

RANDGOLD

RANDGOLD & EXPLORATION COMPANY LIMITED



**Randgold & Exploration Company Limited
Notice of Annual General Meeting and
Abridged Group Financial Statements 2016**

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Mr Van Zyl Botha CA(SA), financial director, is responsible for these summarised group financial statements and has supervised the preparation thereof in conjunction with Mrs Mandrie Steyn CA(SA) (group financial manager).

NOTICE OF ANNUAL GENERAL MEETING

RANDGOLD & EXPLORATION COMPANY LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1992/005642/06)

Share code: RNG

ISIN: ZAE000008819

("R&E" or "the company")

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS OF R&E

Notice is hereby given that the annual general meeting ("the meeting" or "the annual general meeting") of shareholders of R&E will be held at MW Business Centre, Michelangelo Hotel, Mandela Square, Sandton, at 11:00 on Tuesday, 16 May 2017, for the purpose of considering and, if deemed fit, passing, with or without modification, the following ordinary and special resolutions in the manner required by the memorandum of incorporation of the company, the Companies Act (Act 71 of 2008), as amended (the Companies Act) and to the Listings Requirements of the JSE Limited (JSE).

PURPOSE

The purpose of the meeting is to transact the business set out in the agenda below.

1. AGENDA

Presentation of the audited annual financial statements of the company, including the reports of the directors and the audit and risk committee for the year ended 31 December 2016, for shareholders to consider. The annual report of the company, containing the complete audited annual financial statements, is available at www.randgoldexp.co.za or can be obtained from the company at its registered office.

2. TO CONSIDER AND, IF DEEMED FIT, APPROVE, WITH OR WITHOUT MODIFICATION, THE FOLLOWING ORDINARY RESOLUTIONS

Note:

For any of the ordinary resolutions numbers 1 to 6 to be adopted, more than 50 percent of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof.

2.1 Retirement and re-election of directors

2.1.1 ORDINARY RESOLUTION NUMBER 1

"Resolved that Mr DC Kovarsky (refer to curriculum vitae below), who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible and offering himself for re-election, be and is hereby re-elected as a director of the company."

Summary curriculum vitae of David Chaim Kovarsky (69) (David)

Independent non-executive chairman

CTA, CA(SA)

Date of appointment: 5 December 2007

After qualifying as a chartered accountant, David was appointed as an audit manager at Arthur Andersen. In 1983, he joined JCI in a corporate finance function, eventually progressing to managing JCI's ferrochrome arm, CMI. Thereafter, David ran Times Media Limited (TML) and served on the boards of listed companies such as TML, SA Breweries, M-Net and Premier Milling. Subsequently, he has been involved in finance and strategy consulting functions and served as the CEO or CFO of companies of various sizes, mostly related to resources.

Until August 2011, David was the CEO of International Ferro Metals Limited, a company listed on the London Stock Exchange producing ferrochrome in South Africa. He is currently the CEO of Siyanda Chrome Smelting company, a start-up ferrochrome company based in Limpopo province, South Africa.

The reason for ordinary resolution number 1 is that the Companies Act and the Listings Requirements of the JSE (Listings Requirements) require that a component of the non-executive directors rotate at every annual general meeting of the company and, being eligible, may offer themselves for re-election as directors.

2.2 Re-appointment of the members of the audit and risk committee of the company

Note:

For avoidance of doubt, all references to the audit and risk committee of the company is a reference to the audit committee as contemplated in the Companies Act.

2.2.1 ORDINARY RESOLUTION NUMBER 2

“Resolved that Mr DC Kovarsky (refer to curriculum vitae above), being eligible, be and is hereby reappointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company.”

Shareholders should note that Mr DC Kovarsky is the chairman of the board of directors and will not chair the audit and risk committee.

2.2.2 ORDINARY RESOLUTION NUMBER 3

“Resolved that Mr JH Scholes (refer to curriculum vitae below), being eligible, be and is hereby reappointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company.”

Summary curriculum vitae of John Hulme Scholes (50) (Hulme)

Independent non-executive director

BA (Law), LLB (Wits)

Date of appointment: 19 February 2010

Hulme holds a BA Law and LLB degree from the University of Witwatersrand and is an admitted attorney of the High Court of South Africa. Hulme specialised in mining and mineral law and has practised exclusively in the field for 17 years. He was appointed as a non-executive director of Aquarius Platinum (AQPSA) in 2004 and was a partner at Werksmans Attorneys from 1999 to 2008. In 2008 he was appointed as an executive commercial director of AQPSA. On 1 October 2010, Hulme returned to the legal profession as a mining and mineral law advisor and is now a non-executive director of DiamondCorp Plc, Frontier Rare Earths Limited, Lace Diamond Mines Proprietary Limited and West Wits Mining Limited, which is listed on the Australian Stock Exchange.

2.2.3 ORDINARY RESOLUTION NUMBER 4

“Resolved that Mr P Burton (refer to curriculum vitae below), being eligible, be and is hereby reappointed as a member of the audit and risk committee of the company, as recommended by the board of directors of the company, until the next annual general meeting of the company.”

Summary curriculum vitae of Patrick Burton (64) (Patrick)

Independent non-executive director

BComm (Hons) Financial Management, Post Graduate Diploma in Tax Law

Date of appointment: 23 May 2013

Patrick was one of the founding members of Siphumelele Investments Limited, a black economic empowerment company, established in 1995, with a shareholder base representing in excess of 150 000 previously disadvantaged individuals. His experience as a director includes non-executive positions in fishing, food and financial services. Patrick is a member of the audit committees of PSG Group Limited, PSG Konsult Limited, Quantum Foods Limited and Safrican Limited.

