AUGUST 2005

RANDGOLD RESOURCES

REPORT

LOULO PHASE ONE ON BRINK OF PRODUCTION

DEVELOPMENT OF UNDERGROUND MINE GETS GO-AHEAD

London, 4 August 2005 - London and Nasdaq listed gold miner Randgold Resources said today the commissioning of the first phase of its new Loulo mine in Mali was nearing completion with first gold production likely later this month.

At the same time the company announced that it had decided to proceed with the development of an underground leg to the mine - originally conceived as an open-cast operation - following the completion of an SRK development study which demonstrated a robust project with the potential to add significantly to Loulo's life and value.

"The results of the development study are in line with our most optimistic expectations, confirming that the down-dip extensions of the Yalea and Loulo 0 orebodies, currently being mined as open-pits, are eminently exploitable," said chief executive Dr Mark Bristow.

"We're currently focusing on optimising the open-cast to underground interface and mining schedules. At this stage, we're looking at starting the shaft-sinking next year, with full production being achieved by 2009. Combined, and on the assumption that it is a stand alone project, the two underground mines can produce approximately 1.8 million ounces of gold (recovered) over a 10-year period, with the potential for more to come as we continue drilling out the orebodies. Consequently, a programme that integrates feed from the open pits and underground, will lead to longer life and more optimal production profiles."

Meanwhile commissioning of the opencast mine, the plant and the associated works is making steady progress. Completion has been delayed by a few weeks, mainly by logistical issues, but Bristow noted that it was still some five months ahead of the original target date of January 2006. Mining started in December 2004 and a significant ore stockpile of 220 000 tonnes at a very comforting grade of 4.5g/t, has already been built up. Bristow said the slight commissioning delay should not affect the mine's planned production of 100 000 ounces to the end of 2005.

(continued on page 8)

Dr Mark Bristow (CEO) and John Steele (GM capital projects) keeping an eye on progress.

LOULO IN HOME STRETCH

With Loulo on the brink of production as commissioning nears its final stages, the pace of activity on site has continued to heat up.

"The various commissioning phases - dry, wet and finally the feeding of low grade ore - are making steady progress. The soft rock and ball mill have been dry-commissioned, the CIL tanks are being wet-commissioned and practical completion of the oxide processing plant will be during August," says Gordon McCrae, chief executive of contractors MDM.

"To meet deadlines, certain key components for the oxide circuit were airfreighted and the final shipments of Phase II equipment - the hard rock crushing - have left South Africa, China, the USA, Mexico and Sweden."

McCrae noted that MDM had been involved in the Loulo project since the start of the initial feasibility study in 1997. "Right now, the integrated MDM and Randgold commissioning teams are working hard to stay on schedule as our immediate goal - the processing of the first ore later this month - draws closer."

RANDGOLD RESOURCES

Incorporated in Jersey, Channel Islands • Reg. No. 62686 • LSE Trading Symbol: RRS • Nasdaq Trading Symbol: GOLD

REPORT FOR THE QUARTER AND 6 MONTHS ENDED 30 JUNE 2005

- Randgold Resources delivers more profits and celebrates 10 'solid gold' years
- Loulo Gold Mine builds run of mine stockpiles and starts commissioning
- Loulo underground development study doubles company's reserves
- Tongon prefeasibility update underpins growth prospects

Randgold Resources Limited has 59.5 million shares in issue as at 30 June 2005

CONSOLIDATED INCOME STATEMENT

US$000	**Unaudited quarter ended 30 Jun 2005**	Unaudited quarter ended 31 Mar 2005	Unaudited quarter ended 30 Jun 2004	**Unaudited 6 months ended 30 Jun 2005**	Unaudited 6 months ended 30 Jun 2004
Gold sales revenue	**27 963**	31 986	12 200	**59 949**	27 474
Cost of sales					
Production costs	**6 953**	10 839	8 243	**17 792**	17 011
Transport and refinery costs	**62**	67	46	**129**	98
Transfer to deferred stripping costs	**2 664**	209	(580)	**2 873**	(2 968)
Cash operating costs*	**9 679**	11 115	7 709	**20 794**	14 141
Royalties	**1 959**	2 162	863	**4 121**	1 942
Total cash costs*	**11 638**	13 277	8 572	**24 915**	16 083
Profit from mining activity*	**16 325**	18 709	3 628	**35 034**	11 391
Depreciation and amortisation	**2 307**	2 595	2 286	**4 902**	4 707
Exploration and corporate expenditure	**4 558**	5 536	4 171	**10 094**	7 187
Profit/(loss) from operations*	**9 460**	10 578	(2 829)	**20 038**	(503)
Interest received	**364**	325	230	**689**	522
Interest expense	**(300)**	(345)	(455)	**(645)**	(920)
Profit on financial instruments	**-**	-	7 653	**-**	1 806
Profit on sale of Syama	**-**	-	7 070	**-**	7 070
Other (expenses) and income	**(1 577)**	1 850	6	**273**	(1 168)
Share-based payments§	**(825)**	(288)	(175)	**(1 113)**	(347)
Profit on ordinary activities before taxes and minority interests	**7 122**	12 120	11 500	**19 242**	6 460
Income tax	**-**	-	-	**-**	-
Minority shareholders' interest	**-**	-	-	**-**	-
Net profit	**7 122**	12 120	11 500	**19 242**	6 460
Basic earnings per share (US$)	**0.12**	0.20	0.20§	**0.32**	0.11§
Fully diluted earnings per share (US$)	**0.11**	0.20	0.20§	**0.31**	0.11§
Average shares in issue (000)	**59 481**	59 394	58 547	**59 448**	58 547

