

# Statement of consolidated cash flows

— FOR THE YEAR ENDED 31 DECEMBER 2005 —

US\$000	Note	Group 31 Dec 2005	Group 31 Dec 2004
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before income tax		45 222	18 793
Net interest (received)/paid		(203)	590
Depreciation and amortisation		11 910	8 738
Transfer from/(to) deferred stripping		11 198	(3 999)
Gain on forward gold sales		(45)	(1 085)
Unwind of discount on provisions for environmental rehabilitation		254	177
Share-based payment		2 247	1 321
Profit on sale of Syama		-	(7 070)
		70 583	17 465
Effects of changes in operating working capital items:			
■ receivables		(12 101)	(9 369)
■ inventories and ore stockpiles		(42 963)	(7 487)
■ accounts payable and accrued liabilities		14 404	4 272
Cash generated from operations before interest		29 923	4 881
Interest received		2 064	1 033
Interest paid		(1 861)	(1 623)
Income tax paid		(390)	-
Net cash generated from operating activities		29 736	4 291
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment*		(73 217)	(68 545)
Financing of contractors	7	(11 276)	(893)
Movement in restricted cash		-	3 882
Disposal of Syama - net of cash disposed	24	-	8 571
Net cash used by investing activities		(84 493)	(56 985)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Ordinary shares issued		105 248	2 133
Long term loans repaid		(1 156)	(11 674)
Long term loans received*		24 877	35 000
Cash generated from financing activities		128 969	25 459
NET INCREASE/(DECREASE) IN CASH AND EQUIVALENTS		74 212	(27 235)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		78 240	105 475
CASH AND CASH EQUIVALENTS AT END OF YEAR		152 452	78 240
Cash at bank and in hand		15 353	9 611
Short term bank deposits		137 099	68 629
		152 452	78 240

The effective interest rate on short term bank deposits was 2.77% (2004: 1.28%). These deposits have an average maturity of thirty days.

\* Excluded from these items is the Loulo power plant acquired under a finance lease agreement of US\$6.8 million.