NOVEMBER 2006

Another profitable quarter as Loulo underground development starts and Tongon progresses to feasibility

London, 2 November 2006 - Randgold Resources (LSE:RRS) (Nasdaq:GOLD) *posted a profit from mining of US$30.7 million for the September quarter, taking its total for the nine months to date to US$99.4 million - up 90% on the corresponding period in 2005 thanks to the contribution from its new Loulo mine and the higher gold price.*

Gold sales revenue for the quarter was US$63.2 million, in line with that of the previous quarter in spite of a lower received gold price. Production at Loulo increased by 11% to 57 123 ounces but was down 8% to 124 698 ounces (49 879 ounces attributable) at the company's Morila joint venture. Total cash costs at both operations were slightly up but on a group basis, are still in line with the overall target for the year.

At Loulo, the difficulties caused by the delay in the commissioning of the hard rock crusher spilled over into this quarter but throughputs increased steadily in August and September, with higher grades and improved recoveries boosting production. At Morila, operational problems resulted in a lower head grade and reduced plant throughput. These are being addressed and the mine is still on track to exceed 500 000 ounces for the year as planned.

In the meantime, excavation and construction of the boxcut for the Yalea underground mine at Loulo are well underway. The design and schedule for the second underground mine - Gara (formerly known as Loulo 0) - are currently being completed. Continued underground drilling has expanded the total Loulo resource base to more than 10 million ounces.

In the Côte d'Ivoire, the company is gearing up for a 30 000 metre diamond core feasibility drilling programme on the back of favourable results from the recently completed tactical drilling exercise there. The feasibility programme is due to start in January 2007, assuming political stability and safe working conditions in the region.

Elsewhere in West Africa, Randgold Resources' exploration teams are heading back into the field after the rainy season. In Mali, exploration continues to be focused on and around Loulo and Morila, while in Senegal, 15 targets have been prioritised for RAB drilling while three advanced targets have been modelled for further diamond drilling. In Ghana, completion of the first phase of exploration across all the company's permits will generate follow-up targets. In Burkina Faso, a first-pass exploration programme has been completed on all nine permits and targets in the Kiaka permit have been tested through RAB and RC drilling.

In East Africa, the status of the Kiabakari project in Tanzania is currently being re-evaluated. Other opportunities are currently being pursued in that country.

Chief executive Mark Bristow said the company's sustained sound performance reflected the benefits of balance and integration in the business and of its strong emphasis on organic growth.

"Loulo has effectively settled some start-up problems that were not of our making and, considering the circumstances, had a very solid quarter. Even more important, it is steadily evolving into a world-class mining complex encompassing open-pit and underground operations. Morila had a bit of a wobble but is still delivering the goods and Tongon is heading into the feasibility phase," he said.

"Our exploration teams are starting the new field season with plenty of prospects on their plate. We will also be looking at opportunities beyond our current six-country portfolio."

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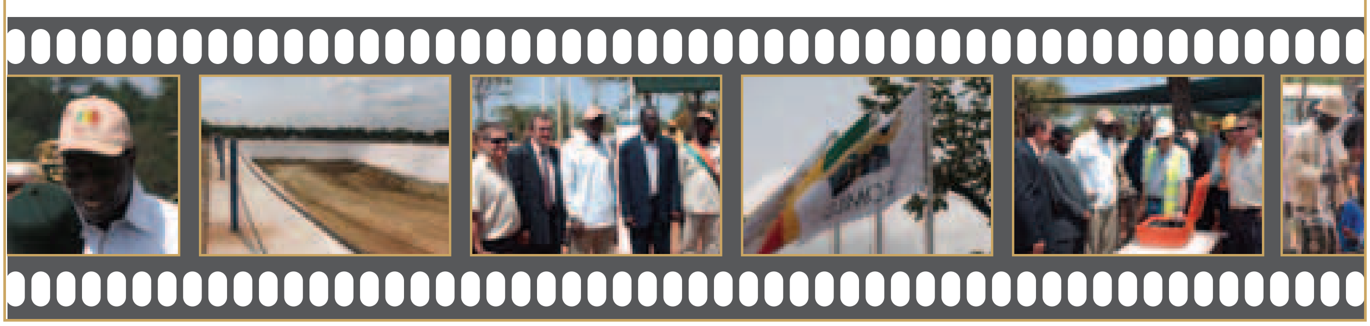
Development of new underground mine formally underway

The development of Randgold Resources' new Yalea underground mine at its Loulo project in Mali was officially launched on 17 October with the turning of the first sod by the Minister of Mines, Energy and Water, his Excellency Hamed D Semega.

The two open-cast mines at Loulo went into production late last year and to September 2006 had already poured 241 017 ounces of gold. The Yalea underground development is expected to raise the project's production from 250 000 ounces per year to in excess of 400 000 ounces per year and reduce its cost profile over the next five years. It is expected to remain in production beyond 2020. The boxcut and portal construction at Yalea is now well advanced and excavation of the declines is scheduled to begin before the end of the year. Randgold Resources expects to access the first development ore in late 2007.

(continued on page 07)



RANDGOLD RESOURCES

REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2006

- Profit from mining up by 90% for the nine months year on year
- Production increases at Loulo by 11% but down by 8% at Morila
- Underground drilling expands the resource base at Loulo to more than 10 million ounces
- Loulo underground mine development formally underway
- Tongon drilling results support decision to proceed with feasibility programme
- Exploration team gears up ahead of new field season
- New opportunities beyond our current country portfolio to be evaluated

SUMMARISED FINANCIAL INFORMATION AND OPERATING RESULTS

US$000	Quarter ended 30 Sept 2006	Quarter ended 30 June 2006	Quarter ended 30 Sept 2005 (Restated)+	9 months ended 30 Sept 2006	9 months ended 30 Sept 2005 (Restated)+
Gold sales revenue*	63 178	63 441	31 000	193 860	90 949
Total cash costs*	32 504	28 448	13 211+	94 415	38 556+
Profit from mining activity*	30 674	34 993	17 789+	99 445	52 393+
Profit from operations*	17 520	23 093	9 955+	61 740	28 450+
Net profit	12 746	14 573	9 949+	40 086	28 761+
Net profit (as previously reported)	n/a	n/a	9 219+	n/a	28 461
Net profit attributable to equity shareholders	12 285	13 754	9 949+	37 584	28 761+
Net cash generated from operations	17 818	21 418	5 360	61 765	16 251
Bank and cash	155 320	151 531	45 022	155 320	45 022
Attributable production** (ounces)	107 002	105 388	69 160	331 379	202 024
Group total cash costs per ounce** * (US$)	304	270	191+	285	191+
Group cash operating costs per ounce* (US$)	265	231	160+	247	160+

