

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

ASHANTI GOLDFIELDS CO LTD

Form 6-K

October 31, 2003

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

For the month of October 2003

ASHANTI GOLDFIELDS COMPANY LIMITED

(Translation of Registrant's Name Into English)

Gold House, Patrice Lumumba Road  
Roman Ridge, P.O. Box 2665  
Accra, Ghana

(Address of Principal Executive Offices)

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

Form 20-F  Form 40-F   
--- ---

(Indicate by check mark 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   
--- ---

(If "Yes" is marked, indicate below the file number assigned to the  
registrant in connection with Rule 12g3-2(b): 82- .  
-----

Exhibit 99.1

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

THIRD QUARTER REPORT 2003

-----  
Ashanti improves upon first two quarters' performance

Overview

Ashanti's performance improved during the third quarter after having largely  
addressed the operational difficulties encountered during the first half of  
2003.

Earnings (before exceptional gains) were US\$20.2 million, down US\$2.3 million on  
the corresponding period last year but up US\$12.4 million on the previous  
quarter. A 14% increase in gold production, a higher average realised gold price

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

and a reduction in unit cash operating costs, relative to the second quarter, helped to improve earnings. Earnings for the quarter, after exceptional gains of US\$4.7 million, amounted to US\$24.9 million (2002: US\$22.5 million). Earnings per share before exceptional gains for the quarter were US\$0.15 (2002: US\$0.18) and after exceptional items were US\$0.19 (2002: US\$0.18).

The quarter's gold production of 423,231 ounces was in line with Ashanti's 2003 annual target of approximately 1.6 million ounces and is 4% better than the 407,328 ounces achieved in the same period last year. With the resolution of the plant expansion difficulties at Iduapriem and the progress achieved at the Nyankanga pit cut back at Geita, both Iduapriem and Geita achieved record quarterly production of 68,014 ounces and 176,487 ounces (Ashanti's 50% share: 88,244 ounces) respectively. Obuasi, Bibiani and Siguiriri performed broadly in line with expectation whilst operating difficulties continued to impact on Freda-Rebecca's gold production.

Cash operating costs for the quarter were US\$212 per ounce, US\$13 per ounce above the US\$199 achieved last year. However, this represents a US\$10 per ounce decrease on the previous quarter, largely due to higher gold production. The year-to-date cash operating costs of US\$219 per ounce were in line with the previously announced 10% increase on last year's annual cash operating costs of US\$199 per ounce.

Ashanti took advantage of the sustained high gold price and low lease rate environment to reduce its floating lease rate exposure whilst adding protection to its hedgebook. During the quarter, notional lease rate exposure was reduced from 2.76 million ounces to 1.68 million ounces, 176,063 ounces of protection was added and 2003 commitments were reduced from 617,886 ounces to 175,822 ounces.

During the quarter, Ashanti reduced its Group net debt by US\$12.6 million from US\$206.5 million to US\$193.9 million.

- o Earnings (before exceptional gains) of US\$20.2 million - down US\$2.3 million on last year, but up US\$12.4 million on the previous quarter
- o Quarter's gold production of 423,231 ounces - up 4% upon last year and up 14% upon the previous quarter
- o Cash operating costs of US\$212 per ounce up US\$13 per ounce on last year, but down US\$10 per ounce on previous quarter
- o Further reductions achieved in Ashanti's hedgebook commitments and floating lease rate exposure
- o Net debt reduced by US\$12.6 million during the quarter

Highlights	3 months to 30 Sept 03	3 months to 30 Sept 02	9 months to 30 Sept 03	9 months to 30 Sept 02
Financial (US\$m)				
Total turnover	150.1	141.2	407.3	419.3
Earnings before exceptional items	20.2	22.5	34.8	58.8
Earnings after				

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

exceptional items	24.9	22.5	46.5	35.3
-----				
Total operating profit before exceptional items	24.9	24.4	50.2	76.9
-----				
Group EBITDA before exceptional items	34.2	37.8	88.9	121.8
-----				
Total EBITDA before exceptional items	46.4	47.9	110.7	149.5
-----				
Earnings per share before exceptional items (US\$)	0.15	0.18	0.27	0.50
-----				
Earnings per share after exceptional items (US\$)	0.19	0.18	0.36	0.30
-----				
Gold Production (ounces)				
-----				
Total	423,231	407,328	1,175,138	1,220,446
-----				
Attributable	403,963	390,410	1,120,099	1,168,153
-----				
Gold Price (US\$ per ounce)				
-----				
Realised by Ashanti	355	347	347	344
-----				
Spot price	366	315	356	308
-----				
Production Costs (US\$ per ounce)				
-----				
Cash operating costs	212	199	219	194
-----				
Royalties	12	9	11	9
-----				
Depreciation and amortisation	51	58	51	59
-----				
Total	275	266	281	262
-----				

Operations Review

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

Ghana

Obuasi

Obuasi's gold production for the quarter was 137,564 ounces, approximately 1,500 ounces short of its annualised target but 11,313 ounces above the 126,251 ounces achieved in the third quarter of 2002. The increase in production was due to increased tonnage throughput and feed grade at the Sulphide Treatment Plant (STP). At US\$207 per ounce, the cash operating cost for the quarter was marginally above the target of US\$205 per ounce and below the US\$211 per ounce achieved in the third quarter last year.

Mining. Underground production of 590,000 tonnes was lower than the 627,000 tonnes reported in the third quarter of 2002 and the shaft head grade at 7.42 g/t is a decrease on the 7.60 g/t reported for the same period last year. The

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

reduced tonnage resulted from lower availability of the loader fleet.

Underground infrastructure. During the quarter, excavation activities on the 51 level loading pocket, the 26 level skip change out bay and the 24 level discharge bin at Brown Sub-vertical Shaft (BSVS) were completed, as were civil works on 51 level loading station. BSVS shaft steelwork procurement was completed and the sections for equipping the head end of the shaft were delivered to site. Erection of the shaft steel work surface jigs began during the quarter and equipping, starting with the installation of the shaft cables and clamps, is scheduled to begin in November 2003. Commissioning of the shaft is scheduled to take place at the end of 2004. At Sansu, civil works and electrical/mechanical installations were completed in preparation for the sinking and lining of the upper section of the raisebored Sansu waste pass system.

Surface. A total of 121,000 tonnes grading 2.35 g/t was mined from the Homase and Kunka open pits during the quarter, compared with 163,000 tonnes at 2.81 g/t for the corresponding period in 2002.

