

Human resources report

SOCIAL RESPONSIBILITY AND COMMUNITY DEVELOPMENT

The sustainable development and social responsibility strategy forms an integral part of the company's overall business strategy and is implemented throughout all offices, projects and operations.

Efforts have been maintained during the year to enhance community relations and to promote and manage the social impact of the company's activities on the communities surrounding its operations. The operations carried out community development activities in close cooperation with representative local community liaison and development committees. These committees included traditional leaders, non-governmental organisations, aid agencies and local and national government officials.

During 2005, funds in excess of US\$1 million were spent on sustainable community development projects at Loulo, Morila and other areas in the countries in which the company operates, with a focus on basic community health, primary education, potable water supply and food security.

In terms of building and maintaining effective relationships with the governments of the countries in which it operates, regular meetings were held with officials from Mali, Tanzania, Senegal, Ghana, Burkina Faso and Côte d'Ivoire.

The Randgold Resources financial contribution to the economies of the countries in which it operates, and particularly in Mali, is significant. During 2005, a total of US\$75 million was paid by way of staff salaries and wages, payroll taxes, duties, royalties and dividends. An amount of approximately US\$231 million was paid to businesses for goods and services supplied to Morila and Loulo, of which a sizable percentage went to Malian companies. Amounts invested, that are directly attributable to Randgold Resources and its subsidiaries, ie excluding 60% of Morila spend, are as follows:

Capital expenditure in Mali	US\$79 million
Duties, taxes and royalties	US\$60 million
Payments to suppliers	US\$122 million
Exploration in West and East Africa	US\$22 million
Total	US\$283 million

INDUSTRIAL RELATIONS

Good industrial relations across the group continue to reflect the success of the Randgold Resources pact with labour. Randgold Resources' employees are unique

among mining companies operating in Mali, in that they have never yet responded to calls for national strikes.

MANPOWER

Human Capital

As the company develops and expands, every effort is made to employ excellent people. Through leadership, a sense of ownership and interpersonal influence, these people are motivated to contribute to our success.

"What needs to be done" in Randgold Resources is defined by consultative strategic planning, which is refreshed at regular intervals and is rolled down through the operations. This strategy provides the foundation for the long term plan (including manpower plans), the fundamental principles of our business, the frame work for effective decision making and the actions required of our employees, the initiating of change and improvements and, most importantly, a rallying point. It enables the business to organise its resources and optimise the application of its human capital.

2005 has been a year of consolidation in Randgold Resources' leadership structure. Only one additional position was created, that of manager: underground project, responsible for managing the underground development project at Loulo.

The operational management at Loulo has, during a very busy and stressful year, successfully selected and trained its respective teams to a point where first gold was poured in the third quarter of 2005. This was achieved while construction of the mine was continuing and in an environment where a not inconsiderable portion of management's time was taken up in supporting and ultimately replacing the contractor.

Voluntary turnover of the company's staff, continues to be below 1% per annum, despite the large increase in the number employed at Loulo which at December 2005 was 1 202.

Group training and development

This year the focus has been on induction, safety, cyanide handling, the introduction of short interval scheduling and skills and management training.

All five of the company's MBA students and its three post-graduate financial students qualified during 2005. Twenty two employees attended technical training and six attended general management courses.

The company continued its support of the Malian Mining Industry University Scholarship scheme and the Randgold Resources' Scholarship Award scheme for earth sciences students at the University of Senegal.