



Q2 update ... 30 June 2018

Kibali

No LTI occurred during the quarter at Kibali and the LTIFR was zero, compared with one LTI and an LTIFR of 0.3 in Q1 2018. There was also no major environmental incident during the quarter.

Kibali produced a record 201 742oz of gold in Q2, up 17% from the previous quarter and up 43% from the same period in 2017. Underground mining and the shaft delivery ramped-up as planned, and together with continued improvements in throughput and recovery, resulted in the increased production. Total cash cost per ounce decreased by 11% to \$651 compared to the previous quarter, reflecting the benefits from the improved grade as well as lower power costs from increased hydropower with the higher rainfall quarter. Total cash cost per ounce was also 24% down on the same period of the prior year.

Profit from mining activity increased to \$133.0 million in Q2 2018, reflecting the improved gold sales and lower unit operating costs, notwithstanding the slightly lower average gold price received.

Sustainability

Kibali continued its focus on education during the quarter, training teachers and supporting final examination participation for the academic year end. The first class of vocational training was also completed, with students gaining skills in masonry, carpentry and welding. In addition, pilot maize and cocoa trials were initiated to assess commercial viability and support alternative economic development. \$0.7 million was spent on community development projects, including clinics, school supplies, infrastructure and potable water.

KIBALI RESULTS

	Quarter ended 30 Jun 2018	Quarter ended 31 Mar 2018	Quarter ended 30 Jun 2017	6 months ended 30 Jun 2018	6 months ended 30 Jun 2017
Mining					
Tonnes mined (000)	8 639	7 862	7 827	16 501	17 981
Ore tonnes mined (000)	2 033	1 399	1 262	3 432	2 929
Milling					
Tonnes processed (000)	2 060	1 994	1 854	4 054	3 775
Head grade milled (g/t)	3.4	3.1	2.8	3.3	2.8
Recovery (%)	89.2	85.8	84.3	87.6	82.7
Ounces produced	201 742	171 948	141 204	373 690	282 217
Ounces sold	204 588	179 079	137 661	383 667	296 367
Average price received (\$/oz)	1 301	1 330	1 243	1 315	1 223
Cash operating costs ¹ (\$/oz)	602	685	803	641	792
Total cash costs ¹ (\$/oz)	651	735	859	690	848
Profit from mining activity ¹ (\$000)	132 964	106 642	52 956	239 606	111 093
Attributable (45%)					
Gold sales ¹ (\$000)	119 768	107 188	77 013	226 956	163 096
Ounces produced	90 784	77 377	63 542	168 161	126 998
Ounces sold	92 064	80 586	61 947	172 650	133 365
Profit from mining activity ¹ (\$000)	59 834	47 981	23 830	107 823	49 992
Gold on hand at period end ² (\$000)	4 239	6 183	6 597	4 239	6 597

Randgold owns 45% of Kibali Goldmines SA (Kibali) with the Democratic Republic of Congo (DRC) State and joint venture partner owning 10% and 45% respectively. The group equity accounts for its 45% joint venture holding in Kibali.

¹ Refer to explanation of non-GAAP measures provided.

² Gold on hand represents gold in doré at the mines multiplied by the prevailing spot gold price at the end of the period.

Underground

Underground mining produced 909kt of ore in Q2 2018, up 18% from the previous quarter. Ore delivery from the declines continued to decrease as production shifted from trucking to the higher efficiency shaft with 704kt hoisted, up 44% from the previous quarter. 2 818m of development was also completed during the quarter, further expanding the underground mine.

KIBALI UNDERGROUND DECLINE RESULTS

	Quarter ended 30 Jun 2018	Quarter ended 31 Mar 2018	Quarter ended 30 Jun 2017	6 months ended 30 Jun 2018	6 months ended 30 Jun 2017
Ore tonnes mined	908 927	767 509	391 790	1 676 436	714 778
Development metres	2 818	2 181	3 066	4 999	6 260
Off shaft development	-	-	524	-	1 141

Capital expenditure

Commissioning has begun on Azambi, the third hydropower station, which should be fully operational before the end of Q3 2018. Construction of the next phase of the TSF to provide additional capacity for carbon in leach (CIL) tails, progressed during the quarter and remains on schedule for completion in Q3 2018. Capital expenditure for the quarter amounted to \$41.5 million, mainly related to Azambi (\$9.5 million), underground development (\$16.8 million), mining fleet rebuild activities (\$3.2 million), TSF expansion (\$2.8 million) and deferred stripping activities (\$2.4 million).