

PRESS RELEASE

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Publication of Quarterly Hedge Book Analysis

Global Gold Producer Hedge Book Scaled Back by 14% in 2002

The outstanding gold producer hedge book declined by 14% to 81 Moz (2,509 tonnes), equivalent to 97% of mine production in 2002. This is a key finding highlighted in a new Quarterly Gold Hedge Book Analysis released today by Gold Fields Mineral Services (GFMS), in association with Investec, the international banking group.

The report outlines a new analysis of the hedging activity of gold mining companies that has been carried out by GFMS. The GFMS analysis is based on detailed results obtained through the use of the *Brady Trinity*TM Risk Management and Trading System. Hedging activity has been input into the system on an individual company, instrument and year of expiry basis, which allows for detailed sensitivity and scenario analyses.

Commenting on the results of the analysis, GFMS said “The staggering decline in the global hedge book in 2002 was undoubtedly one of the key factors supporting the gold price above \$300/oz last year”.

At the end of Q4 2002 the outstanding delta-adjusted producer hedge book consisted of 62 Moz (1,927 tonnes) of forward sales and a small quantity of gold loans and 19 Moz (582 tonnes) of options transactions. The delta adjusted options position is one of the key outputs obtained through the use of the *Brady Trinity* system, and is reflection of the physical market impact of mining companies’ options deals.

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Note to Editors: GFMS (Gold Fields Mineral Services) is an independent London-based commodity research and consulting company, specialising in the analysis of the precious metals markets.

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