Processing. Throughput at STP was 619,000 tonnes, 4% above the 593,000 tonnes achieved for the corresponding period of last year whilst the head grade increased to 7.16 g/t from 6.80 g/t and metallurgical recovery at 82.7% showed a slight improvement on the corresponding period last year. The quarter's gold production at STP was 117,802 ounces as compared to 107,097 ounces in the third quarter of 2002. Production tonnage was affected by an unscheduled change out of the ball mill trunion bearing. Despite the increase in throughput from 184,000 tonnes last year to 229,000 tonnes in the third quarter, gold production at the Oxide Treatment Plant reduced by 1,451 ounces to 7,948 ounces from the 9,399 ounces achieved in the third quarter last year because of the lower grade and more refractory nature of the ore feed. Over the comparative periods, throughput and metallurgical recovery at the Tailings Treatment Plant increased from 453,000 tonnes to 521,000 tonnes and from 29.5% to 31.0% respectively, resulting in an increase in gold production from 9,755 ounces to 11,814 ounces.

Exploration. During the quarter, exploratory drilling activities continued at 50S 173E, 155W, 131W, 42W, 19E, TSAD 5N 32W and 12N 32W crosscuts whilst infill drilling and development sampling continued within the main mining areas.

Above 50 level, an intersection of 20.0 g/t over 31 metres was made on the 10 level horizon from quartz with visible gold of the Ashanti Spur.

On the '50L Deeps' project, two intercepts were made during the quarter; one from 50S 131W crosscut which averaged to 18.8 g/t over 2.6 metres on the 55L horizon. The other intercept was from 50N 19E crosscut, which was the first intercept from the northern corridor of the 50L Deeps targets, where quartz with graphitic schist was intercepted at a grade of 16.1 g/t over 3 metres. Within this zone of intercept, there was a 1 metre zone of 32.1 g/t on the 57 1/2 level horizon.

Elsewhere, on 38 level 294 crosscut, just to the north of BSVS, the Obuasi Fissure with quartz and mineralised sulphides was intersected on 40 1/2 level horizon at a grade of 18.1 g/t over 4.5 metres.

Iduapriem (80% owned)/Teberebie (90% owned)

Third quarter gold production at Iduapriem/Teberebie was a record 68,014 ounces compared with 51,843 ounces produced in the same period last year. CIL plant throughput at 973,000 tonnes was 46% above the 668,000 tonnes achieved in the third quarter of 2002 and the feed grade improved from 2.01 g/t to 2.18 g/t. Plant recovery at 89.8% was below plan and the 96.0% reported the previous year as a result of problems with the inter tank screens and under sized agitator blades in the leach and absorption sections. At the end of the quarter, most of

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

the remedial engineering work on the CIP plant and crusher and overland conveyor systems had been completed and during the fourth quarter a steady state performance capability of the upgrade should be established. Heap leach gold production for the quarter reduced to 6,648 ounces from 10,399 ounces in the third quarter of 2002 because of lower recovery from the harder, less porous ores. The cash operating cost for the quarter was US\$232 per ounce compared with US\$209 per ounce for the corresponding period last year. The increase in unit cash operating costs was due to higher ore handling costs and increases in the price of power, diesel and reagents.

### Bibiani

Bibiani produced 55,519 ounces of gold in the third quarter from processing 721,000 tonnes of ore at 3.26 g/t. Metallurgical recovery was 73.5% and the cash operating cost was US\$204 per ounce. Production for the corresponding period in 2002 was 61,192 ounces from 680,000 tonnes at 3.64 g/t and a metallurgical recovery of 79.7%, at US\$193 per ounce. The increase in unit cash operating costs resulted from lower gold production, cost increases on the mining contract, higher than plan diesel costs, greater than plan material movement in the main pit and increased power costs. Milled tonnage increased as a result of improvements to the plant's crushing circuit, but as expected, the lower mill feed grade and metallurgical recovery, owing to the more refractory nature of the ore types being processed, resulted in the reduced gold

2 Ashanti Goldfields, Third Quarter 2003

### Operations Review

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

production. During the quarter, work continued on installing the flotation plant and the regrind mill relocated from Obuasi in the second quarter. Commissioning of this plant, which is designed with a view to improving recovery to over 80%, is now scheduled for the end of the fourth quarter. Good progress was made on the underground decline to access the old workings below the pit and, by the end of the third quarter, the face had been advanced from the portal at the +140RL to the +RL65 elevation, a distance of approximately 900 metres.

### Guinea

#### Sigiri (85% owned)

Sigiri gold production of 60,437 ounces compared with 60,940 ounces achieved in the third quarter of 2002. Stacked tonnage increased to 2.2 million tonnes from 2.1 million tonnes whilst the feed grade improved to 1.14 g/t from 1.09g/t. Gold recovery for the quarter reduced to 76.1% from 82.9% as a result of abnormally high solution dilution in the month of September. The cash operating cost for the quarter was US\$263 per ounce compared with US\$226 per ounce for the same period last year due to an increased rate of cement consumption to cater for a higher SAP to CAP ore blend and increased fuel, cement and cyanide prices. The revision of the CIP project feasibility study and the selection of a new contractor was successfully completed during the quarter. The project is estimated to cost US\$72 million with an anticipated commissioning date by the end of the fourth quarter 2004/first quarter 2005, assuming that the project is re-commenced during the next quarter. The country investment climate and the options for financing the project are being reviewed.

### Zimbabwe

Freda-Rebecca

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Freda-Rebecca gold production for the quarter was 13,453 ounces compared with 24,765 ounces in the third quarter of 2002. Although an improvement on the 9,560 ounces produced in the previous quarter, the shortage of higher grade underground ore production resulting from low availability of loaders, haul trucks and blasthole drill rigs caused by a shortage of critical component spares continued to impact on production. Mill throughput in the third quarter was 327,000 tonnes at 1.70 g/t compared with 274,000 tonnes at 3.40 g/t for the corresponding period in 2002. A five-month intensive maintenance programme to improve availability of the mining fleet, a plan to rationalise the operation and improve economic performance has been prepared and is being implemented. However, achievement of the key objectives and the timing thereof will depend to a large extent on the timely release of proceeds of the mine's bullion revenue by the country's regulatory authorities.

Tanzania

Geita (50% owned)

Gold production at Geita was 176,487 ounces (Ashanti's share: 88,244 ounces) compared with 164,673 ounces (Ashanti's share 82,337 ounces) produced in the third quarter of 2002. Plant feed for the quarter was 1.43 million tonnes at 4.27 g/t compared to 1.28 million at 4.30 g/t for the corresponding period last year. The improvement in gold production relative to last year was largely due to the higher plant throughput achieved following the plant upgrade, which was commissioned in the first quarter of 2003. The improvement relative to the past three quarters of 2003 was due to full mining access being gained to the higher grade portion of Nyankanga as a result of the Pit 3 cut back, which was prioritised over the past nine months, necessitated by the re-engineering and expansion of the open pit late last year. Cash operating costs rose to US\$175 per ounce from US\$155 per ounce in the corresponding third quarter of 2002 as a result of the increase in the depth of the pit and higher diesel and power costs.