* *Refer to explanation of non-GAAP measures provided.*
** *Randgold Resources consolidates 40% of Morila and 100% of Loulo.*
\+ *Restated due to change in accounting policy relating to deferred stripping. See note on accounting policies.*
n/a *Not applicable.*

COMMENTS

- The doubling of revenue compared to the corresponding period in 2005 reflects the inclusion of the Loulo operation from November 2005 plus the impact of a higher received gold price. Gold sales revenue for the quarter ended 30 September 2006 at US$63.2 million, was in line with the previous quarter despite a less favourable received gold price. This was due to a 3 percent increase in ounces of gold sold.
- Costs are higher than the corresponding period in 2005 since this quarter includes US$19.9 million from the inclusion of the Loulo operation which commenced production in November 2005. Total cash costs of US$32.5 million for the quarter ended 30 September 2006 increased by US$4.1 million compared to the previous quarter as a result of increased costs as explained under Operations. The costs were in line with the first quarter of the year.
- The increase in profit from mining activity of US$12.9 million over the corresponding quarter in 2005, is attributable to the inclusion of US$11.2 million from Loulo plus the effect of higher received gold prices. The decrease in the current quarter by US$4.3 million compared to the quarter ended 30 June 2006, is as a result of increased unit costs as well as a change in the mix of production. More ounces were produced at the higher cost Loulo operation and less ounces were produced at the lower cost Morila operation quarter on quarter.
- When compared to the corresponding period in 2005, net profit from the inclusion of the Loulo operation is offset by income tax at the Morila operation and interest payments on the Loulo project loan. A decrease in net profit to US$12.7 million, compared to the previous quarter, is as a result of the reduced profit from mining as well as a US$2 million increase in the depreciation charge for the quarter at Loulo.
- The bank and cash balance increased by US$110.3 million compared to the corresponding period in 2005 which reflects the cash generated by the operations after capital investment and the equity of US$103 million raised in October 2005 and by US$3.8 million for the quarter ended 30 September 2006, when compared to the previous quarter.

OPERATIONS

LOULO

Confusion caused by the name of Loulo being assigned to both a single pit as well as the entire gold mine facility led to the decision to rename the Loulo 0 pit, the Gara pit. The name is sourced from the nearby Gara stream.

The throughput at Loulo was hampered by the delay in commissioning the hard rock crusher. This resulted in the operation having to process transitional ore during the rainy season which caused occasional blockages in the crushing circuit. Higher grades and improved recoveries as mining shifted to the Gara orebody in the latter part of the quarter, resulted in an increase in gold produced.

Cash operating costs of US$317 per ounce after adjusting for the accounting treatment for production inventories for the quarter ended 30 September 2006, reflect an increase of US$40 per ounce over the previous quarter. This was mainly due to increased waste prestripping in the current quarter as well as additional costs incurred in hiring mobile crushers to handle the transitional ore required because of the delay in commisioning the hard rock crusher. The additional costs associated with the hire of mobile crushers are expected to cease in October 2006.

Revenue increased by US$0.7 million compared to the quarter ended 30 June 2006, mainly as a result of an increase in ounces sold, partly offset by a lower achieved gold price of US$548 per ounce compared to US$577 per ounce. The average gold price reported for the current quarter includes 22 752 ounces delivered into the hedge at US$437.

The above impacted on the profit from mining activity which decreased by US$3.3 million compared to the previous quarter.

Production statistics:

LOULO RESULTS

US$000	Quarter ended 30 Sept 2006	Quarter ended 30 June 2006	Quarter ended 30 Sept 2005 (Restated)+	9 months ended 30 Sept 2006	9 months ended 30 Sept 2005 (Restated)+
Mining					
Tonnes mined (000)	4 830	3 934	-	12 805	-
Ore tonnes mined (000)	784	724	-	1 887	-
Milling					
Tonnes processed (000)	588	630	-	1 940	-
Head grade milled (g/t)	3.2	2.8	-	3.0	-
Recovery (%)	95.2	91.9	-	93.3	-
Ounces produced	57 123	51 233	-	173 033	-
Average price received + (US$/oz)	548	577	-	560	-
Cash operating costs* (US$/oz)	317	277	-	294	-
Total cash costs* (US$/oz)	350	313	-	329	-
Profit from mining activity* (US$000)	11 125	14 416	-	42 266	-
Gold revenue (US$000)	31 110	30 445	-	99 173	-

Randgold Resources owns 80% of Loulo with the Government of Mali owning 20%. Randgold Resources consolidates 100% of Loulo and then shows the minority interest separately.

* *Refer to explanation of non-GAAP measures provided.*
\+ *Includes the impact of 22 752 ounces delivered into* the hedge at US$437 per ounce.

Despite difficulties experienced with rain-induced stickiness of the ore, secondary and tertiary crusher throughputs improved through the quarter.

Most areas still related to the original development project are in their final completion stages, with no further critical areas outstanding. The completion of the straddling conveyor on the stockpile, the permanent water pumping installations at the Falemé river and Gara reservoir supply stations and the mining fuel storage area will further improve and facilitate greater ease of running the operation.

Loulo continues to evolve into a world class mining complex encompassing a broad set of operations.

MORILA

Morila produced 124 698 ounces in the third quarter at a total cash cost of US$251 per ounce, down from the 135 387 ounces produced in the previous quarter. The lower production was a result of operational problems which resulted in a lower head grade as well as lower plant throughput. A review team comprising Randgold, Loulo and AngloGold Ashanti personnel spent time on site working with Morila staff to identify the problems and institute corrective action.

Morila is still expected to produce in excess of 500 000 ounces for the year, in line with earlier forecasts.

Exploration of both near pit targets as well as the regional drilling programme continued during the quarter. Further resources have been committed to a research programme aimed at developing an integrated structural and mineralogical model to determine the genesis of the Morila orebody.