CONSOLIDATED CASH FLOW STATEMENT

US$000	**Unaudited 6 months ended 30 Jun 2005**	Unaudited 6 months ended 30 Jun 2004
Profit on ordinary activities before taxation and minority interest	**19 242**	6 460
Adjustment for non-cash items	**14 060**	(9 485)
Working capital changes	**(17 494)**	1 779
Net cash generated/(utilised) by operations	**15 808**	(1 246)
Net cash utilised in investing activities		
Additions to property, plant and equipment	**(53 497)**	(24 442)
Financing of contractors	**(13 071)**	-
Movements in restricted cash	**-**	3 882
Disposal of Syama - net of cash disposed	**-**	8 571
Net cash generated by financing activities		
Ordinary shares issued	**637**	58
Increase/(decrease) in long-term borrowings	**28 439**	(9 162)
Net decrease in cash and cash equivalents	**(21 684)**	(22 339)
Cash and cash equivalents at beginning of period	**78 240**	105 475
Cash and cash equivalents at end of period	**56 556**	83 136

CONSOLIDATED BALANCE SHEET

US$000	**Unaudited at 30 Jun 2005**	Audited at 30 Dec 2004	Unaudited at 30 Jun 2004
Assets			
Non-current assets			
Property, plant and equipment	**178 449**	129 854	89 891
Cost	**205 136**	151 639	103 977
Accumulated depreciation and amortisation	**(26 687)**	(21 785)	(14 086)
Deferred stripping costs	**6 871**	8 514	8 301
Long-term ore stockpiles	**23 813**	12 054	8 669
Total non-current assets	**209 133**	150 422	106 861
Current assets			
Deferred stripping costs	**5 140**	6 370	6 211
Inventories and stockpiles	**10 089**	9 762	5 272
Receivables	**41 949**	23 667	16 907
Cash and equivalents	**56 556**	78 240	83 136
Total current assets	**113 734**	118 039	111 526
Total assets	**322 867**	268 461	218 387
Total shareholders' equity	**213 800**	191 169	186 428
Non-current liabilities			
Long-term borrowings	**68 755**	40 718	7 439
Loans from minority shareholders in subsidiaries	**1 487**	1 621	1 343
Deferred financial liabilities	**14 030**	15 668	4 680
Provision for environmental rehabilitation	**8 872**	3 701	3 552
Total non-current liabilities	**93 144**	61 708	17 014
Current liabilities			
Accounts payable and accrued liabilities	**15 923**	15 584	14 945
Total current liabilities	**15 923**	15 584	14 945
Total equity and liabilities	**322 867**	268 461	218 387

The results have been prepared in accordance with International Financial Reporting Standards (IFRS).

* *Refer to other financial measures provided on page 3.*
§ *Reflects adoption of IFRS2: Share-based payment.*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Number of ordinary shares	Share capital US$000	Share premium US$000	Other reserves US$000	Accumulated profits US$000	Total equity US$000
Balance – 31 December 2003	**29 260 385**	**2 926**	**200 244**	**(7 403)**	**(18 580)**	**177 187**
March 2004 quarter						
Net loss	-	-	-	-	(5 040)§	(5 040)§
Share-based payments	-	-	-	-	172§	172§
Share options exercised	3 000	-	13	-	-	13
Share split (a)	29 263 385	-	-	-	-	-
Capital reduction (b)	-	-	(100 000)	-	100 000	-
June 2004 quarter						
Net profit	-	-	-	-	11 500§	11 500§
Share-based payments	-	-	-	175§	-	175§
Movement on cash flow hedges	-	-	-	2 376	-	2 376
Share options exercised	20 600	1	44	-	-	45
Balance – 30 June 2004	**58 547 370**	**2 927**	**100 301**	**(4 680)§**	**87 880§**	**186 428**
Balance – 31 December 2004 (as previously reported)	59 226 694	2 961	102 342	15 668	101 534	191 169
Adoption of IFRS2 share-based payments	-	-	-	1 321	(1 321)	-
Balance – 31 December 2004	**59 226 694**	**2 961**	**102 342**	**(15 668)§**	**101 534§**	**191 169**
March 2005						
Net profit	-	-	-	-	12 120	12 120
Share-based payments	-	-	-	288	-	288
Movement on cash flow hedges	-	-	-	1 690	-	1 690
Share options exercised	176 800	9	538	-	-	547
June 2005						
Net profit	-	-	-	-	7 122	7 122
Share-based payments	-	-	-	823	-	823
Movement on cash flow hedges	-	-	-	(52)	-	(52)
Share options exercised	35 400	2	88	-	-	90
Restricted shares issued as remuneration #	161 735	8	-	-	-	8
Treasury shares held by company #	(107 825)	(5)	-	-	-	(5)
Shares vested #	-	-	735	(735)	-	-
Balance – 30 June 2005	**59 492 804**	**2 975**	**103 703**	**(12 333)**	**119 455**	**213 800**

§ *Reflects adoption of IFRS2: Share-based payment.*

Share split: A special resolution was passed on 26 April 2004 to divide each of the ordinary shares of US$0.10 in the company into two ordinary shares of US$0.05 each.

Capital reduction: A special resolution was passed at the annual general meeting in April 2004, which was subsequently approved by the Court in Jersey, to extinguish accumulated losses by reducing the company's share premium account by US$100 million in order to permit future dividend payments.

Restricted shares were issued to directors as remuneration. Of these shares, only 53 910 have vested, while the remainder of the shares are still held by the company as treasury shares. The US$0.7 million represents the costs of the shares which have vested, previously charged to other reserves.

OTHER FINANCIAL MEASURES

The company uses the following pro forma disclosures as it believes that this information is relevant to the mining industry.

Total cash costs per ounce are calculated by dividing total cash costs, as determined using the Gold Institute Industry Standard, by gold ounces produced for all periods presented.