Summary of production and cash operating costs per ounce

	Obuasi	Iduapriem	Bibiani	Siguiri	Freda-Rebecca	Geita	T Av
-----							
3 months to 30 September 2003							
Production (ounces)	137,564	68,014	55,519	60,437	13,453	88,244	4
Cost per ounce (US\$)	207	232	204	263	216	175	
-----							
3 months to 30 September 2002							
Production (ounces)	126,251	51,843	61,192	60,940	24,765	82,337	4
Cost per ounce (US\$)	211	209	193	226	212	155	
-----							
9 months to 30 September 2003							
Production (ounces)	394,929	172,350	159,657	194,578	39,958	213,666	1,1
Cost per ounce (US\$)	205	237	215	258	248	194	
-----							
9 months to 30 September 2002							
Production (ounces)	386,398	139,456	182,217	209,159	75,065	228,151	1,2
Cost per ounce (US\$)	201	208	187	211	220	153	
-----							

Ashanti Goldfields, Third Quarter 2003 3

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Operations Review

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

Exploration

East Africa

Tanzania

Geita

During the quarter, exploration drilling continued at Nyankanga West and Geita Hill. At Nyankanga West, infill drilling was completed with some significant intersections being made. Better results included 11 metres grading 20.73 g/t from 167.5 metres and 13 metres grading 66.18 g/t from 183.5 metres in hole NYDD147; and 28 metres of 5.64 g/t from 118 metres in NYDD143. The mineralisation intersected at Nyankanga West is currently being resource-modelled.

Downdip drilling at Geita Hill continued to produce positive results. Better intersections during the quarter included: 10 metres grading 3.0 g/t from 188 metres and 8 metres at 9.7 g/t from 204 metres in hole GHDD122; 9 metres grading 5.28 g/t from 193 metres in hole GHDD125; 7 metres at 7.01 g/t from 316 metres in hole GHDD127; and 34 metres grading 1.68 g/t from 243 metres in hole GHDD132.

Tanzania Regional

During the quarter, Ashanti finalised a royalty option agreement with Tan Range on nine prospecting licences covering 1,095 square kilometres southwest of the Ushirombo belt in the Lake Victoria Goldfields. Exploration will commence once permitting has been completed.

D.R. Congo

The build up of United Nations troops at Bunia in Ituri Province is considered a positive step in the bringing of peace and stability to the area covered by Ashanti's Kilo concession. Ashanti is taking steps to mobilise to Mongbwalu where there are immediate drill targets.

West Africa

Burkina Faso

On 9 September 2003, Etruscan Resources Inc. signed an agreement with Ashanti and Echo Bay Mines Limited, now part of Kinross Gold, to purchase the Youga properties for a total cash consideration of US\$6.5 million (Ashanti's share of consideration: 50%). Completion of the transaction is scheduled for the end of November 2003.

Guinea

Exploration drilling continued in the SEK area (the general area surrounding the Bidini, Eureka Hill, Sanu Tinti and Tubani pits) and north of the Kozan pit. At the Kalamagna prospect, southeast of Bidini, better drilling results included: 21 metres grading 1.54 g/t from 14 metres; 19 metres at 2.51 g/t from 14 metres; and 16 metres of 2.20 g/t from 28 metres.

Ghana

Shallow reverse circulation drilling on the Subriso concession, 50 kilometres north of Bibiani, intersected gold mineralisation over a strike length of 700 metres on the Pokukrom prospect. Better drilling results included: 8 metres

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

grading 4.19 g/t from 15 metres; 7 metres at 3.06 g/t from 7 metres; and 10 metres grading 1.56 g/t from 25 metres. Additional deeper follow up drilling will be undertaken during the next quarter.

### Cote d'Ivoire

The political problems in Cote d'Ivoire remain largely unresolved and start-up of exploration fieldwork is now not anticipated until at least the first quarter of 2004. Ashanti will continue to monitor the situation in that country.

### Mali

A planned reduction on the amount of fieldwork due to the rainy season meant that few results were received in the quarter from exploratory work in Mali. Geochemical sampling in one Authorization de Exploration indicated follow-up soil sampling and trenching will be required.

### Sierra Leone

Infill soil geochemical surveys failed to verify the previously reported significant gold anomaly on AFCAN's Nimini Hills project. Exploration is now being focused on other areas of the concessions.

4 Ashanti Goldfields, Third Quarter 2003

### Gold Production Summary

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

	3 months to 30 Sept 2003	3 months to 30 Sept 2002	9 months to 30 Sept 2003	9 months to 30 Sept 2002
<hr style="border-top: 1px dashed black;"/>				
<b>Obuasi</b>				
<b>Underground Mining</b>				
Ore production (000 tonnes)	590	627	1,734	1,827
Ore grade (g/t)	7.42	7.60	7.25	7.52
<hr style="border-top: 1px dashed black;"/>				
<b>Surface Mining</b>				
Ore production (000 tonnes)	121	163	445	192
Ore grade (g/t)	2.35	2.81	2.37	2.76
Waste mined (000 tonnes)	237	1,063	1,539	1,136
Strip ratio	2.0	6.5	3.5	5.9
<hr style="border-top: 1px dashed black;"/>				
<b>Sulphide Treatment Plant</b>				
Ore processed (000 tonnes)	619	593	1,781	1,758
Head grade (g/t)	7.16	6.80	7.03	7.23
Recovery (%)	82.7	82.6	8.35	84.9
Gold produced (ounces)	117,802	107,097	335,747	346,529
<hr style="border-top: 1px dashed black;"/>				
<b>Pompora Treatment Plant</b>				
Ore processed (000 tonnes)	--	--	--	--
Head grade (g/t)	--	--	--	--
Recovery (%)	--	--	--	--
Gold produced (ounces)	--	--	--	195
<hr style="border-top: 1px dashed black;"/>				
<b>Oxide Treatment Plant</b>				



Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Ore processed (000 tonnes)	229	184	619	184
Head grade (g/t)	2.19	1.98	1.97	1.98
Recovery (%)	49.3	80.1	65.9	80.1
Gold produced (ounces)	7,948	9,399	25,995	9,399
-----				
Tailings Treatment Plant				
Ore processed (000 tonnes)	521	453	1,474	1,326
Head grade (g/t)	2.27	2.27	2.23	2.29
Recovery (%)	31.0	29.5	31.4	31.0
Gold produced (ounces)	11,814	9,755	33,187	30,275
-----				
Obuasi Total Processed				
Ore processed (000 tonnes)	1,369	1,230	3,874	3,268
Head grade (g/t)	4.47	4.41	4.29	4.93
Recovery (%)	70.0	72.4	73.9	74.6
Total gold produced (ounces)	137,564	126,251	394,929	386,398
-----				
Obuasi Production Distribution				
Obuasi underground (ounces)	117,802	107,097	335,747	346,724
Obuasi surface (ounces)	7,948	9,399	25,995	9,399
Obuasi tailings (ounces)	11,814	9,755	33,187	30,275
Obuasi total (ounces)	137,564	126,251	394,929	368,398
-----				
Iduapriem/Teberebie				
Mining				
Ore production (000 tonnes)	1,359	1,238	3,202	3,339
Ore grade (g/t)	1.74	1.65	1.78	1.63
Waste mined (000 tonnes)	5,089	3,632	12,557	11,920
Strip ratio	3.7	2.9	3.9	3.6
-----				
CIL Plant				
Ore processed (000 tonnes)	973	668	2,728	1,966
Head grade (g/t)	2.18	2.01	1.96	1.96
Recovery (%)	89.8	96.0	90.0	92.5
Gold produced (ounces)	61,366	41,444	154,314	110,945
-----				
Heap Leach				
Ore stacked (000 tonnes)	480	496	1,058	1,301
Head grade (g/t)	1.41	1.16	1.37	1.12
Recovery (%)	30.5	56.2	38.7	60.9
Gold produced	6,648	10,399	18,036	28,511
Total (ounces)	68,014	51,843	172,350	139,456
-----				