MORILA RESULTS (100%)

	Quarter ended 30 Sept 2006	Quarter ended 30 June 2006	Quarter ended 30 Sept 2005 (Restated)+	9 months ended 30 Sept 2006	9 months ended 30 Sept 2005 (Restated)+
Mining					
Tonnes mined (000)	**4 862**	6 006	2 976	**16 927**	17 755
Ore tonnes mined (000)	**1 261**	1 591	1 194	**4 331**	4 807
Milling					
Tonnes processed (000)	**1 007**	998	1 010	**3 052**	2 817
Head grade milled (g/t)	**4.2**	4.6	5.8	**4.4**	6.1
Recovery (%)	**90.8**	92.3	91.4	**91.8**	91.9
Ounces produced	**124 698**	135 387	172 901	**395 864**	505 061
Average price received (US$/oz)	**622**	628	443	**603**	437
Cash operating costs* (US$/oz)	**206**	187	160+	**195**	160+
Total cash costs* (US$/oz)	**251**	229	191+	**237**	191+
Profit from mining activity (US$000)	**48 872**	51 443	44 473+	**142 947**	130 983+
Attributable (40% proportionately consolidated)					
Gold revenue (US$000)	**32 068**	32 996	31 000	**94 687**	90 949
Ounces produced	**49 879**	54 155	69 160	**158 346**	202 024
Profit from mining activity (US$000)	**19 549**	20 577	17 789+	**57 179**	52 393+

* *Refer to explanation of non-GAAP measures provided.*
\+ *Restated due to change in accounting policy related to deferred stripping. See note on accounting policies.*

PROJECTS AND EVALUATION

LOULO GOLD MINE: UNDERGROUND DEVELOPMENT

Yalea

Excavation and construction of the boxcut for the Yalea underground development started during August 2006. The mining contractor, Shaft Sinkers arrived on site to assist with the boxcut construction and the labour complement includes Malian nationals, who are being trained to replace the expatriates.

The delivery schedule for the underground vehicle fleet ordered from JA Delmas is on track with the first equipment already on site. To date two R1300G Loaders, two Multi Task Loaders and an Atlas Copco Rocket Boomer drill rig have been delivered to site. Further deliveries including the CAT AD30 dumptrucks are expected and commissioning of the equipment should take place during November 2006.

Gara

During this quarter conceptual mine re-design has been completed for the Gara underground mine, based on an increased resource base. Scheduling of this underground design and optimisation with the current open pit plan is currently underway.

Eleven diamond drillholes were completed on the deep drilling of the Gara deposit for a total of 6 940 metres this quarter. Results confirmed the presence of good grades at depth in the central portion of the orebody. The new results were used to remodel the geological and resource models, resulting in an increase of the total resource to 25 million tonnes at 4.11g/t for 3.3 million ounces. The updated resource is tabled below and reflects an 800 000 ounce increase from the previous declaration. The block model indicates a broad south westerly plunge to the high-grade mineralisation which is coincident with the plunge angle and direction of fold lineations measured in the pit. Further drilling is underway to infill some gap areas within the deep drilling as well as to test the grade trend of the central high-grade portion of the deposit to 600 metres below surface.

DIAMOND DRILLING - MINERALISED INTERSECTIONS AT THE GARA DEPOSIT (formerly Loulo 0)

Hole Id	Ore Intersection From	To	Width (m)	Grade (g/t)	Including From	To	Width (m)	Grade (g/t)
LOCP95	582.10	595.05	12.95	0.68				
LOCP97	361.25	382.75	21.50	7.15	375.82	382.75	6.93	13.95
LOCP102	643.86	645.38	1.52	12.09				
LOCP109	707.32	711.98	4.66	5.40				
LOCP86	221.70	223.50	1.80	4.18				
LOCP92	333.35	338.10	4.75	0.11				
LOCP93	317.10	335.48	18.38	0.65				
LOCP105	483.25	490.53	7.28	2.67				
LOCP108	715.05	722.00	6.95	0.92				
LOCP96	590.40	594.10	3.70	0.97				
LOCP98	324.80	333.00	8.20	3.36	325.90	328.30	2.40	4.63
LOCP99	356.00	364.60	8.60	1.95				
LOCP101	476.00	478.23	2.23	2.27				
LOCP103	558.70	564.45	5.75	9.66				
LOCP103	579.00	604.37	25.37	1.33	599.80	603.17	3.37	4.99
LOCP103	673.90	682.40	8.50	1.82				

DIAMOND DRILLING - MINERALISED INTERSECTIONS AT THE GARA DEPOSIT (formerly Loulo 0) (continued)

Hole Id	Ore Intersection From	To	Width (m)	Grade (g/t)	Including From	To	Width (m)	Grade (g/t)
LOCP105	483.25	490.53	7.28	2.67	485.10	490.53	5.43	3.40
LOCP106	767.05	774.80	7.75	0.85				
LOCP108	715.05	722.00	6.95	0.92				
LOCP110	678.82	682.60	3.78	2.58				
LOCP110	705.15	713.40	8.25	0.34				
LOCP111	712.35	720.95	8.60	4.23	719.90	720.95	1.05	20.70
LOCP107	734.90	748.20	13.30	5.07	735.73	741.17	5.44	9.50

UPDATED RESOURCE ESTIMATE AT THE GARA DEPOSIT (formerly Loulo 0)

Classification	Tonnes (Mt) Dec 2005	Tonnes (Mt) Aug 2006	Grade (g/t) Dec 2005	Grade (g/t) Aug 2006	Ounces (Moz) Dec 2005	Ounces (Moz) Aug 2006
Measured	9.4	9.7	3.84	3.91	1.20	1.2
Indicated	9.6	14.4	4.29	4.19	1.30	1.9
Measured and indicated	18.9	24.1	4.07	4.08	2.50	3.2
Inferred	0.3	0.9	6.28	4.83	0.06	0.1
Total	19.3	25.0	4.10	4.11	2.50	3.3

Tongon Project

As discussed later in the exploration section a successful drilling programme was carried out at Tongon and the results from this are being used to plan the feasibility drilling programme. Dependent on the local political situation, this 30 000 metre programme will commence in January 2007.

EXPLORATION ACTIVITIES

In West Africa, the third quarter of the year traditionally sees a drop in exploration activity due to difficulty of access caused by heavy rains. The previous season's programmes were wrapped up and efforts focused on reporting and interpretation. Conversely in East Africa field activities were accelerated during the dry season, with drilling completed at Kiabakari.

In the Côte d'Ivoire, we successfully completed an 8 hole, 1 992 metre tactical diamond coring programme at the Tongon prospect, situated within the Nielle permit, in the north of the country.