Total cash costs, as defined in the Gold Institute Industry Standard, include mine production, transport and refinery costs, general and administrative costs, movement in production inventories and ore stockpile, transfers to and from deferred stripping and royalties. Total cash cost per ounce should not be considered by investors as an alternative to operating profit or net profit attributable to shareholders, as an alternative to other IFRS or US GAAP measures or an indicator of the company's performance. The company believes that total cash cost per ounce is a useful indicator to investors and management of a mining company's performance as it provides an indication of a company's profitability and efficiency, the trends in costs as the company's operations mature, a measure of a company's gross margin per ounce, by comparison of total cash cost per ounce to the spot price of gold, and a benchmark of performance to allow for comparison against other companies.

Cash operating costs are defined as total cash costs excluding royalties.

Total cash operating costs per ounce are calculated by dividing cash operating costs by gold ounces produced for all periods presented.

Profit from mining activity is calculated by subtracting total cash costs from gold sales revenue for all periods presented.

Profit from operations is calculated by subtracting depreciation and amortisation charges and exploration and corporate expenditure from profit from mining activity.

RECONCILIATION TO US GAAP

The preliminary condensed financial statements presented in this report have been prepared in accordance with International Financial Reporting Standards (IFRS), which differ in certain significant respects from Generally Accepted Accounting Principles in the United States (US GAAP). The effect of applying US GAAP to net income and shareholder's equity is set out below.

Reconciliation of net income (US$000)	**6 months 30 June 2005**	6 months 30 June 2004
Net income under IFRS	**19 242**	6 460
Share-based payment compensation#	**637**	1 622
Development costs*	**(3 186)**	-
Net income under US GAAP	**16 693**	8 082
Movement in cash flow hedges during the period	**1 638**	2 376
Comprehensive income under US GAAP	**18 331**	10 458
Basic earnings per share under US GAAP (US$)	**0.28**	0.14
Fully diluted earnings per share under US GAAP (US$)	**0.27**	0.14

Reconciliation of shareholders' equity (US$000)	**6 months 30 June 2005**	6 months 30 June 2004
Shareholders' equity under IFRS	**213 800**	186 428
Development costs*	**(7 102)**	-
Shareholders' equity under US GAAP	**206 698**	186 428

* *Drilling costs of US$3.2 million relating to the underground development study at Loulo have been capitalised under IFRS for 2005 (2004: US$3.9 million). Under US GAAP, these costs may not be capitalised since they do not relate to the addition of reserves as defined in SEC Industry Guide 7.*

These adjustments include differences between accounting for share-based compensation under IFRS and US GAAP. Prior to 1 January 2005, there was no requirement to recognise share option compensation expenses under IFRS, although there was such a requirement under US GAAP and APB 25. The group adopted IFRS 2, accounting for share-based payment from 1 January 2005, in accordance with the Standard's transitional provisions. The method of calculation of the expenses is different under IFRS and US GAAP, and an adjustment for US GAAP has accordingly been made.

ACCOUNTING POLICIES

The preliminary condensed financial statements in this report have been prepared in accordance with the group's accounting policies, which are in terms of IFRS and are consistent with the prior period.

Joint ventures are those investments in which the group has joint control and are accounted for under the proportional consolidation method. Under this method, the proportion of assets, liabilities, income and expenses and cash flows of each joint venture attributable to the group are incorporated in the consolidated financial statements under appropriate headings. Inter-company accounts and transactions are eliminated on consolidation.

No segmental information has been provided, as the source and nature of the enterprise's risks and returns are not governed by more than one segment.

The group adopted IFRS 2, accounting for share-based payment from 1 January 2005, in accordance with the Standard's transitional provisions. The Standard requires an entity to recognise share-based payment transactions in its financial statements. The comparatives have been adjusted accordingly. The effect of the change is a charge of US$1.1 million for the six months ended 30 June 2005 and a charge of US$1.3 million for the year ending 31 December 2004.

FINANCIAL INSTRUMENTS

No further ounces have been hedged during this quarter.

The group's hedging position which all relates to the Loulo project financing, was as follows at 30 June 2005:

Maturity date	Forward sales Ounces	Forward sales US$/oz
December 2005	12 504	430
December 2006	93 498	431
December 2007	103 500	435
December 2008	80 498	431
December 2009	75 000	430
Total	**365 000**	**432**

This represents approximately 36% of planned open pit production at Loulo for the period that the project finance is in place. The financial instruments are a matched hedge and any movements in marked-to-market valuation are accounted for in the other comprehensive income reserve.

Morila's production is completely exposed to spot gold prices.

COMMENTS

Profit from mining activity for the six months ended June 2005 compared to the comparative period ended June 2004 improved by 208%, mainly as a result of increased revenues from higher grades and better recoveries. The lower recoveries in 2004 were due to the commissioning of the plant expansion at Morila in 2004. The quarter on quarter decrease in profit from mining is attributable to higher ounces sold in the March quarter resulting from sales from gold that was in inventory at December 2004.

Profit from mining activity for the current quarter of US$16.3 million was significantly higher than the corresponding quarter in 2004 and down US$2 million from the previous quarter.

Production costs of US$6.9 million in the current quarter were down compared to the quarter ended 31 March 2005 mainly as a result of an over provision for diesel consumption at Morila in the previous quarter which was corrected in the current quarter.

Exploration and corporate expenditure for the six months is US$10 million, up from US$7 million for the corresponding period in 2004 and is a reflection of increased exploration activity in 2005, particularly drilling.

The other expenses of US$1.6 million in the current quarter relate to the correction of a previous misallocation at Morila.

Main balance sheet movements for the quarter ended 30 June 2005 are increases in property, plant and equipment, which relate to costs incurred on the development of the Loulo mine, an increase in ore stockpiles and an increase in receivables. The increase in receivables is due to further payments in advance relating to the Loulo construction contract to ensure that the contract stays on track. A provision for the Loulo closure cost obligation and matching closure cost asset has also been recognised.