Ashanti Goldfields, Third Quarter 2003 5

Gold Production Summary

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

3 months to	3 months to	9 months to	9 months to
30 Sept	30 Sept	30 Sept	30 Sept
2003	2002	2003	2002
-----			

Bibiani

Mining

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Ore production (000 tonnes)	1,002	882	2,523	1,873
Ore grade (g/t)	3.02	3.95	3.06	3.29
Waste mined (000 tonnes)	1,207	2,717	4,623	8,721
Strip ratio	1.2	3.3	1.8	4.7
-----				
CIL Plant				
Ore processed (000 tonnes)	721	680	1,954	1,891
Head grade (g/t)	3.26	3.64	3.33	3.75
Recovery (%)	73.5	79.7	76.3	81.2
Gold produced (ounces)	55,519	61,192	159,657	182,217
-----				
Siguiriri				
Mining				
Ore production (000 tonnes)	2,156	2,231	7,015	6,609
Ore grade (g/t)	1.17	1.13	1.16	1.19
Waste mined (000 tonnes)	1,747	2,052	5,415	6,080
Strip ratio	0.8	0.9	0.8	0.9
-----				
Heap Leach				
Ore stacked (000 tonnes)	2,168	2,101	7,198	6,956
Head grade (g/t)	1.14	1.09	1.12	1.14
Recovery (%)	76.1	82.9	75.1	81.7
Gold produced (ounces)	60,437	60,940	194,578	209,159
-----				
Freda-Rebecca				
Underground Mining				
Ore production (000 tonnes)	190	286	458	832
Ore grade (g/t)	2.20	2.84	2.42	3.00
-----				
Surface Mining				
Ore production (000 tonnes)	9	--	52	110
Ore grade (g/t)	2.14	--	1.95	2.52
Waste mined (000 tonnes)	45	--	262	81
Strip ratio	5.0	--	5.0	0.7
-----				
Processing				
Ore processed (000 tonnes)	327	274	975	845
Head grade (g/t)	1.70	3.40	1.70	3.36
Recovery (%)	75.0	82.5	75.2	82.4
Gold produced (ounces)	13,453	24,765	39,958	75,065
-----				
Geita JV				
Surface Mining				
Ore mined (000 tonnes)	1,702	1,466	4,055	4,306
Grade (g/t)	3.58	3.80	3.21	3.60
Waste mined (000 tonnes)	14,539	12,269	40,346	27,503
Strip ratio	8.5	8.4	9.9	6.4
-----				
Processing				
CIL Plant				
Ore processed (000 tonnes)	1,432	1,280	4,323	3,718
Head grade (g/t)	4.27	4.30	3.39	4.10
Recovery (%)	91.0	93.0	91.0	93.0
Gold produced (ounces)	176,487	164,673	427,331	456,301
Ashanti's 50% share (ounces)	88,244	82,337	213,666	228,151
-----				
Group Summary				
Managed gold production (ounces)	334,987	324,991	961,472	992,295

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Geita JV 50% (ounces)	88,244	82,337	213,666	228,151
-----				
Sub-total	423,231	407,328	1,175,138	1,220,446
Less minority interests (ounces)	19,268	16,918	55,039	52,293
-----				
Group Attributable Total (ounces)	403,963	390,410	1,120,099	1,168,153
-----				

6 Ashanti Goldfields, Third Quarter 2003

Financial Review

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

### Earnings

Earnings (before exceptional gains) for the third quarter were US\$20.2 million, up US\$12.4 million on the US\$7.8 million recorded during the previous quarter. The 159% improvement in earnings was due to a 14% increase in gold production, a higher average realised gold price and a reduction in cash operating costs per ounce, relative to the second quarter.

The quarter's earnings (before exceptional gains) of US\$20.2 million was US\$2.3 million lower than the US\$22.5 million recorded in 2002, mainly due to higher cash operating costs.

Earnings for the quarter, after exceptional gains of US\$4.7 million (2002: nil), amounted to US\$24.9 million (2002: US\$22.5 million).

Earnings per share before exceptional items for the quarter were US\$0.15 (2002: US\$0.18) and after exceptional items were US\$0.19 (2002: US\$0.18).

Earnings before exceptional items for the nine months to 30 September 2003 were US\$34.8 million as compared to US\$58.8 million in 2002. Earnings after exceptional income of US\$11.7 million, were US\$46.5 million (2002: US\$35.3 million).

### Revenue

Gold production for the quarter of 423,231 ounces generated spot revenue of US\$154.9 million, equivalent to US\$366 per ounce (2002: US\$315 per ounce). Total hedging income for the quarter was negative US\$4.8 million, comprising US\$3.2 million of deferred hedging income from previously closed out hedge contracts and US\$8.0 million of net cash payments in respect of maturing hedge contracts for both the Ashanti and Geita hedge books.

Total realised price for the quarter was US\$355 per ounce (2002: US\$347 per ounce). Year to date total revenue of US\$407.3 million (2002: US\$419.3 million) was equivalent to US\$347 per ounce.

### Hedging

Sustained strength in spot gold prices and low lease rate levels, allowed Ashanti to reduce its lease rate exposure whilst adding protection to its hedge book.

Notional lease rate exposure has been reduced from 2.76 million ounces as at 30 June 2003 to 1.68 million ounces as at 30 September 2003. The value generated from these lease rate fixings was used to purchase a total of 176,063 ounces of put options at an average strike of US\$358 per ounce, with maturities ranging

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

from 2004 to 2012. The strikes of these put options were matched against existing sold call options to create forward sales. Please refer to the hedging table on page 12 for a revised lease rate amortisation and protection profile.

At the quarter end, Ashanti had 4.6 million ounces protected at an average price of US\$361 per ounce, with commitments to deliver 5.9 million ounces at an average price of US\$359 per ounce. Ashanti's outstanding commitments for 2003 stood at 175,822 ounces as at 30 September 2003. The mark-to-market valuation of the Ashanti hedge book moved from negative US\$108 million as at 30 June 2003 to negative US\$329.8 million at 30 September 2003, based on a spot price of US\$384 per ounce. The movement in mark-to-market was principally owing to the increased spot price and US interest rates. Ashanti's share of the Geita hedge book was negative US\$61.9 million.

