224.3
– hedging	–	–	–	–	–	–	43.2	–	–	43.2	1.9	45.1
	69.7	3.1	25.6	32.1	41.7	17.0	43.2	–	–	232.4	37.0	269.4
Operating costs	(50.2)	(2.8)	(20.4)	(19.7)	(33.7)	(12.0)	–	(3.2)	(10.1)	(152.1)	(18.4)	(170.5)
Royalties	(2.2)	(0.1)	(0.7)	(1.0)	(1.4)	–	–	–	–	(5.4)	(1.1)	(6.5)
EBITDA	**17.3**	**0.2**	**4.5**	**11.4**	**6.6**	**5.0**	**43.2**	**(3.2)**	**(10.1)**	**74.9**	**17.5**	**92.4**
Depreciation and amortisation	(20.2)	(0.4)	(2.6)	(6.9)	(11.4)	(3.2)	–	(0.1)	(0.5)	(45.3)	(5.9)	(51.2)
Operating profit 30.6.2001	**(2.9)**	**(0.2)**	**1.9**	**4.5**	**(4.8)**	**1.8**	**43.2**	**(3.3)**	**(10.6)**	**29.6**	**11.6**	**41.2**
30.6.2000	(9.8)	(1.5)	3.0	7.8	8.8	(1.5)	45.9	(4.2)	(11.6)	36.9	1.6	38.5

The numbers for 2001 include our 50% share of Geita (2000: 100%).

12 Hedging Commitments

The table below shows all forward and option positions that Ashanti had as at 30 June 2001

		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Forward Sales															
	(ounces)	301,254	477,500	718,746	529,996	464,996	248,000	190,000	205,000	180,000	140,000	140,000	120,000	120,000	3,835,492
	(US$/ounce)	348.45	350.26	344.61	353.34	353.12	349.35	345.93	349.80	345.33	346.86	346.86	348.00	348.00	348.91
Puts:															
Bought	(ounces)	93,574	270,000	50,000	–	–	–	–	–	–	–	–	–	–	413,574
	(US$/ounce)	318.09	349.54	354.00	–	–	–	–	–	–	–	–	–	–	342.96
Sold	(ounces)	25,000	50,000	50,000	50,000	–	–	–	–	–	–	–	–	–	175,000
	(US$/ounce)	270.00	270.00	270.00	270.00	–	–	–	–	–	–	–	–	–	270.00
Subtotal	(ounces)	68,574	220,000	–	(50,000)	–	–	–	–	–	–	–	–	–	238,574
Calls:															
Sold	(ounces)	492,852	820,700	629,492	575,092	305,900	315,620	287,840	287,840	96,220	56,500	56,500	56,500	56,500	4,037,556
	(US$/ounce)	317.02	332.97	337.24	343.30	357.32	361.25	366.48	366.48	362.38	350.00	350.00	350.00	350.00	343.65
Bought	(ounces)	–	60,000	240,000	280,000	60,000	173,000	173,000	–	–	–	–	–	–	986,000
	(US$/ounce)	–	380.00	429.13	444.43	380.00	418.44	418.44	–	–	–	–	–	–	423.74
Subtotal	(ounces)	492,852	760,700	389,492	295,092	245,900	142,620	114,840	287,840	96,220	56,500	56,500	56,500	56,500	3,051,556
Convertible Structures:															
Put Protection	(ounces)	–	–	–	79,200	79,200	179,200	179,200	179,200	179,200	179,200	100,000	100,000	50,000	1,304,400
	(US$/ounce)	–	–	–	377.50	377.50	390.47	390.47	390.47	390.47	390.47	400.75	400.75	401.00	390.88
Forward Commitment															
	(ounces)	–	–	–	–	–	200,000	200,000	189,000	100,000	100,000	100,000	100,000	50,000	1,039,000
	(US$/ounce)	–	–	–	–	–	400.75	400.75	400.75	400.75	400.75	400.75	400.75	401.00	400.76
Call Commitment															
	(ounces)	–	–	–	79,200	79,200	79,200	79,200	79,200	135,200	135,200	56,000	56,000	28,000	806,400
	(US$/ounce)	–	–	–	380.00	380.00	380.00	380.00	380.00	388.59	388.59	400.75	400.75	401.00	386.49
Summary:															
Protected	(ounces)	369,828	697,500	718,746	559,196	544,196	427,200	369,200	384,200	359,200	319,200	240,000	220,000	170,000	5,378,466
Committed															
	(ounces)	794,106	1,238,200	1,108,238	904,288	790,096	669,820	584,040	761,040	511,420	431,700	352,500	332,500	254,500	8,732,448
Total committed ounces as a percentage of total forecast production (excluding Geita production for the period of the project finance, ie 2001 – 2007)															75%
Lease Rate Swap Amortising Volume (ounces)		2,777,500	5,341,625	5,044,125	4,466,400	3,765,200	3,089,400	2,470,375	1,941,675	1,427,650	1,014,470	695,250	408,750	161,000	–

Forward Sales:

A total of 3.84 million ounces have been sold forward at an average price of US$348.91 per ounce.