The decrease in cash and cash equivalents also relates to the continued funding of the Loulo project. Increases in long-term borrowings result from the drawdown of the Loulo project finance loan amounting to US$15 million in the first quarter and a further US$10 million in the second quarter, as well as a partial draw down on the Caterpillar finance facility. The Loulo project finance loan is now fully drawn.

Working capital changes on the cash flow statement reflect an increase in the ore stockpile balance at Morila, in line with the mine plan, as well as an increase in receivables such as reimbursable fuel duties at Loulo. The financing of contractors relate to the advances made to Loulo contractors.

OPERATIONS

Morila Gold Mine

We have continued to work with the operators of the mine in order to return the mine to full production capacity. The strategy has been to achieve consistent sustainable production and by the end of the quarter this approach appeared to be producing the desired results with plant throughput rising by almost 100 000 tonnes over the quarter, which is a 12% increase quarter on quarter. Gold produced for the quarter of 165 359 ounces, was in line with forecast and was only slightly lower than the previous quarter when higher grades were fed to the mill. Costs continue to be a concern and we are monitoring this very closely.

US$000	**Quarter ended 30 June 2005**	Quarter ended 31 Mar 2005	Quarter ended 30 June 2004	**6 Months ended 30 June 2005**	6 Months ended 30 June 2004
Morila Results					
Mining					
Tonnes mined (000)	**6 964**	7 815	5 261	**14 779**	11 886
Ore tonnes mined (000)	**2 002**	1 646	889	**3 612**	1 776
Milling					
Tonnes processed (000)	**951**	857	867	**1 808**	1 662
Head grade milled (g/t)	**5.9**	6.6	3.8	**6.2**	4.3
Recovery (%)	**92.0**	92.4	80.0	**92.2**	83.2
Ounces produced	**165 359**	167 272	85 081	**332 631**	192 196
Average price received (US$/ounce)	**430**	428	332	**427**	360
Cash operating costs* (US$/ounce)	**146**	166	213	**156**	183
Total cash costs* (US$/ounce)	**176**	198	238	**187**	208
Cash profit (US$000)	**40 813**	46 773	9 070	**87 585**	28 478
Attributable (40%)					
Ounces produced	**66 144**	66 908	34 032	**133 052**	76 878
Ounces sold	**65 030**	74 731	35 026	**139 761**	76 411
Cash profit (US$000)	**16 325**	18 709	3 628	**35 034**	11 391

* *Refer other financial measures provided above.*

One week into the 3rd quarter, the staff of the mining contractor, Somadex, commenced an unprocedural strike. With assistance from national union officials, talks have continued to resolve the situation. At the time of going to print, a settlement had been proposed. Production forecasts have not been materially affected because of the availability of significant full grade ore stockpiles on the run of mine pad.

The operator of the mine, AngloGold Ashanti, through its subsidiary Anser, has undergone a re-structuring and major staff changes have been implemented. An independent CEO has been appointed at Morila, answering directly to the Morila SA Board.

Loulo Gold Mine

Construction

The Loulo mine Phase I development made steady progress over the quarter with the initiation of dry commissioning of certain items. The various phases of commissioning (dry, wet and finally, the feeding of low-grade ore) are expected to progress through end July – August. The commissioning programme will run into August because of delays experienced with break-bulk shipping schedules in June and early July. The early onset of rains and associated construction issues necessitated the rescheduling of the Gara River dam wall and diversion earthworks. This is not expected to significantly impact on the Phase I commissioning and in turn has allowed the focus to remain on the completion of the tailings storage facility which is critical to complete before the onset of production.

The oxide crushing circuit is 95% complete and dry commissioning of this part of the plant has commenced. The first feed conveyor is complete ahead of schedule. Attention has focussed on the milling circuit and with mills and associated cyclone clusters installed, the installation of girth gears, gear boxes and mill motors are scheduled through July, which will allow both mills to be commissioned on oxide material and enhance the oxide processing capacity allowing the mine to meet its production build up to year end.

The commissioning of the carbon in leach circuit will commence in the last week of July. Final process water storage and supply remains on a critical path with some temporary piping and pumping measures required again due to the late arrival of certain freight. To ensure the commissioning programme starts in July, certain items have been air-freighted to site.

All 15 Caterpillar generator sets are on site and commissioning of the first seven engines has commenced ensuring the availability of adequate power supply for Phase I. In parallel with the Phase 1 commissioning programme, construction of the Phase II (hard rock circuit) has started. Infrastructure projects focussing on roads, auxiliary facilities, housing and other amenities are advanced and scheduled to be completed over the rest of the year.

Manpower build-up along with the selection and training of people is well advanced.

Operations

At Loulo 0 mining activities focussed on building the soft ore run of mine pad with Loulo 0 waste. Advanced grade control drilling at Loulo 0 has been completed in the upper 80 metres of the pit. Results show a shallow northerly plunge to high-grade mineralisation that is parallel to lineations mapped in the hanging wall sediments. Results from below the Garra sediments, immediately north of the pit, indicate moderate mineralisation that could extend the pit some 50 metres. Mining of the Loulo 0 orebody is scheduled to commence following the completion of the hard rock run of mine pad and ahead of the commissioning of the Phase II (hard rock) circuit. Until then waste rock will be mined to build up the run of mine pad extensions.

During the quarter, ore mining of oxide material in the Yalea pit commenced. Topsoil stripping exposed the ore zone, with low grade topsoil being used to line the run of mine pad and build a low-grade stockpile for commissioning, while the high-grade material was stored separately. Grade control trenches have been dug to help delineate the ore contacts within the saprolite. Sampling of these trenches has shown the ore/waste contact to be visible and sharp in most cases. A total of 220 000 tonnes at 4.5g/t for 32 000 ounces was stockpiled by quarter end.

PROJECTS AND EVALUATION

Loulo Project

Underground Development Study

SRK Consulting have completed a study examining the feasibility of mining, as two operations, the down-dip extensions of the Yalea and Loulo 0 open pit orebodies from underground.