### Cash Operating Costs

Total cash operating costs for the quarter were US\$212 per ounce, up US\$13 per ounce on last year but represented a US\$10 per ounce improvement on the previous quarter, largely due to higher production. Total cash operating costs for the year to date amounted to US\$219 per ounce (2002: US\$194 per ounce).

### Profit

Total operating profit for the quarter was US\$24.9 million (2002: US\$24.4 million). Non-mine site exploration expenditure expensed in the quarter was US\$0.8 million bringing year to date expenditure to US\$2.4 million. Corporate administration expenditure for the quarter was US\$5.7 million and year to date expenditure was US\$18.0 million.

Interest charge for the quarter (before exceptional items) was US\$4.0 million, US\$0.6 million lower than the previous quarter.

### Exceptional Items

During the quarter Ashanti received insurance proceeds of US\$3.0 million for the Company's damaged aircraft, which has since been scrapped. This, resulted in an exceptional gain of US\$2.0 million.

In September, the Company re-negotiated the terms of the Kimin loans. In consideration for Ashanti extending the terms of the guarantee currently in place in favour of the lender, it secured a reduction in the amounts owed from US\$7.7 million to US\$5.0 million. This reduction of US\$2.7 million has been recognised as an exceptional gain within interest payable.

### Cash Flows and Balance Sheet

Cash inflow from operating activities for the quarter was US\$29.1 million (2002: US\$13.2 million) and US\$61.2 million for the year to date (2002: US\$58.2 million). Net interest payments in the quarter were US\$2.4 million compared to US\$4.4 million last year.

Capital expenditure for the quarter of US\$19.1 million (2002: US\$15.5 million) included US\$11.1 million at Obuasi, US\$1.8 million at Iduapriem and US\$4.1 million at Siguiri.

During the quarter, a further 200,000 warrants were exercised raising US\$0.6 million. As at 30 September 2003, stated capital stood at 131.0 million shares and 2.3 million warrants remained outstanding.

Group debt as at 30 September (excluding the 50% share of the non-recourse Geita project finance loan) stood at US\$239.3 million, down US\$6.4 million from 30 June 2003 due principally to the reduction of the Kimin loans of US\$2.7 million

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

and repayment of the aircraft loan from the insurance proceeds. Net debt was US\$12.6 million lower at US\$193.9 million (30 June 2003: US\$206.5 million).

### Proposed Merger Arrangement

On 4 August 2003, Ashanti announced the terms of a recommended merger with AngloGold Limited ("AngloGold"). As announced on 14 October and reaffirmed on 27 October 2003, the Board of Ashanti (the "Board") has received an improved final merger offer ("Revised Merger Proposal") from AngloGold at a ratio of 29 AngloGold shares for every 100 Ashanti ordinary shares or global depository securities. The Board has resolved to recommend the Revised Merger Proposal to Ashanti's shareholders. The Revised Merger Proposal is conditional on the support of the Government of Ghana (the "Government") as shareholder and regulator of Ashanti, the approval of the scheme of arrangement required to implement the transaction by Ashanti shareholders and the High Court of Ghana and certain other regulatory approvals and third party consents as detailed in the 4 August announcement.

Ashanti welcomes the announcement of the Government on 28 October 2003, indicating its decision to support the Board's recommendation of the Revised Merger Proposal. Ashanti and AngloGold have agreed to extend the time limit for the receipt of formal Government approvals to 14 November 2003, or such later date as Ashanti and AngloGold may agree.

There can be no assurance that a transaction with AngloGold will be completed. Consequently, shareholders of Ashanti are advised to exercise caution when dealing in the relevant securities.

Ashanti Goldfields, Third Quarter 2003 7

Group Profit and Loss Account  
Unaudited

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

		3 months to 30 Sept 2003		3 mo 30 Se
	Note	Before exceptional items US\$m	Exceptional items US\$m	After exceptional items US\$m
Turnover: Group and share of joint venture	2	150.1	--	150.1
Less share of joint venture		(29.7)	--	(29.7)
Group turnover		120.4	--	120.4
Cash operating costs	2	(74.4)	--	(74.4)
Other costs		(8.0)	--	(8.0)
Royalties		(3.8)	--	(3.8)
Depreciation and amortisation		(17.3)	--	(17.3)
Refinancing and restructuring costs		--	--	--
Other income		--	--	--
Total costs		(103.5)	--	(103.5)

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Operating profit	2	16.9	--	16.9
Share of operating profit of joint venture		8.0	--	8.0
<hr/>				
Total operating profit		24.9	--	24.9
Profit on sale of investment		--	--	--
Profit on sale of fixed assets		--	2.0	2.0
<hr/>				
Profit before interest and taxation		24.9	2.0	26.9
Net interest payable: group		(3.0)	2.7	(0.3)
joint venture		(1.0)	--	(1.0)
<hr/>				
Profit before taxation		20.9	4.7	25.6
Tax: group		--	--	--
joint venture		(0.4)	--	(0.4)
<hr/>				
Profit after taxation		20.5	4.7	25.2
Minority interests		(0.3)	--	(0.3)
<hr/>				
Profit attributable to shareholders		20.2	4.7	24.9
Dividends		--	--	--
<hr/>				
Retained profit for the period		20.2	4.7	24.9
<hr/>				
Earnings per share (US\$)		0.15	0.04	0.19
<hr/>				

		9 months to 30 Sept 2003		9 mo 30 Se
	Note	Before exceptional items US\$m	Exceptional items US\$m	After exceptional items US\$m
<hr/>				
Turnover: Group and share of joint venture	2	407.3	--	407.3
Less share of joint venture		(68.3)	--	(68.3)
<hr/>				
Group turnover		339.0	--	339.0
Cash operating costs	2	(216.1)	--	(216.1)
Other costs		(23.5)	--	(23.5)
Royalties		(10.5)	--	(10.5)
Depreciation and amortisation		(51.8)	--	(51.8)
Refinancing and restructuring costs		--	--	--
Other income		--	--	--
<hr/>				
Total costs		(301.9)	--	(301.9)
<hr/>				
Operating profit	2	37.1	--	37.1
Share of operating profit of joint venture		13.1	--	13.1
<hr/>				

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Total operating profit	50.2	--	50.2
Profit on sale of investment	--	7.8	7.8
Profit on sale of fixed assets	--	2.0	2.0
-----			
Profit before interest and taxation	50.2	9.8	60.0
Net interest payable: group	(10.0)	2.7	(7.3)
joint venture	(3.3)	--	(3.3)
-----			
Profit before taxation	36.9	12.5	49.4
Tax: group	(0.2)	(0.8)	(1.0)
joint venture	(1.2)	--	(1.2)
-----			
Profit after taxation	35.5	11.7	47.2
Minority interests	(0.7)	--	(0.7)
-----			
Profit attributable to shareholders	34.8	11.7	46.5
Dividends	--	--	--
-----			
Retained profit for the period	34.8	11.7	46.5
=====			
Earnings per share (US\$)	0.27	0.09	0.36
=====			

