The movie opens depicting the events leading up to the American Civil War, and proceeds to a vivid recreation of the Battle of the Crater. Jude Law plays a Confederate soldier named W. P. Inman, who meets Ada (Nicole Kidman), and is at the fledgling stages of a relationship with her when he marches off to war. Inman experiences many battles and losses of friends, and as he is recovering in a hospital from a battle wound, decides to set off on foot for his home on Cold Mountain, in North Carolina, and to the woman he loves. On his journey he meets a corrupt preacher, an old and wizened woman, and a young widow. Through these people, he is able to continue his journey back to Ada and finds something out about himself.

Ada is a city woman who only recently moved to the rural farm named Black Cove. Shortly after she arrives, her minister father dies, leaving her alone on the farm and with little prospect for help, as the young, able-bodied men are off at war. She is completely inept at working the farm, having been raised to become a southern lady and is struggling to survive at the farm. She manages to survive thanks to the kindness of her neighbors, one of whom eventually sends Ruby to her. Ruby is a young woman who has lived a hard-scrabble life and is very adept at the tasks needed to run the farm. Ruby lives at the farm with Ada and together, they take the farm from a state of disaster to working order.

The two women form a close friendship and become each other’s confidants. They also are friends with the Swangers, who live down the road from Black Cove. It is at the Swangers’ well that Ada “sees” a vision of Inman coming back to her in the snow along with a flock of crows. During the war, Ada and Ruby, and other members of their community, have several tense encounters with men who are members of the Confederate Home Guard. Although the purpose of the home guard was to protect the south and its citizen population from the North, they have become violent vigilantes who hunt and often kill deserters from the Confederate army and terrorize citizens they believe are housing or helping the deserters. It is with these hunters that Inman will eventually have an inevitable show-down.

Inman eventually finds his way to Ada and Cold Mountain. They decide to marry themselves, saying that an official marriage would be silly now and a waste of time. They consummate their marriage and start their new lives together. However, the Home Guard soon finds them in the mountain, determined to kill Inman, as they know he’s a deserter. While fighting off the hunters, Inman is shot. Ada goes to him, and finds him just as she saw in the well years earlier. He soon dies. The film ends several years later with Ada, Ruby and their families celebrating Easter. At the table there is Grace Inman, who was conceived on her parents’ wedding night.