RANDGOLD RESOURCES LIMITED
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KIBALI PROJECT IN THE STARTING BLOCKS

Kinshasa, DRC, 2 February 2012 **-** Preparatory work has been completed at the Kibali gold project in the Democratic Republic of Congo, where first gold production is scheduled for the end of 2013. Randgold Resources, the project manager and operator, and AngloGold Ashanti each has a 45% stake in Kibali with the DRC parastatal Sokimo owning the balance.

The construction crew has started mobilising on site and should be materially staffed up by the end of February. Long-lead plant and equipment items have been secured, key contractors have been selected and a development management team is being assembled. The relocation programme – a critical component of the predevelopment phase – is progressing smoothly, with two of the 14 affected villages already resettled in the new model village of Kokiza, where five local contractors are building houses at the rate of 300 per month.

Randgold chief executive Mark Bristow says the initial objectives for the development of Kibali have now been achieved. The project is progressing well and the Randgold board has signed off on the development plan, which will be presented for approval to AngloGold Ashanti at the earliest opportunity. In the interim, the Kibali board has approved the next three months' budget of approximately US$80 million to continue the project's impressive momentum.

"Excellent work done to date is evident by the progress achieved on site and this impetus will be maintained while we tie up the remaining detail required for board approval," says AngloGold Ashanti CEO Mark Cutifani. "Kibali represents a model for partnership in the DRC, with Randgold's field-tested exploration and project development skills complemented by our depth of technical and mine-planning capabilities."

As guided by Randgold this time last year, it is currently envisaged that the Kibali mine will comprise an integrated open pit and underground mining operation, feeding a larger 6Mtpa processing plant which will include a full flotation section for treating sulphide ore. The complex will ultimately be supplied by four hydropower stations supported by a thermal power station for low rainfall periods and back-up. The core capital programme is scheduled to run over the next four years.

Phase 1, required to deliver first gold production, will cover the metallurgical facility, one hydropower station and the back-up thermal power facility, construction of the tailings storage facility, relocation of villages, open pit mining and all shared infrastructure. This will run over a two year period. The Phase 2 programme, which will run concurrently with Phase 1 but will extend over four years, is focused primarily on the underground development and includes a twin decline and vertical shaft system as well as three hydropower stations. This is expected to bring the underground into first production by the end of 2014, with steady state production targeted for the end of 2015. The current Life of Mine plan envisages average annual production of approximately 600 000 ounces for the first 12 years, with an average grade of 4.1g/t.

"Since we acquired Kibali, then known as Moto, just over two years ago, we've moved rapidly to optimise and advance the project. Among other things, we've doubled the reserve to more than 10 million ounces, obtained the community's buy-in for the relocation programme, created a road network which includes a link with international ports, acquired four hydropower licences which will form the basis of an affordable electricity supply and finalised the operational strategies," said Bristow.

"With the groundwork now done, thanks to the support and cooperation of all stakeholders, including the central and regional governments, the local community and our partners, everything is in place for us to start building what is expected to be one of the largest gold mines in Africa."

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