8 Ashanti Goldfields, Third Quarter 2003

Group Balance Sheet  
Unaudited

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

	As at 30 Sept 2003		As at 30 Sept 2002	
	Group US\$m	Interest in joint venture US\$m	Total US\$m	Group US\$m
-----				
Fixed assets				
Intangible assets	15.6	52.3	67.9	17.5
Tangible assets	608.2	109.6	717.8	597.5
Investments				
- Geita joint venture	99.8	(99.8)	--	96.0
- Loans to joint venture and other investments	31.1	--	31.1	32.6
	754.7	----	816.8	743.6
-----				
Current assets				
Stocks	72.6	12.6	85.2	74.8
Debtors due within one year	16.5	17.4	33.9	11.6
Debtors due after more than one year	12.7	--	12.7	8.8
Cash	45.4	14.1	59.5	35.8

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

	147.2	44.1	191.3	131.0
Creditors: amounts falling due within one year				
Creditors	(116.6)	(16.8)	(133.4)	(124.0)
Borrowings	(6.7)	(10.8)	(17.5)	(5.7)
	(123.3)	(27.6)	(150.9)	(129.7)
Net current assets	23.9	16.5	40.4	1.3
Total assets less current liabilities	778.6		857.2	744.9
Creditors: amounts falling due after more than one year				
Creditors	(15.0)	(39.9)	(54.9)	(41.9)
Borrowings	(232.6)	(35.2)	(267.8)	(262.4)
Provisions for liabilities and charges	(25.5)	(3.5)	(29.0)	(21.6)
	505.5		505.5	419.0
Capital and reserves				
Stated capital	599.0			588.2
Reserves	(95.4)			(171.6)
Equity shareholders' funds	503.6			416.6
Equity minority interests	1.9			2.4
	505.5			419.0

Ashanti Goldfields, Third Quarter 2003 9

Group Cash Flow Statement  
Unaudited

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

	3 months to 30 Sept 2003 US\$m	3 months to 30 Sept 2002 US\$m	9 months to 30 Sept 2003 US\$m
Cash inflow from operating activities	29.1	13.2	61.2
Returns on investments and servicing of finance			
Interest received	0.3	0.2	0.6
Interest paid	(2.7)	(4.6)	(7.6)
Net cash outflow from returns on investments and service of finance	(2.4)	(4.4)	(7.0)
Taxation			
Corporate tax paid	(1.1)	--	(1.1)



Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Capital expenditure and financial investments			
Purchase of tangible fixed assets	(19.1)	(15.5)	(56.7)
Proceeds from sale of fixed assets	3.0	--	3.0
Proceeds from sale of investment	--	--	9.5
-----			
Net cash outflow from capital expenditure and financial investment	(16.1)	(15.5)	(44.2)
Cash inflow/(outflow) before use of liquid resources and financing	9.5	(6.7)	8.9
Management of liquid resources	(1.9)	1.8	6.6
-----			
Cash inflow/(outflow) before financing	7.6	(4.9)	15.5
Financing			
Loans drawn down	--	--	--
Loan repayments	(3.3)	(36.6)	(15.6)
Issue of shares	0.6	--	10.8
-----			
Net cash outflow from financing	(2.7)	(36.6)	(4.8)
-----			
Increase/(decrease) in cash	4.9	(41.5)	10.7
-----			
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash	4.9	(41.5)	10.7
Increase/(decrease) in liquid resources	1.9	(1.8)	(6.6)
-----			
	6.8	(43.3)	4.1
Cash outflow from financing	3.3	36.6	15.6
Other	2.5	(0.2)	2.0
-----			
Movement in net debt	12.6	(6.9)	21.7
Net debt at beginning of period	(206.5)	(225.4)	(215.6)
-----			
Net debt at end of period	(193.9)	(232.3)	(193.9)
-----			

10 Ashanti Goldfields, Third Quarter 2003

Notes to the Financial Information [ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

1. Basis of Preparation

The unaudited results for the nine months ended 30 September 2003 have been prepared in accordance with the accounting policies set out in the Annual Report and Accounts for the year ended 31 December 2002.

2. Operating Profit Analysis by Business Area

9 months to 30 September 2003

	Obuasi	Idua- priem	Bibiani	Siguiri	Freda- Rebecca
-----					

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Production ounces	394,929	172,350	159,657	194,578	39,958
-----					
US\$ million					
Revenue - spot	140.3	61.4	56.7	69.1	14.2
- hedging	--	--	--	--	--
-----					
Operating costs	140.3	61.4	56.7	69.1	14.2
Other costs	(80.8)	(40.9)	(34.3)	(50.2)	(9.9)
Royalties	--	(0.9)	(0.2)	(2.0)	--
	(4.7)	(1.8)	(1.7)	(2.3)	--
-----					
EBITDA	54.8	17.8	20.5	14.6	4.3
Depreciation and amortisation	(23.9)	(4.9)	(7.4)	(10.4)	(4.5)
-----					
Operating profit/(loss) 30.9.2003	30.9	12.9	13.1	4.2	(0.2)
30.9.2002	10.4	9.0	10.8	1.5	5.7
-----					

	Hedging income	Explora- tion	Corp. Admin	Group	Geita	Total
-----						
Production ounces	--	--	--	961,472	213,666	1,175,138
-----						
US\$ million						
Revenue - spot	--	--	--	341.7	76.2	417.9
- hedging	(2.7)	--	--	(2.7)	(7.9)	(10.6)
-----						
Operating costs	(2.7)	--	--	339.0	68.3	407.3
Other costs	--	--	--	(216.1)	(41.5)	(257.6)
Royalties	--	(2.4)	(18.0)	(23.5)	(2.7)	(26.2)
	--	--	--	(10.5)	(2.3)	(12.8)
-----						
EBITDA	(2.7)	(2.4)	(18.0)	88.9	21.8	110.7
Depreciation and amortisation	--	--	(0.7)	(51.8)	(8.7)	(60.5)
-----						
Operating profit/(loss) 30.9.2003	(2.7)	(2.4)	(18.7)	37.1	13.1	50.2
30.9.2002	38.6	(3.4)	(37.0)*	35.6	17.8	53.4
-----						

\* Includes refinancing and restructuring costs of US\$23.5 million.