The results have exceeded our expectations. The project is robust and has the potential to add significant mine life and value.

Mining method chosen is sub-level open stoping with or without post-fill depending on the grade of the area. The study does not incorporate any data subsequent to the end of March, although further drilling has since taken place, the results of which are tabulated at the end of this section. The following ore reserves form the basis for the current estimates relating to the two underground operations.

	Million tonnes	Grade	Mozs
Yalea	8.40	6.88	1.86
Loulo 0	5.14	3.98	0.66
Total	**13.54**	**5.81**	**2.52**

Operating costs have been based on a comparison to “mines of this type” with appropriate adjustments for local conditions. Metallurgical testwork has confirmed that the deeper ore is no different from the shallower ore and that the current plant will be able to process the underground ore.

Initial capital estimate to steady state production (4 years) amounts to approximately US$100 million.

Currently the schedule anticipates commencing the decline development in 2006 and full production being achieved in 2009. Combined, and on a stand alone basis, the two underground mines are estimated to produce approximately 1.8 Mozs (recovered) over a 10 year period with production subsequently continuing from Yalea. Work is continuing to optimise the opencast to underground interface and mining schedules.

Subsequent to the data cut-off for the underground development study, further drilling was undertaken to both infill and extend the known mineralisation. At Yalea, 20 diamond drillholes were completed of which the results of 13 have been received. Deflections drilled off original holes into the high-grade bonanza material continue to return impressive results. Three holes were drilled below the present geological model in the south and central portions of the orebody. These three drillholes confirmed the continuity of the mineralised structure to a depth of 830 metres below surface. However, access to these depths would require a vertical shaft system.

	Hole ID	From	To	Inter-section width (m)	Grade (g/t)	Selected unit*
Yalea	YDH165w	554.44	559.66	5.22	9.29	
Yalea	YDH159w	591.98	597.11	5.13	26.69	
Yalea	YDH215	321.90	325.57	3.67	3.90	
Yalea	YDH188	837.10	839.82	2.72	2.64	
Yalea	YDH229	351.00	371.85	20.85	4.17	9.47m @ 6.27g/t
Yalea	YDH210	240.68	250.35	9.67	2.78	
		259.80	267.12	7.32	4.72	4.03m @ 5.76g/t
Yalea	YDH211	199.00	205.90	6.90	3.85	
Yalea	YDH219	299.15	302.65	3.50	5.52	
Yalea	YDH214	331.10	333.30	2.20	7.64	
Yalea	YDH218	313.80	330.16	16.36	3.04	
Yalea	YDH216	405.65	425.20	19.55	1.87	4.05m @ 3.18g/t
Yalea	YDH187	923.61	925.36	1.75	3.19	
Yalea	YDH220	662.00	672.00	10.00	1.68	

* *Selection based on geology and grade*

Tongon Project

Progress continues to be made towards resolution of the conflict in Côte d'Ivoire and elections are planned for October 2005. Field work remains on hold and will recommence following peaceful elections.

The June 2002 prefeasibility study on Tongon has been updated to reflect current market conditions.

The updated resource base now stands at 35.98 million tonnes at a grade of 2.77g/t for a total of 3.2 million ounces.

	Mt	Grade (g/t)	Gold content (Mozs)
Northern zone	5.29	3.47	0.59
Southern zone	30.69	2.65	2.61
Total	35.98	2.77	3.20

All resources are in the inferred category. A mineable resource has been estimated only for the southern zone of 13.05 million tonnes at a grade of 3.54g/t for a total of 1.5 million ounces. This has formed the basis of a preliminary economic assessment which indicates that the project meets our hurdle rates for further investment.

We have designed a 27 000 metre drilling programme to close the interhole spacing to a 50 metre x 50 metre grid which will allow the completion of a final feasibility study and production decision within 2 years of re-commencement of exploration and feasibility activities.

EXPLORATION ACTIVITIES

Our strategy this field season has been to hunt for new ounces with a focus on identifying new targets and opportunities. As a result the main emphasis has been on our generative function in west and east Africa. This has led to the compilation of a new west African GIS (Geographic Information System) study which has been cascaded down to a country by country review and target generation exercise. The results of this study have been the acquisition of seven new permits in three countries (2 021km^2) and the submission of an additional 15 applications (9 317km^2) within five countries. In total, we now have a total land package of 11 537km^2 in six African countries and a portfolio of 141 targets.

At Loulo, five drill rigs continued to drill. Three diamond core rigs tested Yalea, an RC rig completed advanced grade control and a RAB rig tested targets along the extensions of the main mineralised structures. In addition to the resource conversion and underground development associated with the known resources, drilling focus has also been on *'finding the next one'* with further encouraging results being returned from targets in the south of Loulo (Faraba) and the Selou area (Sinsinko). At Faraba, trench and RAB drilling have so far delineated 2.5 kilometres of bedrock mineralisation within an overall four kilometre surface anomaly. Recent RAB results include: 13 metres at 2.17g/t, 27 metres at 1.57g/t and nine metres at 1.75g/t, supporting trench results. Geologically the target is similar to Yalea in that a north-south striking shear is developed at the contact between argillaceous quartzite and greywacke. At Selou, follow-up RAB drilling on a 1.8 kilometre soil anomaly have returned anomalous values (plus 100ppb) over 30 metre widths, associated with a north – south fault. At P64, a 1.5 kilometre plus 100ppb north northwest soil anomaly characterises the target. Previous work concentrated on only a 500 metre segment, which contains a weakly tourmalinised greywacke outcrop within the overall 1.5 kilometre target, where 16 diamond holes and 15 percussion holes were drilled. This work identified a 145 metre long, strongly mineralised zone. Work has started testing the full 1.5 kilometre anomaly with trenching and RAB drilling, results were pending at the time of reporting.