Five holes were completed to further test a 1.5 kilometre segment of the main Northern Zone shear zone, which trends 250 to 260 and dips 80 to 70 northwest. It is represented by wide zones of pervasively foliated and altered mafic volcaniclastics. The mineralisation locates on the immediate hanging wall of the main graphitic shear. The mineralised zone is associated with increased silicification, sulphidation and fine brecciation; the results are presented below from west to east.

- TND054: 10 metres at 3.70g/t (from 149 metres)
- TND053: 3 metres at 8.03g/t (from 144 metres) and 31 metres at 2.99g/t (from 157 metres)
- TND051: 9 metres at 1.55g/t (from 38 metres) and 10 metres at 2.40g/t (from 124 metres)
- TND055: (No significant results)
- TND050: 1 metre at 12.70g/t (from 146 metres) and 13 metres at 1.25g/t (from 154 metres)

Three holes were completed in the Southern Zone to provide a framework for the future feasibility drilling. This zone is more geologically complex, with multiple mineralised zones trending 40 to 50 with variable dips from 60 to 70 northwest. The ore zones are hosted within quartz and shear bounded, brecciated volcaniclastics and appear lensoid in shape; their strike and depth continuity are variable. The silicate alteration is complicated with biotite, silica, sericite, tremolite, diopside and calcite; the results are presented below.

- TND052: 6 metres at 1.04g/t (from 116 metres), 44 metres at 1.68g/t (from 185 metres) including 5 metres at 5.06g/t, 6 metres at 3.60g/t and 7 metres at 2.9g/t and a deeper intersect of 10 metres at 3.95g/t (from 342 metres)
- TND056: 4 metres at 1.77g/t (from 143 metres) and 9 metres at 2.29g/t (from 194 metres)
- TND057: 3 metres at 1.18g/t (from 46 metres) and 4 metres at 1.07g/t (from 84 metres)

Plans are now underway to gear up for the start of the feasibility drilling (30 000 metres diamond core) in January 2007, pending safe working conditions and a stabilised political situation.

At Loulo, new information from the mining of the Gara deposit and relogging of the diamond core has now enabled the development of a three dimensional geological model. The model reveals high-grade mineralisation is associated with the 30/40° trending axial planes of quartz tourmaline folds and is concentrated in the hinge zone of a large overturned antiform. The previous drilling at Gara South only tested the eastern limb of a synform and did not test the blind antiformal closure; this will be the target of drilling in the fourth quarter.

At Faraba, 13 out of a planned 36 RC holes were completed for a total of 804 metres. The most significant intersections from FARC044 (21 metres at 1.35g/t including 8 metres at 2.88g/t), FARC062 (9 metres at 2.77g/t), FARC065 (32 metres at 1.64g/t including 10 metres at 2.91g/t) and FARC066 (14 metres at 3.70g/t) are hosted in strongly oxidised to gossanous saprolite. To date, trenching and drilling have identified two pods of mineralisation within the 2.6 kilometre Faraba main shear; a northern zone of 500 metres and a main zone of 1 kilometre. Drilling programmes, both RC and diamond core, are planned for Faraba, P64 and Baboto South during the final quarter of 2006.

At Morila, drilling continued as part of the 40 000 metre regional drilling programme, although failing to intersect further high grades, the results continue to define the low-grade footprint.

PROJECTS AND EVALUATION (continued)

In South Mali, Randgold has been exploring on its permits immediately adjacent to its Morila mine for several years. The techniques used to date have been successful in locating mineralised structures such as Ntiola and Kona. However, so far no economic mineralisation resembling the Morila deposit has been located. A 3 000 metre diamond drilling programme was completed before the wet season and has highlighted areas with geological, structural and metamorphic similarities to the Morila enclave. To complement the data from this drilling programme, a ground gravity survey across the Morila area permits will be carried out in the final quarter of the year.

In Senegal, we are currently prioritising 15 targets for RAB drilling and modelling the advanced targets of Bambaraya, Sofia and Delya for further diamond drilling.

In Ghana, we have almost completed the first phase of exploration across all our permits which have already started to reveal a number of targets, for field validation and follow-up programmes.

In Burkina Faso, a 549 hole 9 040 metre RAB programme was completed, testing three targets within the Kiaka permit. A 1 125 metre, 11 hole RC drilling programme was also completed, testing the Kiaka target, which defined broad zones of low-grade mineralisation over a 3 kilometre strike length. In addition, first pass regional exploration has been completed over the complete portfolio of nine permits.

In Tanzania, recent drilling at Kiabakari has not so far identified a large mineralised system meeting Randgold's investment criteria and the project status is currently being re-evaluated. However a number of new opportunities and ideas are being followed-up to further develop the Tanzanian business.

CONSOLIDATED INCOME STATEMENT

US$000	**Quarter ended 30 Sept 2006**	Quarter ended 30 June 2006	Quarter ended 30 Sept 2005 (Restated)+	**9 months ended 30 Sept 2006**	9 months ended 30 Sept 2005 (Restated)+
REVENUES					
Gold sales on spot	**67 205**	66 684	31 000	**201 130**	90 949
Realised loss on closing out of hedges	**(4 027)**	(3 243)	-	**(7 270)**	-
Non-cash realised profit/(loss) on roll forward of hedges	**577**	(2 050)	-	**(4 700)**	-
Total	**63 755**	61 391	31 000	**189 160**	90 949
OTHER INCOME					
Interest income	**1 889**	1 754	308	**5 692**	997
Exchange gains	**169**	1 552	179	**3 777**	544
Other income	**550**	164	159	**730**	1 761
Total other income	**2 608**	3 470	646	**10 199**	3 302
Total revenue	**66 363**	64 861	31 646	**199 359**	94 251
COSTS AND EXPENSES					
Mine production costs	**29 673**	29 066	11 608	**86 150**	40 142
Movement in production inventory and ore stockpiles	**(3 528)**	(7 697)	(2 258)+	**(12 521)**	(12 776)
Transfer from/(to) deferred stripping	**-**	-	-+	**-**	-+
Depreciation and amortisation	**6 386**	4 962	2 275	**16 312**	7 177
General and administration expenses	**2 079**	2 824	1 635	**7 777**	4 714
Mining and processing costs	**34 610**	29 155	13 260+	**97 718**	39 257
Transport and refinery costs	**179**	126	68	**458**	197
Royalties	**4 101**	4 129	2 158	**12 551**	6 279
Exploration and corporate expenditure	**6 768**	6 938	5 559	**21 393**	16 766
Other losses/(gains) - net	**323**	-	(54)	**323**	(54)
Exchange losses	**465**	1 406	370	**3 767**	1 830
Unwind of discount on provisions for rehabilitation	**84**	84	117	**252**	351
Interest expense	**1 531**	1 537	219	**4 687**	864
Profit before income tax	**18 302**	21 486	9 949+	**58 210**	28 761+
Income tax expense	**(5 556)**	(6 913)	-	**(18 124)**	-
Net profit	**12 746**	14 573	9 949+	**40 086**	28 761+
Attributable to:					
Equity shareholders	**12 285**	13 754	9 949	**37 584**	28 761+
Minority shareholders	**461**	819	-	**2 502**	-
	12 746	14 573	9 949+	**40 086**	28 761+
Basic earnings per share (US$)	**0.18**	0.20	0.17+	**0.55**	0.48+
Fully diluted earnings per share (US$)	**0.18**	0.20	0.16+	**0.54**	0.47+
Average shares in issue (000)	**68 474**	68 266	59 723	**68 291**	59 578