3 months to 30 September 2003

	Obuasi	Idua- priem	Bibiani	Siguiriri	Freda- Rebecca
-----					
Production ounces	137,564	68,014	55,519	60,437	13,453
-----					
US\$ million					
Revenue - spot	50.3	25.0	20.1	22.1	5.0
- hedging	--	--	--	--	--
-----					
Operating costs	50.3	25.0	20.1	22.1	5.0
Other costs	(28.5)	(15.8)	(11.3)	(15.9)	(2.9)
	--	(0.3)	--	(1.2)	--
-----					

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Royalties	(1.7)	(0.7)	(0.6)	(0.8)	--
EBITDA	20.1	8.2	8.2	4.2	2.1
Depreciation and amortisation	(8.5)	(2.0)	(2.7)	(2.6)	(1.4)
Operating profit/(loss) 30.9.2003	11.6	6.2	5.5	1.6	0.7
30.9.2002	2.9	3.7	5.0	(2.3)	2.1

	Hedging income	Explora- tion	Corp. Admin	Group	Geita	Total
Production ounces	--	--	--	334,987	88,244	423,231
US\$ million						
Revenue - spot	--	--	--	122.5	32.4	154.9
- hedging	(2.1)	--	--	(2.1)	(2.7)	(4.8)
Operating costs	(2.1)	--	--	120.4	29.7	150.1
Other costs	--	(0.8)	(5.7)	(74.4)	(15.4)	(89.8)
Royalties	--	--	--	(8.0)	(1.0)	(9.0)
EBITDA	(2.1)	(0.8)	(5.7)	(3.8)	(1.1)	(4.9)
Depreciation and amortisation	--	--	(0.1)	34.2	12.2	46.4
Operating profit/(loss) 30.9.2003	(2.1)	(0.8)	(5.8)	(17.3)	(4.2)	(21.5)
30.9.2002	11.5	(1.1)	(3.9)	16.9	8.0	24.9
				17.9	6.5	24.4

3. Reconciliation of Total Costs

	3 months to 30 September 2003 US\$m	3 months to 30 September 2002 US\$m	9 months to 30 September 2003 US\$m	9 months to 30 September 2002 US\$m
Cash operating costs				
Obuasi	28.5	26.6	80.8	77.7
Iduapriem	15.8	10.9	40.9	29.1
Bibiani	11.3	11.8	34.3	34.1
Siguiri	15.9	13.8	50.2	44.2
Freda-Rebecca	2.9	5.2	9.9	16.5
Geita (50%)	15.4	12.8	41.5	34.8
Total cash operating costs	89.8	81.1	257.6	236.4
Corporate administration costs	5.7	3.6	18.0	12.5
Exploration costs	0.8	1.1	2.4	3.4
Other costs	2.5	3.8	5.8	6.7
Royalties	4.9	3.7	12.8	10.8
Depreciation and amortisation	21.5	23.5	60.5	72.6
Exceptional costs	--	--	--	23.5
Total costs*	125.2	116.8	357.1	365.9

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

\* Includes Geita's costs of US\$21.7 million (2002: US\$26.8 million) for three months to 30 September 2003 and US\$55.2 million (2002: US\$58.0 million) for the nine months to 30 September 2003.

Ashanti Goldfields, Third Quarter 2003 11

Hedging Commitments

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

The table below shows all forward and option positions that Ashanti had as at 30 September 2003:

	2003	2004	2005	2006	2007
Forward Sales					
(ounces)	173,058	657,992	677,246	566,250	507,450
(US\$/ounce)	349	355	352	358	360
Calls:					
Sold (ounces)	55,550	496,180	470,478	182,006	173,822
(US\$/ounce)	331	341	350	368	350
Bought (ounces)	50,550	101,880	134,000	49,432	64,390
(US\$/ounce)	345	359	352	370	360
Subtotal (ounces)	5,000	394,300	336,478	132,574	109,432
Lease Rate Swap oz due	2,236				
Summary:					
Protected (ounces)	170,822	657,992	677,246	566,250	507,450
Committed (ounces)	175,822	1,052,292	1,013,724	698,824	616,882
Total committed ounces as a percentage of total forecast production (excluding Geita for the period of the project finance, 2003-2007)	47%				
Lease Rate Swap (ounces)	546,000	866,000	788,000	1,245,000	1,267,000
Deferred Hedging Income	(US\$m)	3	11		
	2009	2010	2011	2012	2013
Forward Sales					
(ounces)	413,450	383,450	324,250	292,500	214,500
(US\$/ounce)	362	366	373	378	369
Calls:					
Sold (ounces)	70,970	28,250	28,250	--	--

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

(US\$/ounce)	368	350	350	--	--	
Bought (ounces)	--	--	--	--	--	4
(US\$/ounce)	--	--	--	--	--	
Subtotal (ounces)	70,970	28,250	28,250	--	--	1,3
Lease Rate Swap oz due						
Summary:						
Protected (ounces)	413,450	383,450	324,250	292,500	214,500	4,6
Committed (ounces)	484,420	411,700	352,500	292,500	214,500	5,9
Total committed ounces as a percentage of total forecast production (excluding Geita for the period of the project finance, 2003-2007) 47%						
Lease Rate Swap (ounces)	826,000	568,000	310,000	130,000	--	
Deferred Hedging Income						

Forward Sales:

A total of 4.61 million ounces have been sold forward at an average price of US\$361 per ounce.

Call Options:

Ashanti has sold 1.72 million ounces of call options at an average strike price of US\$352 per ounce. As a partial offset, Ashanti has bought 0.4 million ounces of call options at an average strike price of US\$357 per ounce.

Gold Lease Rate Swaps:

As at 30 September 2003, a maximum of 1.27 million ounces of Ashanti's hedged production will be exposed to the floating 3 month lease rate at any one time.

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
1,361,000	1.80%	Ashanti pays a quarterly floating rate and receives a quarterly weighted average fixed rate of 1.80%.
320,000	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*YearsToMaturity*302*2.00%. The next rate set is in 2006.

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Total  
1,681,000

---

12 Ashanti Goldfields, Third Quarter 2003

Hedging Commitments [ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

Mark-to-market valuations

On 30 September 2003, the portfolio had a negative mark-to-market value of US\$329.8 million. This valuation was based on a spot price of US\$384 and the then prevailing applicable US interest rates, gold forward rates, volatilities and guidelines provided by the Risk Management Committee of the Board. The delta at that time was 5.3 million ounces. This implies that a US\$1 increase in the price of gold would have a US\$5.3 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 significantly 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 September 2003 was as follows:

	US\$m
Forward contracts	(218.2)
European Call options (net sold)	(96.4)
Lease rate swaps	(15.2)
	(329.8)

Geita Hedging

The table below shows Ashanti's portion of hedging commitments for Geita as at 30 September 2003. This represents half of Geita's hedge commitments.