Exploration has now commenced at Sitakili, 21 kilometres east of Loulo. Geologically, mineralisation occurs within an antiformal sequence of metasediments. To date, three structural corridors intruded by dykes have been identified, each with a width of approximately 100 metre and strike of three kilometres with values up to 19g/t from rock chips.

In southern Mali, at Morila, further drilling at the Samacline target returned the following: SAM009 15 metres at 4.72g/t, SAM012 five metres at 4.33g/t and three metres at 5.84g/t, SAM014 five metres at 5.13g/t, and SAM019 two metres at 6.40g/t. A small high-grade resource has been inferred. However, this is believed to be part of a much bigger system which is open to the west.

In the Morila region, a diamond drilling programme has tested three targets, confirming a flat lying structural architecture and sediments with evidence of alteration similar to Morila but results received to date have shown no significant gold grades. Elsewhere in southern Mali, a generative study has led to further ground acquisition.

In Senegal, work at Bambaraya has identified a wide zone of iron carbonate alteration associated with mineralisation and new trenches 100 metres north and 150 metres southwest of the main zone have intersected significant mineralisation (BBTR04: six metres at 1.76g/t, four metres at 5.48g/t and 12 metres at 4.06g/t; BBTR06: 12 metres at 2.34g/t). Infill drilling at Sofia has increased our knowledge of the target. We see a variation in the mineralisation from broad low-grade envelopes to narrow high-grade intercepts along the 3 400 metre anomalous corridor. Presently the inter-hole spacing is 400 metres and between the best holes drilled in terms of results (44 metres at 2g/t and six metres at 9.5g/t), there is a combined strike of 1 600 metres untested. At Tombo, a small low-grade resource has been identified with limited upside potential. In addition one new permit has been granted consolidating our groundholding around Sabodala. Two further permits have been applied for and negotiations are being finalised with a Senegalese company on a new joint venture opportunity.

In Burkina Faso, exploration has continued in the Kiaka and Danfora regions. However over the quarter, the emphasis has shifted to the Kiaka area. This area lies along a regional structure which controls six known deposits containing combined resources of eight million ounces of gold. Nine applications have been submitted, three of which have been granted covering the southern part of this fault system.

In Ghana, work continued on generating new regional targets. As a result, applications have been made for four reconnaissance permits and due diligences have been undertaken on a number of joint venture opportunities.

In Tanzania, reconnaissance exploration continues both in the Mara and Musoma greenstone belts to understand the geology and structural architecture leading to the identification of targets. This regional information combined with the acquisition and processing of geophysics over both areas of activity during the last quarter has enhanced our structural understanding and our ability to focus follow up work. RAB drill programmes are being motivated to test beneath complex regolith profiles in favourable structural locations. A new permit, Buhemba South, surrounding the Buhemba mine, has been granted to Randgold Resources.

PROSPECTS

Loulo remains on track to produce its first gold in the third quarter, and it is anticipated that the company will meet its announced production targets for the year. Results from the Loulo underground study confirms the long term growth potential of the mine.

With the updated economic review at Tongon, the company is now properly positioned to proceed with a planned 'bankable feasibility' programme when the political situation in the Côte d'Ivoire returns to normal.

The company continues to evaluate value creating opportunities through exploration, discovery and development, as well as leverage from acquisition opportunities.

The Company celebrates its 10th anniversary in August 2005.

D M Bristow
Chief Executive

R A Williams
Financial Director

4 August 2005

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LOULO DEVELOPMENT MARKS FURTHER MAJOR INVESTMENT IN MALI BY RANDGOLD RESOURCES

The commissioning of the new Loulo gold mine, due to go into production later this month, is another landmark in Randgold Resources' dynamic relationship with the government and people of Mali, says chief executive Dr Mark Bristow.

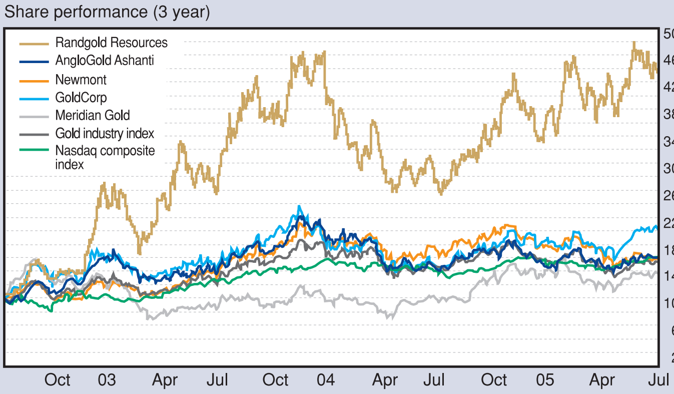
"We are proud to have played a significant part in developing Mali into the third-largest gold producer on the African continent and thus to have made a major contribution to its economy. This mutually beneficial partnership is securely based on our confidence in the country and our productive working relationship with its mining and fiscal authorities," Bristow said.

The first phase of the Loulo project - an opencast mining operation - is being developed at a cost of US$89 million, excluding power, finance costs, working capital and exploration. Planning of an underground operation, which should increase the value and life of the mine, is currently being finalised, with shaftsinking provisionally scheduled for next year. On a stand alone basis, the development of an underground mine will require a further investment of some US$100 million to take it to steady-state production.

Loulo is the second world-class gold mine to have been developed in Mali by Randgold Resources. The first was Morila, which since it went into production in October 2000 has produced more than 3 million ounces of gold. Morila represents an initial capital investment of US$105 million and has to date returned US$376 million to its shareholders, which include the government of Mali with a 20% interest. It has contributed a further US$450 million to the Malian economy through royalties, taxes, payments to local suppliers, and salaries and wages.