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

\+ *Restated due to change in accounting policy relating to deferred stripping. See note on accounting policies.*

CONSOLIDATED BALANCE SHEET

US$000	**At 30 Sept 2006**	At 31 Dec 2005 (Restated)+	At 30 Sept 2005 (Restated)+
Assets			
Non-current assets			
Property, plant and equipment	**237 168**	202 636	188 392
Cost	**287 175**	236 331	217 354
Accumulated depreciation and amortisation	**(50 007)**	(33 695)	(28 962)
Deferred stripping costs	**-**	-+	-+
Deferred taxation	**2 696**	2 957+	-
Long-term ore stockpiles	**29 522**	22 176+	22 599+
Total non-current assets	**269 386**	227 769+	210 991+
Current assets			
Deferred stripping costs	**-**	-+	-+
Inventories and stockpiles	**40 473**	34 210+	10 340
Receivables	**52 169**	47 918	50 491
Cash and cash equivalents	**155 320**	152 452	45 022
Total current assets	**247 962**	234 580+	105 853+
Total assets	**517 348**	462 349+	316 844+
Shareholders' equity	**328 911**	301 822+	197 557+
Minority interest	**3 897**	1 395	(954)
Total equity	**332 808**	303 217+	196 603+
Non-current liabilities			
Long-term borrowings	**36 777**	49 538	58 848
Loans from minority shareholders in subsidiaries	**2 663**	2 483	2 448
Financial liabilities - forward gold sales	**40 128**	34 151	22 796
Provision for rehabilitation	**9 751**	9 480	8 997
Total non-current liabilities	**89 319**	95 652	93 089
Current liabilities			
Financial liabilities - forward gold sales	**22 982**	8 939	3 683
Current portion of long-term borrowings	**24 730**	22 991	10 716
Accounts payable and accrued liabilities	**42 575**	28 813	12 753
Taxation payable	**4 934**	2 737	-
Total current liabilities	**95 221**	63 480	27 152
Total equity and liabilities	**517 348**	462 349+	316 844+

\+ *Restated due to change in accounting policy relating to deferred stripping. See note on accounting policies.*

Main balance sheet movements for the nine months ended 30 September 2006 were as follows:

- The increase in property, plant and equipment for the 9 months ended September 2006 mainly reflects the expenditure to complete Phase 2 of the Loulo plant as well as the commencement of construction and purchase of equipment for the Loulo underground mine at Yalea.
- Inventories and stockpiles increased due to an increase in ore stockpiles at Morila in line with the life of mine plan as well as the planned build up of warehouse inventories at Loulo.
- The increase in receivables is mainly a result of the timing of gold shipments at the end of the current quarter. Furthermore, the company has instituted a Section 417 Companies Act enquiry into the financial dealing of MDM Ferroman (Pty) Limited in liquidation and its associated companies as the first step in recovering outstanding debts. The forensic audit is currently underway with the hearing scheduled for November 2006.
- Cash and cash equivalents increased in line with the cash generated by operations offset by funds expended on property, plant and equipment.
- The decrease in long-term borrowings reflects the first repayment of US$8.4 million on the Loulo project loan in June 2006 plus scheduled repayments on the CAT finance lease at Loulo and the attributable portion of the Morila power plant finance lease.
- The increase in financial liabilities of forward gold sales is due to an increase in the negative marked-to-market valuation of contracts held at 30 September 2006. The gold price was US$599.25 at 30 September 2006.
- Accounts payable and accrued liabilities increased in line with the procurement of equipment for the Loulo underground project.
- The increase in taxation payable is in line with the end of the tax exoneration period at Morila in November 2005.

CONSOLIDATED CASHFLOW STATEMENT

US$000	**9 months ended 30 Sept 2006**	9 months ended 30 Sept 2005 (Restated)+
Profit before income tax	**58 210**	28 761+
Adjustment for non-cash items	**23 425**	14 129+
Working capital changes	**(19 870)**	(26 639)
Net cash generated from operations	**61 765**	16 251
Additions to property, plant and equipment	**(50 844)**	(60 798)
Financing of contractors	**105**	(17 930)
Net cash utilised in investing activities	**(50 739)**	(78 728)
Ordinary shares issued	**2 685**	1 696
(Decrease)/increase in long-term borrowings	**(10 843)**	27 563
Net cash generated by financing activities	**(8 158)**	29 259
Net increase/(decrease) in cash and cash equivalents	**2 868**	(33 218)
Cash and cash equivalents at beginning of period	**152 452**	78 240
Cash and cash equivalents at end of period	**155 320**	45 022

