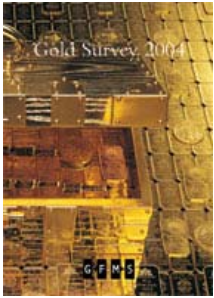




Publication of Gold Survey 2004

Global mine production holds steady as new mines partly offset ongoing declines in the mature mining districts of South Africa and North America



GFMS released Gold Survey 2004 today, their latest report on the gold market. A summary of the findings of the Gold Survey was given by Philip Klapwijk, Chairman of GFMS, at a conference today in London organised by the precious metals consultancy. According to the report, mine closures, lower grades and operational difficulties adversely impacted production in North America and in South Africa, which reported a combined output decline of roughly 40 tonnes from the previous year. Offsetting the losses in these mature mining districts, a handful of new mines, coupled with a modest boost in production from the informal mining sector left global output a fraction higher at 2,593 tonnes.

The biggest falls, in tonnage terms, were concentrated in North America and in South Africa which both registered a 5% drop in output compared to the previous year. Roughly two-thirds of the decline in North America was attributable to losses in the United States where output was cut back by nearly 14 tonnes to reach 285 tonnes, its lowest level since 1989. The considerable drop in South Africa, meanwhile, was largely a result of operational difficulties, lower grades and the effects of a strengthening rand, which resulted in the suspension of mining activities at marginal production areas in the second half of the year.

Concerning output gains, in Australia, a handful of new mines that had commenced operations in the final quarter of 2002, adding roughly 12 tonnes of gold to the total, accounted for a large part of the (+7%) increase measured in the country. Elsewhere, start-ups in Saudi Arabia and Laos added a combined ten tonnes to the global total. Important growth was also measured in China (+6%), Peru (+9%) and Tanzania (+16%). In Peru, higher grades at the country's giant Yanacocha mine largely explained the gains, whilst in Tanzania, a full years contribution from the new North Mara mine combined with higher grades at Geita partly accounted for the measured increase.

Higher cash costs were reported across all of the major producing regions in 2003, which left the global total up 23% year-on-year at \$222/oz. The \$42/oz rise in US dollar terms was primarily due to currency effects, although higher global energy charges and higher royalties and production taxes (which are linked to the price of gold) also contributed to last year's significant cost inflation.

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Gold Survey 2004 contains over 100 pages of statistics, commentary and analysis on all aspects of world gold supply/demand and on gold prices in various currencies. The publication can be ordered from GFMS for £265 or US\$495 / €395 per copy. For orders and to receive further product information please contact Ms L. Perrard on:

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Note to Editors about GFMS Limited:

GFMS Limited is the world's foremost precious metals consultancy, specialising in research into the global gold, silver, platinum and palladium markets. GFMS is based in London, UK, but has representation in Australia, China, India and Russia, and a vast range of contacts and associates across the world.

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