Prior to the development of Morila, Randgold Resources acquired the Syama mine from BHP and spent US$63 million on modernising and expanding it in the late Nineties. When the gold price collapsed in 2001, Randgold Resources invested significant funds to preserve Syama by placing it on care and maintenance, and last year sold it to a new operator.

Share performance (3 year)



TENDING THE MORILA ASSET FOR ALL ITS STAKEHOLDERS

The Morila mine has richly rewarded all its stakeholders and they should now make a strong commitment to the continued preservation of this major national asset. Randgold Resources discovered and developed Morila and owns 40% of the joint-venture operation.

In the June quarter, Morila's production profile continued to improve with plant throughput 12% higher than in the previous quarter and gold output of 165 359 ounces in line with forecasts. This follows a difficult period in which the mine was negatively affected by delays and difficulties with its plant expansion programme, as well as by the need to adjust to a lower gold grade.

"Randgold Resources has been working closely with the operator of the mine to overcome these problems and to return the mine to its full production capacity. By the end of June, we appear to have achieved our immediate aims and throughput has now been stabilised at what should be a sustainable level," says chief executive Dr Mark Bristow.

"However, this is by no means the end of the challenge facing the mine's management. Like any precious asset, Morila has to be tended carefully or it will lose its value. It needs a renewed commitment from all the stakeholders on site to the preservation of that value and the realisation of Morila's full potential. This means a strong focus on such issues as productivity and cost containment, as well as the maintenance of a productive and harmonious relationship between management and workers."

SHARE PRICE MAKES STRONG GAINS

Since its listing on Nasdaq in July 2002, Randgold Resources' share price has increased by more than 300%, significantly outperforming its peers. In the first six months of 2005 alone it has risen by more than 30%.

Patrick Chidley, a mining analyst at BJM in New York says that in spite of this sustained rise, there is still plenty of upside in the Randgold Resources share price relative to its peer group.

"In our opinion, Loulo ranks as one of the top five gold projects not owned by a major producer in the world today. We believe that if the currently outlined potential in the underground project becomes tangible, this will inevitably drive up the stock," he said.

Victor Flores, senior mining analyst at HSBC and coordinator of its global gold sector research, notes that with the impending start-up of Loulo and a better operating performance by Morila, Randgold Resources' fundamentals have moved to the positive.

"The valuation of the shares appears to largely factor this in, and probably also takes into account the sale of shares by Randgold & Exploration. This has aided in generating positive momentum," Flores writes in HSBC's Senior Gold Book for 2005.

"The graph alongside says it all to our shareholders as well as to asset managers who will be interested to see how our performance compares with a peer group of solid companies in the gold mining industry," adds Randgold Resources chairman Philippe Liétard.

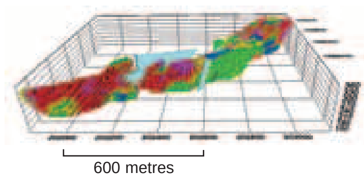
TONGON PROJECT READY TO ADVANCE

In 2002, Randgold Resources completed a prefeasibility study on the Tongon Project in the Côte d'Ivoire which indicated that it had the potential to meet the company's criteria for investment; the unrest in the country has since prevented any other field work being carried out.

The prospect of peace has led the company to review the economics of the project. "While the gold price has increased US$100/oz since the prefeasibility study, substantial increases in diesel, steel and transport have negatively affected project economics world-wide," says general manager, exploration and evaluation, Adrian Reynolds. "We reviewed the previous work carried out at Tongon going back to the basics of orebody modelling through to final product, applying a fair deal of conservatism. Nevertheless our total resource is slightly larger at a higher grade and a preliminary economic assessment shows that the project exceeds our company hurdle rates as well as the other parameters of our strategic filter."

Babacar Diouf, valuation assistant, says: "We have designed a 27 000 metre drilling programme costing approximately US$3 million which will bring both the southern and northern zones to 50m x 50m drillhole spacing within 12 months of commencement. At the same time, we will complete the other aspects of the feasibility study, with the intention of completing the final feasibility within two years of the situation in the country stabilising, after the general elections which are planned for October this year."

Elsewhere in Côte d'Ivoire, the company has maintained three additional permits in good standing and is reviewing data from several other prospects. Côte d'Ivoire remains a significantly underexplored Birimian terrain and all available information is being incorporated into the company's generative Geographic Information System.



Tongon	Total inferred resources:
2002............2.89Moz @ 2.65g/t	
2005............3.20Moz @ 2.77g/t *(not audited)*	

Underground development study gives Loulo further growth prospects and confirms world-class status

SRK Consulting has completed the underground development study on the deep extensions to the orebodies at Loulo 0 and Yalea which are currently being mined ahead of the commissioning of the Loulo Mine.

"We are extremely happy with the results of the study," said Randgold Resources chief executive Mark Bristow. "While we have always believed in the world-class potential of the Loulo orebodies, this study in fact exceeds our expectations. We are seeing the start of a new long-life goldfield which should add value to the company and the state of Mali for many years to come."

General manager, exploration and evaluation, Adrian Reynolds adds: "We are looking at starting the underground development next year as soon as we have optimised the open pit and underground schedules, ramping up production from the two underground sections over four years. This will dovetail nicely with the deepening of the open pits and we can envisage production from the mine beyond 2016. We have started staffing up and have appointed an underground manager to commence detailed planning and selection of contractors. One of the critical tasks now is to update the study with results obtained subsequent to the cut-off date of the study - we are still drilling and the information keeps adding to the value of the project."