\+ *Restated due to change in accounting policy relating to deferred stripping. See note on accounting policies.*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Number of ordinary shares	Share capital US$000	Share premium US$000	Other reserves US$000	Accu-mulated profits US$000	Total attributable to equity shareholders	Minority interest US$000	Total equity US$000
Balance - 31 Dec 2005 (as previously reported)	68 072 864	3 404	208 582	(41 000)	138 751	309 737	1 395	311 132
Change in accounting policy - deferred stripping cost	-	-	-	-	(7 915)+	(7 915)+	-	(7 915)+
Balance - 31 Dec 2005	68 072 864	3 404	208 582	(41 000)	130 836+	301 822+	1 395	303 217+
Net income	-	-	-	-	37 584	37 584	2 502	40 086
Movement on cash flow hedges								
- Realised (non cash)	-	-	-	5 023	-	5 023	-	5 023
- Unrealised	-	-	-	(20 020)	-	(20 020)	-	(20 020)
Total recognised (loss)/income	-	-	-	(14 997)	37 854	22 587	2 502	25 089
Share-based payments	-	-	-	1 817	-	1 817	-	1 817
Share options exercised	486 867	24	2 661	-	-	2 685	-	2 685
Exercise of options previously expensed under IFRS 2	-	-	502	(502)	-	-	-	-
Shares vested#	6 830	-	108	(108)	-	-	-	-
Balance - 30 Sept 2006	68 566 561	3 428	211 853	(54 790)	168 420	328 911	3 897	332 808

\# *Restricted shares were issued to directors as remuneration. The transfer between "other reserves" and "share premium" in respect of the shares vested represents the cost calculated in accordance with IFRS 2.*

\+ *Restated due to change in accounting policy relating to deferred stripping. See note on accounting policies.*

NON-GAAP MEASURES

Total cash costs and cash cost per ounce are non-GAAP measures. Total cash costs and total cash costs per ounce are calculated using guidance issued by the Gold Institute. The Gold Institute was a non profit industry association comprised of leading gold producers, refiners, bullion suppliers and manufacturers. This institute has now been incorporated into the National Mining Association. The guidance was first issued in 1996 and revised in November 1999. Total cash costs, as defined in the Gold Institute's guidance, include mine production, transport and refinery costs, general and administrative costs, movement in production inventories and ore stockpiles, transfers to and from deferred stripping where relevant, and royalties. Under the company's revised accounting policies, there are no transfers to and from deferred stripping.

Total cash costs per ounce are calculated by dividing total cash costs, as determined using the Gold Institute guidance, by gold ounces produced for the periods presented. Total cash costs and total cash costs per ounce are calculated on a consistent basis for the periods presented. Total cash costs and total cash costs 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 our performance. The data does not have a meaning prescribed by IFRS or US GAAP and therefore amounts presented may not be comparable to data presented by gold producers who do not follow the guidance provided by the Gold Institute. In particular depreciation, amortisation and share-based payments would be included in a measure of total costs of producing gold under IFRS and US GAAP, but are not included in total cash costs under the guidance provided by the Gold Institute. Furthermore, while the Gold Institute has provided a definition for the calculation of total cash costs and total cash costs per ounce, the calculation of these numbers may vary from company to company and may not be comparable to other similarly titled measures of other companies. However, Randgold Resources believes that total cash costs per ounce are useful indicators 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 cash costs as the company's operations mature, and a benchmark of performance to allow for comparison against other companies.

Cash operating costs and cash operating cost per ounce are calculated by deducting royalties from total cash costs. Cash operating costs per ounce are calculated by dividing cash operating costs by gold ounces produced for the 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, as well as share-based payment from profit from mining activity.

The following table reconciles total cash costs, profit from mining activity and profit from operations as non-GAAP measures, to the information provided in the income statement, determined in accordance with IFRS, for each of the periods set out below:

US$000	**Quarter ended 30 Sept 2006**	Quarter ended 30 June 2006	Quarter ended 30 Sept 2005 (Restated)+	**9 months ended 30 Sept 2006**	9 months ended 30 Sept 2005 (Restated)+
Gold sales on spot	**67 205**	66 684	31 000	**201 130**	90 949
Realised loss on closing out of hedges	**(4 027)**	(3 243)	-	**(7 270)**	-
Gold sales revenue	**63 178**	63 441	31 000	**193 860**	90 949
Mine production costs	**29 673**	29 066	11 608	**86 150**	40 142
Movement in production inventory and ore stockpiles	**(3 528)**	(7 697)	(2 258)+	**(12 521)**	(12 776)+
Transfer from deferred stripping	**-**	-	-	**-**	-+
Transport and refinery costs	**179**	126	68	**458**	197
Royalties	**4 101**	4 129	2 158	**12 551**	6 279
General and administration expenses	**2 079**	2 824	1 635	**7 777**	4 714
Total cash costs	**32 504**	28 448	13 211+	**94 415**	38 556+
Profit from mining activity	**30 674**	34 993	17 789+	**99 445**	52 393+
Depreciation and amortisation	**6 386**	4 962	2 275	**16 312**	7 177
Exploration and corporate expenditure	**6 768**	6 938	5 559	**21 393**	16 766
Profit from operations	**17 520**	23 093	9 955+	**61 740**	28 450

\+ *Restated due to change in accounting policy relating to deferred stripping. See note on accounting policies.*

ACCOUNTING POLICIES

The financial information in this report has been prepared in accordance with the group's accounting policies, which comply with IFRS and are consistent with the prior period, except as noted below.

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.

The directors have changed the group's accounting policy on deferred stripping costs, under both IFRS and US GAAP in the current period. Previously, costs of production stage waste stripping in excess of the expected pit life average stripping ratio were deferred and then charged to production when the actual stripping ratio was below the expected pit life average stripping ratio. Under the revised accounting policy, all stripping costs incurred during the production phase of a mine are treated as variable production costs and as a result are included in the cost of the inventory produced during the period that the stripping costs are incurred.

Under US GAAP, EITF 04-06 'Accounting for Stripping Costs Incurred during Production in the Mining Industry' is effective for reporting periods beginning after 15 December 2005. The consensus does not permit the deferral of any waste stripping costs during the production phase of a mine, but requires instead that they should be treated as variable production costs. The directors have decided to adopt the same treatment under IFRS which will ensure that the accounting policies applied under IFRS and US GAAP remain in line. With regard to the conclusions reached by the EITF, the directors believe the revised policy will mean that the financial statements provide reliable and more relevant information about the group's financial position and its financial performance. In accordance with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the change in the IFRS policy has been applied retrospectively and hence the 2004 comparatives have been restated.