Put Options:

Ashanti has purchased 413,574 ounces of put options that give Ashanti the right, but not the obligation, to sell gold at certain strike prices. The average strike price is US$342.96 per ounce. Ashanti has also sold 175,000 ounces of put options at an average strike price of US$270 per ounce.

Call Options:

Ashanti has sold 4.04 million ounces of call options at an average strike price of US$343.65 per ounce. As a partial offset, Ashanti has bought 986,000 ounces of call options at an average strike price of US$423.74 per ounce which start maturing in 2002.

Convertible Structures:

The portfolio contains 3 types of convertible structures:

1. Ashanti has sold 554,400 ounces of call options at a strike price of US$380 per ounce for the period March 2004 to December 2010. These call options convert to bought put options (with a strike price of US$377.50 per ounce) if gold trades below predetermined barrier levels on specified dates starting from 2002. The average barrier level is US$347.
2. Ashanti owns 300,000 ounces of put options for the period March 2006 to December 2008 with strike prices of US$401 per ounce. Each option has a conversion level and a strip of conversion dates associated with it. If the conversion occurs the put options convert into twice the 589,000 ounces of forward sales at the same strike price.
3. Ashanti owns 450,000 ounces of put options for the period March 2009 to December 2013 with strike prices of US$401 per ounce. Each option has a conversion level and a strip of conversion dates associated with it. If the conversion occurs each put option converts into 1 ounce of forward sales and 0.56 ounces of (sold) call options.

The average conversion level for convertibles 2 and 3 is US$362.50.

The hedge table breaks the above structures into protected and committed ounces. The "Put Protection" represents the amount of ounces that may be sold should gold continue trading at current levels. Under certain conditions (given above) these puts may cease to exist and may be replaced by forward sales and/or calls sold ("Forward Commitment" and "Call Commitment").

Gold Lease Rate Swaps:

As of 30 June 2001, a maximum of 5.3 million ounces of Ashanti's hedged production will be exposed to the floating 1, 3 and 6 month lease rate at any one time (August 2002).

The lease rate swaps can be broken down into the following types (under all of these contracts Ashanti receives a certain lease rate income, which can be regarded as compensation for the lease rate exposure that Ashanti takes on).

Volume (ozs)	Fixed Rate	Description
27,500	2.00%	Ashanti pays a monthly floating rate and receives a monthly fixed rate of 2%
396,000	1.90%	Ashanti pays a semi-annual floating rate and receives a semi-annual fixed rate of 1.9%
1,150,000	1.90%	Ashanti pays a semi-annual floating rate and receives a semi-annual fixed rate of 1.9%
1,920,000	1.80%	Ashanti pays a quarterly floating rate and receives a quarterly fixed rate of 1.80%. The fixed amount of ounces is converted to dollars at a fixed spot price of US$300.
920,000	2.00%	Ashanti pays a quarterly floating rate and receives a fixed amount of dollars at maturity. The quarterly amount is rolled until maturity of each forward contract. The fixed amount for each contract is calculated using the formula: Volume*Years To Maturity*302*2.00%. The next rate set is in 2002.
665,000	1.75%	Ashanti pays a quarterly floating rate and receives a fixed rate ranging from 1.75% to 0% depending on where gold fixes. **Gold Fix** — **Fixed Rate Received** Spot<US$345 — 1.75% US$345<Spot<US$400 — Linearly interpolated between 1.75% and 0% US$400<Spot — 0%
240,000	2.25%	Ashanti pays a quarterly floating rate and receives a fixed rate ranging from 2.25% to 0% depending on where gold fixes. **Gold Fix** — **Fixed Rate Received** Spot<US$360 — 2.25% US$360<Spot<US$400 — Linearly interpolated 2.25% and 0% US$400<Spot — 0%
Total 5,318,500		

Mark-to-market valuations

On 30 June 2001, the portfolio had a positive mark-to-market value of US$76 million. This valuation was based on a spot price of US$269.75 and the then prevailing US interest rates, gold forward rates, volatilities and guidelines provided by the Risk Management Committee of the Board. The delta at that time was 6.4 million ounces. This implies that a US$1 increase in the price of gold would have a US$6.4 million negative impact (approximate) on the mark-to-market valuation of the hedge book. Movements in US interest rates, gold lease rates, volatilities and time will also have a sizeable impact on the mark-to-market. All these variables can change signficantly over short time periods and can consequently materially affect the mark-to-market valuation.