THE GENERATIVE FOCUS

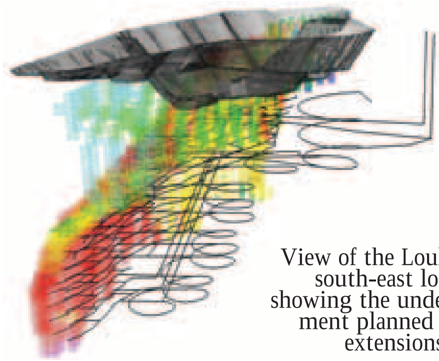
"If exploration is the engine that drives mining, then generative geology is the creative core of exploration," says Dr Greg Cameron, generative manager at Randgold Resources. He defines generative geology as "the analysis and integration of geologic data and metallogenesis on regional, belt and prospect scales with the purpose of generating new opportunities."

Large parts of the Birimian of west Africa have been covered by conventional exploration techniques while other areas have seen little modern day exploration. In areas, previously covered by first-pass exploration most of the obvious anomalies will have been investigated to some degree. In these areas it is the integration of deposit scale controls with an understanding of the regional tectonic framework that is needed to take exploration to the next level and lead to the next phase of discovery. For example, the Morila, Yalea and Tongon gold deposits were discovered by Randgold Resources in areas that had undergone several years of previous exploration. In areas where we lack basic data coverage we conduct or acquire our own surveys, for example geophysics, remote sensing, geochemistry, geologic and regolith mapping. What differentiates Randgold Resources from most of our competitors is a long-term commitment to building a comprehensive geologic framework which serves as our roadmap to discovery.

The key to an effective generative team is the smooth integration of a range of activities, including data acquisition, mineral intelligence, orebody modelling and regional metallogenic studies into a readily accessible GIS system. This is driven not only by close interaction of the generative and exploration managers but by delegation and ownership of generative responsibilities at the country level.

"A recent initiative has been the compilation of an updated regional geologic map for the Birimian of west Africa incorporating information from Randgold and government sources. This represents a major advance from the previous regional compilation of the BRGM and is an important step in understanding the regional metallogenic framework. We are now much better placed to lead the second pass exploration over what to us is the most attractive gold province in the world," says Cameron.

Geologic compilation of west Africa



View of the Loulo 0 orebody from south-east looking north-west, showing the underground development planned to access the deep extensions to the orebodies.

Scaling new heights (l to r): Chris Millson, Peter Heidstra, Paul Harbidge, Reinet Moolman, Kezia Aaron, Louis Venter and Masai guide.

CONTINUING TO EXPAND THE FOOTPRINT

Randgold Resources continues to deliver on its promise to expand its country exposure and project portfolio throughout the major gold belts of west and east Africa. The company's African footprint has increased to encompass some 11 500km^2 and a portfolio of 141 targets in six countries. New models and ideas, both in Ghana and Burkina Faso, have led to additional permit applications being submitted, covering 8 500km^2 of prospective greenstone belt.

Eight rigs have been drilling on four projects in two countries to hunt for new ounces and the deepest hole ever drilled by Randgold was completed to a down hole depth of 1 111 metres at Yalea on the Loulo project. Deep drilling at both Yalea and Loulo 0 have returned a positive underground development study which will add long-term value to the project. Additionally, exploration continues to discover further Yalea lookalike styles of mineralisation within the permit. Exploration has started on a new project, Sitakili, 21 kilometres east of Loulo which is a Tabakoto lookalike with mineralised porphyry dykes intruding folded sediments.

In Senegal, the company has built a well-balanced resource triangle with a portfolio of quality targets in the space of two years. To date six of 35 targets have been drilled, three of which have dropped off, one is parked and two require further drilling. Work continues to advance more targets to the drill phase.

A new model and strategy at Morila are driving the development of a more aggressive exploration drilling programme to hunt for further hidden orebodies.

While on a recent trip to Tanzania to review the company's permit portfolio which overlies Achaean-age rocks, some of the oldest rocks in the world, exploration manager Paul Harbidge and the Tanzanian team took the opportunity to trek up the 2 878 metre Ol Donyo Lengai carbonatite volcano, so active that it cannot be measured in geological time. While the aim of climbing a mountain and conducting exploration are completely different there are similarities in the successful execution of both: A strategy, leadership, teamwork, a plan and relevant and correctly applied technology. The base of a mountain can be viewed as the base of a resource triangle where risk is lower. As one progresses up the triangle and mountain it becomes more difficult and the risk increases.

LOULO ON BRINK OF PRODUCTION

(continued from page 1)

Randgold Resources has also reported its results for the quarter and half-year to June. Profit from mining was US$16.3 million for the quarter (Q2 2004: US$3.6 million) and US$35 million for the half-year (2004: US$11.4 million).

During the quarter the company's joint-venture Morila mine in Mali continued to return to full production levels. Plant throughput rose by almost 100 000 tonnes, a 12% improvement on the previous quarter, and gold production of 165 359 ounces was in line with forecasts. Bristow said Randgold Resources was working closely with the operator to achieve consistent and sustainable production and contain costs.

Elsewhere in west Africa, Randgold Resources has completed a review of the prefeasibility study of its Tongon project in Côte d'Ivoire, in anticipation of a return to normality in that country after the elections scheduled for October this year. The updated resource at Tongon now totals 3.2 million ounces. A preliminary assessment based on a mineable resource of 1.5 million ounces estimated only for the project's southern zone indicates that Tongon meets the company's hurdle rates for further investment. A production decision will be made after a final feasibility study, which will be completed within two years of the re-start of exploration activities.

On the exploration front the company has maintained its competitive edge in the face of increased activity from junior miners through a strong drive to find new ounces in its target countries, in line with its commitment to organic growth. Following a very successful field season, focus is now on processing, planning and preparing for the next one.

"Our strategy in the past field season has been to identify new targets and opportunities, and consequently the main emphasis has been on our generative function. Among other things, this has produced a new west African GIS study which has resulted in the acquisition of seven new permits in three countries and the submission of an additional 15 applications in five countries. In total, Randgold Resources now holds a total land package of more than 11 500 square kilometres containing 141 targets in six African countries," Bristow said.

Loulo Phase I: Seven CAT generators commissioned