	2003	2004	2005	2006	2007	Total
Forward Sales (ounces)	50,931	195,558	174,828	94,576	120,938	636,831
(US\$/ounce)	264	289	294	296	298	291
<hr/>						
Puts:						
Bought (ounces)	2,674	25,586	24,350	18,115	23,390	94,115
(US\$/ounce)	286	291	291	291	292	291
<hr/>						
Lease Rate Swap oz due (ounces)	258					258

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Summary:

Protected (ounces)	53,347	221,144	199,178	112,691	144,328	730,688
Committed (ounces)	50,673	195,558	174,828	94,576	120,938	636,573
Lease Rate Swap	156,301	116,774	76,301	41,420	--	--

Marked-to-market valuation:

On 30 September 2003, the Geita portfolio had a negative mark-to-market value of US\$123.8 million (Ashanti's portion: negative US\$61.9 million). This valuation was based on a spot price of US\$384 per ounce and the then prevailing US interest rates, gold forward rates, volatilities and guidelines provided by the Risk Management Committee of the Board.

Ashanti Goldfields, Third Quarter 2003 13

Forward Looking Statements

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

This report contains a number of statements relating to plans, forecasts and 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 including but not limited to those related to future working capital, future production levels, operating costs and plans for diversification. Ashanti may also make written or oral forward-looking statements in its presentations, 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, hopes, projections and expectations, and may include statements regarding future plans, objectives or goals, anticipated production or construction commencement dates, construction completion dates, working capital, expected costs, production output, the anticipated productive life of mines, projected cashflows, debt levels, and marked-to-market values of and cashflows from the hedgebook.

Such statements are based on current plans, information, intentions, 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. These statements are subject to risks and uncertainties that could cause actual occurrences to differ materially from the forward looking statements, such as the risks that Ashanti may not be able to achieve the levels of production and operating costs it has projected. Additional risk factors affecting Ashanti are set out in Ashanti's filings with the US Securities and Exchange Commission.

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 marked-to-market values of and cashflows from the hedgebook, will not differ materially from the forward looking 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

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

include leverage, gold price volatility, changes in interest rates, hedging operations, reserves estimates, exploration and development, mining, yearly output, power supply, 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 lives 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 marked-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 except as required by law, or unless required to do so by the Listing Rules of the UK Listing Authority, Ashanti undertakes no obligation to update publicly any of them in light of new information or future events.

14 Ashanti Goldfields, Third Quarter 2003

Corporate Information

[ASHANTI GOLDFIELDS COMPANY LIMITED LOGO]

Ashanti Goldfields Company Limited  
Registered in Ghana No. 7094

Corporate Office

Gold House  
Patrice Lumumba Road  
PO Box 2665  
Accra, Ghana

Telephones: (+233-21) 772190  
(+233-21) 772235  
(+233-21) 778160  
(+233-21) 778167  
(+233-21) 761311  
Fax: (+233-21) 775947  
Satellite Telephone: 874 1562524  
Satellite Fax: 874 1562525  
Website: [www.ashantigold.com](http://www.ashantigold.com)

Ernest Abankroh  
Company Secretary

Telephone: (+233-21) 774977  
Fax: (+233-21) 778155  
E-Mail Address [ernest.abankroh@ashantigold.com](mailto:ernest.abankroh@ashantigold.com)

London Office

3rd Floor, Roman House



Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Wood Street  
London EC2Y 5BA  
United Kingdom  
Telephone: (+44-20) 7256 9938  
Fax: (+44-20) 7256 9939

Corinne Gaisie  
UK Representative and European contact  
E-Mail Address corinne.gaisie@ashanti.co.uk

---

Investor Relations

Corporate Office  
Kwaku Akosah-Bempah  
Acting Managing Director, Public Affairs  
Telephones: (+233-21) 778172  
Fax: (+233-21) 774981  
E-Mail Address  
kwaku.akosah-bempah@ashantigold.com

European contact:  
Corinne Gaisie  
Telephone: (+44-20) 7256 9938  
Fax: (+44-20) 7256 9939  
E-Mail Address corinne.gaisie@ashanti.co.uk

North American contact:  
Allan Jordan  
Telephone: (+1-646) 284 9400  
Fax: (+1-646) 284 9494  
E-Mail Address  
ajordan@hfgcg.com

---

Shareholder Enquiries:

International Registrars'  
UK Transfer Office  
Capita IRG Plc  
Bourne House, 34 Beckenham Road  
Beckenham, Kent BR3 4TU  
Telephone: (+44-20) 8639 2000  
Fax: (+44-20) 8639 3430

Ghana Registrars  
NTHC Limited  
Registrar/Custodial Unit  
Martco House  
Off Kwame Nkrumah Avenue  
PO Box KIA 9563 Airport  
Accra, Ghana  
Telephone: (+233-21) 235817  
Fax: (+233-21) 240243

Zimbabwe Registrars  
Syfrets Corporate and Merchant Bank  
1st Floor  
99 Jason Moyo Avenue  
PO Box 2540  
Harare, Zimbabwe

Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Telephone: (+263-4) 736011  
Fax: (+263-4) 736022

GDR Holder Enquiries:

The Bank of New York  
ADR Department  
101 Barclay Street, 22nd Floor  
New York, NY 10286  
Telephone: (+1-212) 815 2209  
Fax: (+1-212) 571 3050

Ashanti Goldfields, Third Quarter 2003 15

A copy of this release is available at <http://www.ashantigold.com/release.htm>

Exhibit 2

(ASHANTI LOGO)

PRESS RELEASE

FOR IMMEDIATE RELEASE

30 OCTOBER 2003

CORRECTION TO THIRD QUARTER REPORT 2003

Ashanti wishes to correct a typographical error in the Operations Review section of its Press Release on the Third Quarter Results which was released to the market earlier today.

The second paragraph of the commentary relating to exploration at Obuasi (page 2): "Above 50 level, an intersection of 20.0g/t over 31 metres was made on the 10 level horizon from quartz with visible gold of Ashanti spur" should instead read: "ABOVE 50 LEVEL, AN INTERSECTION OF 20.0G/T OVER 3.1 METRES WAS MADE ON THE 10 LEVEL HORIZON FROM QUARTZ WITH VISIBLE GOLD OF ASHANTI SPUR".

ENDS

ENQUIRIES:

ASHANTI GOLDFIELDS COMPANY LIMITED  
T S Schultz - Chief Financial Officer Tel: +44 7798503049  
E Abankroh - Company Secretary Tel: +442072569938  
K Akosah-Bempah - Acting MD, Public Affairs Tel: +233 21778172

UK CONTACT

Corinne Gaisie - Ashanti London Office Manager Tel: +44 207 256 9938

NORTH AMERICAN CONTACT

Allan Jordan - Golin Harris International Tel: +1 646 284 9400

A copy of this release is available at <http://www.ashantigold.com/releases.htm>

SIGNATURES

## Edgar Filing: ASHANTI GOLDFIELDS CO LTD - Form 6-K

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: October 31, 2003

ASHANTI GOLDFIELDS COMPANY LIMITED

By: /s/ Ernest Abankroh

-----  
Name: Ernest Abankroh

Title: Company Secretary