



Directors' report

for the year ended 31 December 2006

1 SHARE OPTION SCHEME

The directors granted options to senior employees in accordance with the provisions of the Randgold Resources Limited Share Option Scheme (the "Scheme"). The summary below is included in this report as required in accordance with the rules of the Scheme.

2 RE-ELECTION OF DIRECTORS

At the last annual general meeting of the company, Dr Aubrey L Pavard and Mr Bernard H Asher were re-elected as directors. During 2006, there were three changes to the board. On 3 May 2006, Dr Karl Voltaire and Mr Norborne P Cole were appointed non-executive directors. Details relating to their election to the board are contained in paragraph 3 hereof.

On 27 October 2006, Mr Jean-Antoine Cramer retired from the board. In accordance with Article 90.1 of the company's Articles of Association, Messrs Philippe Liétard and Robert I Israel retire by rotation, and as retiring directors are eligible, have offered themselves for re-election.

3 ELECTION OF DIRECTORS

In terms of Article 85.1 of the Articles of Association, directors appointed to the board during the year shall retire at the next annual general meeting of the company following their appointment. Accordingly, Dr Karl Voltaire and Mr Norborne P Cole do so retire and, as retiring directors are eligible, have offered themselves for re-election. A short biography for each director is contained on page 5.

4 CHANGE OF AUDITORS

After a formal selection process and based upon the audit committee's recommendation, the board has decided to appoint BDO Stoy Hayward LLP as the company's auditors for the year ending 31 December 2007. PricewaterhouseCoopers LLP, who have acted as the company's auditors since it listed on the London Stock Exchange in 1997, will complete the audit of the company's 31 December 2006 year end, including the Annual Report on Form 20-F to be filed with the United States SEC and the Management's Attestation Report in terms of Section 404 of the Sarbanes Oxley Act.

SHARE OPTION SCHEME

	Available	Granted	Average US\$ price	Exercised	Average US\$ price	Total*
□ Balance at 31 December 2004	794 362	2 540 974	5.35	6 333 243	-	9 668 579
□ Adjustment to balance following increase in share capital	1 315 589	-	-	-	-	1 315 589
□ Shares exercised during the period	-	(617 260)	-	617 260	13.36	-
□ Shares granted during the period	(249 000)	249 000	13.79	-	-	-
□ Shares lapsed during the period	9 000	(9 000)	12.78	-	-	-
□ Balance at 31 December 2005	1 869 951	2 163 714	-	6 950 503	-	10 984 168
□ Adjustment to balance following increase in share capital	96 394	-	-	-	-	96 394
□ Shares exercised during the period	-	(633 867)	-	633 867	22.15	-
□ Shares granted during the period	(192 000)	192 000	22.50	-	-	-
□ Shares lapsed during the period	87 000	(87 000)	10.75	-	-	-
□ Balance at 31 December 2006	1 861 345	1 634 847	-	7 584 370	-	11 080 562

* This shows the total options exercised, granted and available since the inception of the Scheme.