The change in the IFRS accounting policy has resulted in the following adjustments to the amounts reported under IFRS:

US$000	**30 Sept 2006**	31 Dec 2005	30 Sept 2005
Decrease in deferred stripping costs	**-**	3 687	9 637
Decrease in ore stockpiles	**9 150**	8 342	5 244
Decrease/(increase) in gold in process	**(11)**	51	(297)
Decrease in deferred taxation liability	**-**	1 227	-
(Decrease)/increase in deferred taxation asset	**311**	2 938	-
Decrease in opening retained earnings	**-**	14 884	15 314

US$000	**Quarter ended 30 Sept 2006**	Quarter ended 30 June 2006	Quarter ended 30 Sept (2005	**9 months ended 30 Sept 2006**	9 months ended 30 Sept 2005
Increase/(decrease) in net profit	**580**	1 405	730	**3 019**	300
Increase/(decrease) in basic earnings per share (cents per share)	**1**	2	2	**5**	-
Increase in fully diluted earnings per share (cents per share)	**1**	2	1	**4**	1

FORWARD COMMODITY CONTRACTS

The group's hedging position which all relates to the Loulo project financing, was as follows at 30 September 2006:

Maturity date	Forward sales ounces	Forward sales average US$/oz
Year ended 2006	37 737	434
Year ended 2007	122 003	438
Year ended 2008	80 496	431
Year ended 2009	84 996	437
Total	325 232	435

FORWARD COMMODITY CONTRACTS (continued)

The remaining portion of the hedge book represents approximately 34% of planned open pit production at Loulo for the period that the project finance is in place and 22% of the group's attributable production. In the current gold price environment, it is the company's intention to take advantage of current spot prices and roll out longer dated forward sales contracts at the appropriate times.

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

During the quarter, the company delivered into 22 752 ounces of its hedge book at an average price of US$437 per ounce.

GENERAL

The company continues to evaluate various opportunities both at the corporate and project level. We are focused on value creation through exploration, discovery and development, as well as strategic leverage in merger and acquisition opportunities.

D M Bristow
Chief executive

R A Williams
Financial director

2 November 2006

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Mali gold industry requires reinvestment to secure its future

Mali's currently burgeoning gold mining industry requires reinvestment from the mining companies as well as the Mali government if it is still to thrive in 10 years' time, says Randgold Resources chief executive Mark Bristow.

Speaking at an open day at the company's Morila joint venture, Bristow noted that mining constantly needed to replenish the sources of the gold it produced and also had to expand its intellectual base to cope with the challenges presented by an increasingly complex business.

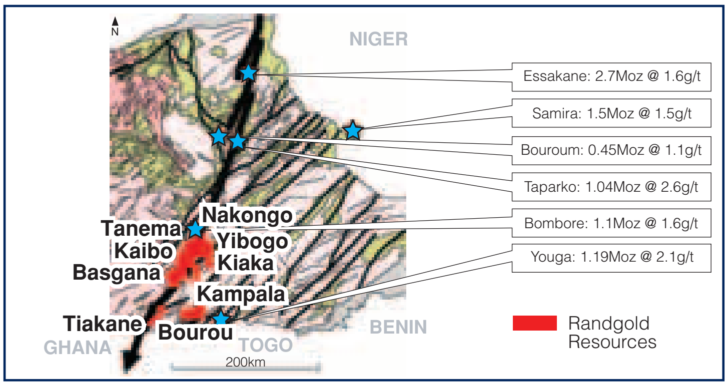
"Randgold Resources believes the best way for the industry to create value for all stakeholders, including its host countries, is through discovery and development. It was our discovery of the Morila deposit that created a mine that since 2000 has produced more than four million ounces of gold, generated total cash profits of more than US$900 million and contributed FCFA334 billion (US$636 million) to the Malian economy. While Morila is now entering the last stage of its life, it still has a number of profitable years ahead of it, and we are still exploring with some success around the fringes of the deposit and beyond," Bristow said.

"It was our belief in Mali's prospectivity, coupled with the productive partnership we have forged with its government and people, that gave us the confidence to reinvest substantially in this country. Last year, we opened a new mine at Loulo and the Minister of Mines, Energy and Water, the his Excellency Hamed D. Semega, has now launched the development of an underground mine to complement the two existing open-cast operations there. Loulo will eventually be four mines in one, and a true world-class gold project."

Bristow noted that Randgold Resources was continuing to explore extensively at and around Morila and Loulo.

"We are also committed to nurturing and empowering local management. Our general manager for Mali, our financial controller and the general manager at Loulo are all Malian nationals. In addition, we have taken the lead in such initiatives as the establishment of the KankouMoussa gold bank to provide a service to artisanal producers and local jewellers," Bristow said.

"During the last couple of years Randgold Resources directly reinvested more than US$150 million in Mali. It's an investment we believe will not only benefit ourselves but also our partners, the government and people of Mali. While we are happy to show the way, we believe it is important for all concerned to understand that securing a sustainable future for Mali's gold industry will require a commensurate commitment from the other gold companies here, as well as from government."

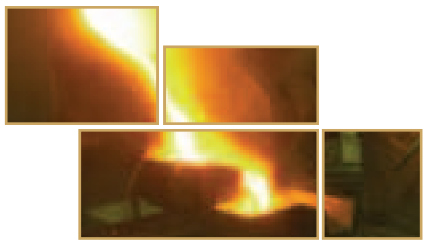


Continued progress in Burkina Faso

In Burkina Faso a generative study has highlighted the Markoye Fault, a significant transcrustal structure, and its associated splays, as very prospective for gold mineralisation. It already hosts a complement of 8 million ounces of gold in six deposits.

We have since consolidated a plus 2 000 kilometre square permit portfolio in the south of the country, covering the southern extension of this fault system. The first phase of regional exploration across all the permits has been completed and this has generated a number of targets and the development of a strong base to the resource triangle. In addition, the Kiaka target is showing promise with drilling outlining broad zones of mineralisation over a 3 kilometre strike length.

Randgold's Burkina operations are managed by an all-Burkinabe exploration team which is headed by Felix Kiemde, a geologist who has been with Randgold for 10 years and worked at Morila and Loulo in Mali, Tongon in Côte d'Ivoire and Tanzania.



The gold industry: The case for a new value model

The current bull run in the gold market is camouflaging crucial structural flaws in the mining industry, notably its inability to deliver real value to investors, says Randgold Resources chief executive Mark Bristow.

Speaking at the Gold & Precious Metals Investment Conference in Hong Kong, Bristow said that while there were blue-chip gold companies, the industry itself was not a blue-chip one. He pointed out that over the past five years - some of the best the gold market has ever known - the industry as a whole made no money other than through equity raisings.

