

Morila

No LTI was recorded in the quarter with an LTIFR of zero (Q2 2018: zero). No major environmental incident occurred during the quarter.

Gold production amounted to 18 738oz, an increase of 5% on the previous quarter (Q2 2018: 17 856oz), with an improved grade and recovery on the back of a higher proportion of open pit material fed, partially offset by slightly lower throughout.

Total cash cost per ounce for the quarter was \$1 130/oz and increased by 2% on the previous quarter (Q2 2018: \$1 109/oz) as result of higher mining cost and lower throughout.

The TSF decapping operation has continued through the wet season and a total of 2 068kt of waste material was hydrosluiced to the pit (Q2 2018: 2 110kt).

Sustainability

During the quarter, the mine received the endorsement from the government for its pioneering agribusiness project and the official launch ceremony was held on site on 8 October. The agricultural firm, Songhai, has been deployed at Morila to assist with the development of the existing agricultural initiatives and is showing good results.

Capital expenditure

No capital expenditure was recorded during the quarter.

MORILA RESULTS

	Quarter ended 30 Sep 2018	Quarter ended 30 Jun 2018	Quarter ended 30 Sep 2017	9 months ended 30 Sep 2018	9 months ended 30 Sep 2017
Mining					
Tonnes mined (000)	1 552	1 454	569	4 305	569
Ore tonnes mined (000)	313	161	62	697	62
TSF material processed (000)	854	1 173	1 345	3 021	4 261
Milling					
Tonnes processed (000)	1 174	1 334	1 415	3 762	4 331
Head grade milled (g/t)	0.7	0.6	0.5	0.6	0.5
Recovery (%)	75.6	70.6	64.7	72.6	61.2
Ounces produced	18 738	17 856	15 959	54 851	45 585
Ounces sold	20 656	15 777	14 901	57 784	45 090
Average price received (\$/oz)	1 206	1 281	1 295	1 272	1 267
Cash operating costs ¹ (\$/oz)	1 058	1 033	952	989	929
Total cash costs ¹ (\$/oz)	1 130	1 109	1 029	1 065	1 006
Profit from mining activity ¹ (\$000)	1 560	2 724	3 962	11 958	11 804
Attributable (40%)					
Gold sales ¹ (\$000)	9 965	8 086	7 720	29 399	22 858
Ounces produced	7 495	7 142	6 384	21 940	18 234
Ounces sold	8 262	6 311	5 960	23 114	18 036
Profit from mining activity ¹ (\$000)	624	1 090	1 585	4 783	4 722
Gold on hand at period end ² (\$000)	606	1 546	1 054	606	1 054

Randgold owns 40% of Société des Mines de Morila SA (Morila) with the State of Mali and joint venture partner owning 20% and 40% respectively. The group equity accounts for its 40% joint venture holding in Morila.

¹ Refer to explanation of non-GAAP measures provided.

² Gold on hand represents gold in doré at the mines multiplied by the prevailing spot gold price at the end of the period.