



January 31st, 2001

Good morning ladies and gentlemen.

First of all, let me take this opportunity first of all, to wish all of you a belated happy New Year. For us at Ashanti, this year promises to bring some excitement. As you know, we have had already, a peaceful transition of power from one civilian administration to another. While this may not come as a surprise to some of you, it is a very important development here for us here, because it is the first time such a transfer of power has happened in this country since Ghana gained its independence in 1957. We are particularly delighted at the new opportunities which are now available to Ashanti as an important company in the private sector of Ghana. It is therefore noteworthy that the new President has signalled to the world his desire to ensure the creation of a very active private sector.

Indeed he said that his government is determined to develop the business sector to usher Ghana into a "golden age" for the private sector. A new Cabinet position has been created for a minister with a direct responsibility for the private sector development. Although these are promising signs, as early as they are, we intend to capitalise on this mood to enter into a dialogue with the new Government on how we can ensure the restoration of Ashanti's value. On the production front, I am happy to announce that the year 2000 was a record one for us. The unaudited cash cost was also much lower than the previous year's.

Since this is a presentation solely on our production figures, I will at some stage be calling on Trevor Schultz to give you a breakdown, mine by mine. Even though we have put Venkat who is currently in London in the listening mode for this presentation, he will be reporting fully on the financials and related issues when we announce our preliminary results on 7th March. Peter Cowley is also here with me and no doubt he will be giving you a report on exploration efforts in the various countries we operate in. Let me once again state that we would expect that questions that will relate only to production and production issues because as I said earlier we will be giving you our preliminary results on the 7th March.

Ladies and Gentlemen, you may recall that we started the year with formidable difficulties which were of course very well publicised. In addition, the state of the gold industry has also presented peculiar difficulties which we believe we have responded by taking among others, specific measures which have ensured that Ashanti moves on. Against great odds, we completed the Geita mine three months ahead of schedule and on budget. We also closed the Geita joint venture agreement with AngloGold. Now with the proceeds of the sale of 50% interest, we paid down our corporate debt to a level which we believe you will find acceptable when we report on the full year's results in March.

During the year under review, group gold production rose to a record 1.7 million ounces and according to our unaudited accounts, this was achieved at a cash cost of US\$190 per ounce. You will recall that this represents ELEVEN per cent improvement on the 1.6 million ounces which were produced in the previous year and in terms of the unaudited cash cost this represents the SEVEN per cent reduction in what we reported at US\$205 per ounce in 1999.

The Fourth Quarter production for the Group stood at 438,280 ounces, a slight improvement on the 437,178 ounces we produced in the corresponding period of 1999 when we had a

considerable contribution from the surface operations in Obuasi. Again here the unaudited cash cost is expected to be in the region of US\$185 an ounce. Let me just say that the strong performance confirms the positive trend we have established in recent quarters.

We have made also commendable progress on the safety front. Lost Time Injury Frequency Rate (LTIFR) for the Group was reduced from 3.03 injuries per million man-hours in 1999 to 2.58 during the year 2000. What is even more pleasing about this was that in the year under review Five-star NOSA safety were conferred on Bibiani in Ghana and Freda-Rebecca in Zimbabwe with Four Star ratings being awarded to Iduapriem in Ghana and Siguiiri in Guinea respectively.

On the exploration front, again it does not come as a surprise that we have continued to rationalise our expenditure in line with of course current developments in the market. Mine site exploration is our current focus and this formed over 50% of the year's budget on exploration. We have worked hard to replace the reserves at Siguiiri for the third consecutive year. We have also increased the reserves at Geita by 41% to 7.8 million ounces, thereby opening up new vistas for the Joint venture.

Of course again we would be reporting group resources and reserves figures when we make our presentation on 7th March .

At this stage, I will hand you over to Trevor who will give you mine by mine production results for the year.