The approximate breakdown by type of the mark-to-market valuation at 30 June 2001 was as follows:

	US$m
Forward contracts	126.5
European Put options (net bought)	24.0
European Call options (net sold)	(48.0)
Convertible structures	34.2
Lease rate swaps	(60.7)
	76.0

Projected Realised Prices

The following summary table shows, as at 30 June 2001, the ounces delivered and average prices at the assumed spot price indicated. A quarterly lease rate of 1.5% is assumed throughout.

Spot Price	Ounces delivered million	Average Price US$ Per Ounce
US$250	5.221	373.37
US$300	5.467	365.83
US$350	6.756	352.22
US$400	9.608	354.51

The number of ounces to be delivered in this table indicates how many ounces Ashanti would sell through forward sales, as well as calls and puts, bought and sold, which would be exercised under the various assumed spot prices.

Geita Hedging Commitments

The table below shows Ashanti's portion of hedging commitments for Geita as at 30 June 2001. This represents half of Geita's hedge commitments.

		2001	2002	2003	2004	2005	2006	2007	Total
Forward Sales	(ounces)	57,331	214,350	228,781	191,598	125,744	94,576	120,938	1,033,318
	(US$/ounce)	286.52	282.37	286.11	288.51	294.33	296.05	298.49	289.16
Puts:									
Bought	(ounces)	8,240	25,170	26,735	25,586	24,350	18,115	23,390	151,586
	(US$/ounce)	292.21	291.03	291.19	291.29	291.19	291.03	291.66	291.29
Calls:									
Sold	(ounces)	15,000	–	–	–	–	–	–	15,000
	(US$/ounce)	272.00	–	–	–	–	–	–	272.00
Summary:									
Protected	(ounces)	65,571	239,520	255,516	217,184	150,094	112,691	144,328	1,184,904
Committed	(ounces)	72,331	214,350	228,781	191,598	125,744	94,576	120,938	1,048,318
Total committed ounces as a percentage of total forecast production									60%
Lease Rate Swap Amortising Volume	(ounces)	256,555	243,370	200,964	156,301	116,774	76,301	41,420	–

Mark-to-Market Valuation

On 30 June 2001, the Geita portfolio had a negative mark-to-market value of US$5.1 million (Ashanti's portion – US$2.55 million). This valuation was based on a spot price of US$269.75 per ounce and the then prevailing US interest rates, gold forward rates, volatilities and guidelines provided by the Risk Management Committee of the Board.

This report contains a number of statements relating to future results of Ashanti Goldfields Company Limited ("Ashanti") that are considered "forward looking statements" as defined in the Private Securities Litigation Reform Act 1995 of the United States of America. Ashanti may also make written or oral forward-looking statements in its periodic reports and filings with the various regulatory authorities, in its annual report to shareholders, in its offering circulars and prospectuses, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. These forward looking statements include statements about our beliefs, projections and expectations, and may include statements regarding future plans, objectives or goals, anticipated production or construction commencement dates, construction completion dates, expected costs, production output, the anticipated productive life of mines, projected cashflows, debt levels, and mark-to-market values of and cashflows from the hedgebook.

Such statements are based on current plans, estimates and projections and certain external factors which may be beyond the control of Ashanti and, therefore, undue reliance should not be placed on them. Ashanti can give no assurances that such results, including the actual production or commencement dates, construction completion dates, costs or production output or anticipated life of the projects and mines, projected cashflows, debt levels, and mark-to-market values of and cashflows from the hedgebook, discussed will not differ materially from the statements contained in this report. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors collectively referred to as "Risk Factors", many of which are beyond the control of Ashanti, which may cause actual results to differ materially from those expressed in the statements contained in this report. These Risk Factors include liquidity, gold price volatility, hedging operations, reserves estimates, exploration and development, mining, yearly output, infrastructure, Ghanaian political risks, environmental regulation, labour relations, general political risks, control by principal shareholders, Ghanaian Statutory provisions, dividend flows and litigation. For example, future revenues from projects or mines described herein will be based in part upon the market price of gold, which may vary significantly from current levels. Such variations, if materially adverse, may impact the timing or feasibility of the developments of a particular project or the expansion of specified mines.

Other factors that may affect the actual construction or production commencement dates, costs or production output and anticipated life of mines include the ability to produce profitably and transport gold extracted therefrom to applicable markets, the impact of foreign currency exchange rates, the impact of any increase in the costs of inputs, and activities by governmental authorities where such projects or mines are being explored or developed, including increases in taxes, changes in environmental and other regulations and political uncertainty.

Likewise the cashflows from and mark-to-market values of the hedgebook can be affected by, *inter alia*, gold price volatility, US interest rates, gold lease rates and active management of the hedgebook.

Forward looking statements speak only as of the date they are made, and Ashanti undertakes no obligation to update publicly any of them in light of new information or future events.

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