"It doesn't create great wealth or make substantial returns: in fact, it barely survives. There's a simple explanation for this: obsessed by size, the industry confuses growth in ounces with profitable growth. In other words, its value creation model, in so far as it has one at all, is essentially flawed," he said.

"True value is created by discovery and development, which requires a substantial and continuing investment in exploration, and a disciplined process that identifies appropriate prospects and drives them up the value curve, thus realising shareholder wealth on a sustainable basis."

The criteria by which the industry has traditionally evaluated itself - size and costs, rather than profitability - are not helpful to the value investor, he said. Nor is its track record encouraging, because that shows a history of investing prodigally in the good times and stumbling when the going gets tough. While industry expenditure on exploration had apparently increased in recent years, this was not delivering the goods in terms of increased production, he noted. The new gold supply is continuing to decline, and between 2004 and 2005, when the gold price increased by 25%, reserves grew by only 2%. The reason for the discrepancy between exploration expenditure and delivery was that much of what was being flagged as exploration was not breaking new ground but dusting off old projects.

Sustainable success as a gold miner required the capacity to do well not only at the current US$500 to US$600 an ounce but also at more realistic price levels - such as the US$380 30-year average. This in turn required substantial and consistent investment in organic growth, generated by discovery and development.

"Considering that most new discoveries are being made in emerging economies, it is also important that these projects and their managers should have the capacity to contribute to the socio-political development of the host countries," he said.

"Mining is a risky business at the best of times and the risk inevitably increases in an emerging country. Assessing that risk is not a matter of cold scientific calculation - it's about knowledge, understanding and the ability to manage."

(continued from page 01)

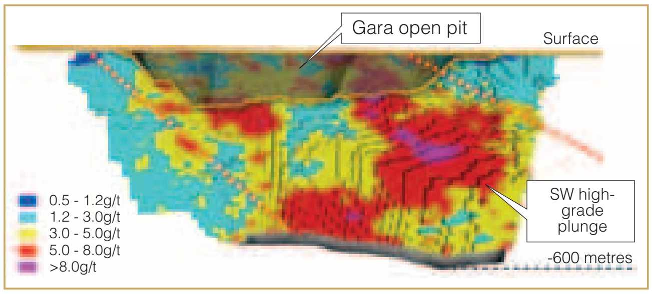
Development of new underground mine formally underway

A second underground mine - Loulo 0 - is currently at the final planning stage. To distinguish it clearly from the overall project, Loulo 0 has been renamed Gara after a nearby stream.

Speaking at the launch of the Yalea underground mine, Randgold Resources chief executive Mark Bristow said Loulo's systematic transformation into a four-mine complex underlined the project's enormous brownfields potential.

"Randgold Resources is known for its commitment to organic growth driven by exploration and it was our discovery of the Yalea deposit that made Loulo a viable project in the first place. Further exploration showed that underground mines could be developed to complement the open-cast operations on which the project was initially based. These will significantly extend the life and enhance the value of the project and have elevated it to true world-class status," he said.

GARA DEPOSIT: DEEP DRILLING CONFIRMS GOOD GRADES AT DEPTH



Eleven diamond drillholes were completed on the deep drilling of the Gara deposit for a total of 6 940 metres this quarter. Results confirmed the presence of good grades at depth in the central portion of the orebody. All new results were used to revise the geological and resource models, resulting in an increase of the total resource to 25Mt at 4.11g/t for 3.3Moz. The updated resource is tabled below and reflects an 800 000 ounce increase from the previous declaration. The cross-section of the resource shows a broad south-westerly plunge to the high-grade mineralisation which is coincident with the plunge direction and angle of fold lineations measured in the pit. Further drilling is underway to infill some gaps within the deep drilling as well as to test the high-grade trend of the central high-grade portion of the deposit to 600 metres below surface.

The Tongon Project - next in line for development?

Randgold Resources acquired the Nielle permit in 1997 and after a period of regional geological mapping, geochemical sampling and airborne geophysics, focused on the Tongon target. An initial diamond drilling programme, carried out in 2000, led to the discovery of the Southern Zone and an inferred resource of 1.7 million ounces. After two further drilling programmes, the total resource for the Southern Zone as well as the lesser drilled Northern Zone increased to 2.89 million ounces, indicating that Tongon was a key asset in our portfolio.

Foremi diamond core rig in operation at Tongon.

Geologists Denise Oumar Ngom (left) and Alain Kouadjo (right) at the Tongon field camp logging core.

A prefeasibility Type 2 study was completed in June 2002 which demonstrated that the Tongon project could meet the company's criteria for investment and a Type 3 feasibility study was initiated. After an initial 16 drillhole programme, further drilling and on-site feasibility study work was put on hold as a result of the political conflict in the Côte d'Ivoire. However, we retained confidence both in the ability of the people of the country to sort out the political and social problems as well as in the value of the project. We maintained an office in the country and have engaged and co-operated with the stakeholders from both sides. A state of 'force majeure' was declared with respect to the period of validity of the permits.

As the peace process, with strong African and international support, led to increased political accommodation between the governing party and the opposition, we have been encouraged by all to resume our feasibility activities. In 2005 we reviewed all aspects of the Tongon project, updating the financial parameters to reflect current market conditions. The total resource base was confirmed as exceeding 3 million ounces and a 30 000 metre drilling programme was designed to allow the completion of a final feasibility study and production decision within two years of full recommencement of drilling activities.

We recognise as do the other players in the country, the value of Tongon as a national asset, and are working hard, with full co-operation from both sides to turn this project to account. We have visited the project with officials from both the government ministries and the opposition and have been bowled over by the commitment of all concerned to make this work.

An 8 drillhole, 1 992 metre diamond drilling programme has been successfully completed ahead of the rains; results from this programme are being used to plan the feasibility drilling programme.

All mining projects in all countries world-wide come with risks. We are prepared to spend some of our exploration and corporate budget in further adding value to the Tongon project. The next phase of drilling will help us better understand the relatively complex geology of the Southern Zone as well as add additional resources to the Northern Zone. The biggest risk we see in the project is timing - we're confident the people and governing structures of Côte d'Ivoire are committed to peace. The completion of a successful final feasibility study would allow a production decision and financing arrangements to be made. As to country risk, when compared to other countries that are recently becoming targets for the development of gold mines, Côte d'Ivoire stands out as being one of the better ones - not the least because of its excellent infrastructure as well as the commitment of the people to reach an amicable solution.