The reason for ordinary resolutions numbers 2, 3 and 4 is that the company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or reappointed, as the case may be, at each annual general meeting of a company.

2.3 Re-appointment of auditor

ORDINARY RESOLUTION NUMBER 5

“Resolved that, on the recommendation of the company's audit and risk committee, KPMG Inc. be reappointed as the auditor of the company for the ensuing financial year.”

The reason for ordinary resolution number 5 is that the company, being a public listed company, must have its financial results audited and such auditor must be appointed or reappointed each year at the annual general meeting of the company as required by the Companies Act.

2.4 Non-binding advisory vote on remuneration policy

ORDINARY RESOLUTION NUMBER 6

“Resolved that, in line with good corporate governance practice, the remuneration policy of the company (excluding the directors' fees paid to the non-executive directors for their services as directors and membership of board committees) and its implementation as set out in the remuneration report commencing on page 14 of the annual report, be and is hereby endorsed.”

The reason for ordinary resolution number 6 is to obtain a non-binding advisory vote of shareholders on the remuneration policy of the company. The vote enables the board to gain insight into shareholders' views on the remuneration policy adopted by the remuneration committee of the company. Shareholders are reminded that, in terms of the King III Code on Governance Principles for South Africa, ordinary resolution number 6 is non-binding on the company.

3. TO CONSIDER AND, IF DEEMED FIT, PASS, WITH OR WITHOUT MODIFICATION, THE FOLLOWING SPECIAL RESOLUTIONS

Note:

For the special resolutions to be adopted, at least 75 percent of the voting rights exercised on each special resolution must be exercised in favour thereof.

3.1 Remuneration of non-executive directors

SPECIAL RESOLUTION NUMBER 1

"Resolved, in terms of section 66(9) of the Companies Act, that the company be and is hereby authorised to remunerate its directors for their services as directors on the basis set out below, provided that this authority will be valid until the next annual general meeting:

Per annum for serving as a non-executive director of the company:

3.1.1 Chairman	R480 847
3.1.2 Other non-executive directors	R300 543

(includes serving on the board's subcommittees)"

Reason for and effect of special resolution number 1

The reason for special resolution number 1 is for the company to obtain the approval of shareholders, by way of a special resolution, for the payment of remuneration to its non-executive directors in accordance with the requirements of the Companies Act.

The effect of special resolution number 1 is that the company will be able to pay its non-executive directors for the services they render to the company as directors without requiring further shareholder approval until the next annual general meeting.

3.2 Inter-company loans

SPECIAL RESOLUTION NUMBER 2

"Resolved that, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, the board of the company be and is hereby authorised to approve that the company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the board of the company may deem fit to any company or corporation that is related or inter-related ("related" or "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act) to the company, on the terms and conditions and for amounts that the board of the company may determine and in accordance with section 45 of the Companies Act, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the company."

Reason for and effect of special resolution number 2

The reason for and effect of special resolution number 2 is to grant the directors of the company the authority, until the next annual general meeting, to provide financial assistance to any company or corporation that is related or inter-related to the company in accordance with section 45 of the Companies Act. This means that the company is authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

The board of the company will ensure that, prior to providing any financial assistance as contemplated above, it is satisfied that, immediately after providing such financial assistance, the company will satisfy the solvency and liquidity test as set out in the Companies Act and ensure that the terms of any such financial assistance is fair and reasonable.

4. OTHER BUSINESS

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the company.

Information relating to the special resolutions

The directors, whose names appear on page 11, collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this notice of annual general meeting contains all information required by the Listings Requirements.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

VOTING

1. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the company (the share register) for purposes of being entitled to receive this notice is **Friday, 17 March 2017**.
2. The date on which shareholders must be recorded as such in the share register for purposes of being entitled to attend and vote at the meeting is **Friday, 5 May 2017**, with the last day to trade being **Tuesday, 2 May 2017**.
3. **Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the annual general meeting and must accordingly bring a copy of their identity document, passport or driver's licence to the annual general meeting. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.**
4. Shareholders entitled to attend and vote at the annual general meeting may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a member of the company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for completion by certificated shareholders and own-name registered dematerialised shareholders who wish to be represented at the annual general meeting. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the annual general meeting.
5. The instrument appointing a proxy and the authority (if any) under which it is signed must reach the transfer secretaries of the company at the address given below by no later than 11:00 on **Friday, 12 May 2017**.
6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the annual general meeting in person, will need to request their Central Securities Depository Participant (CSDP) or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker.
7. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the annual general meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between them and the CSDP or broker in the manner and time stipulated therein.
8. Shareholders present in person, by proxy or by authorised representative shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.
9. In compliance with the provisions of section 58(8)(b)(i) of the Companies Act, a summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Companies Act, is set out immediately below:

An ordinary shareholder entitled to attend and vote at the annual general meeting may appoint any individual (or two or more individuals) as a proxy or as proxies to attend, participate in and vote at the annual general meeting in the place of the shareholder. A proxy need not be a shareholder of the company.

A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the annual general meeting.

A proxy may delegate its authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.

The appointment of a proxy is suspended at any time to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.

The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the company as required in the first sentence of this paragraph.

If the instrument appointing the proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's memorandum of incorporation to be delivered by the company to the shareholder, must be delivered by the company to (a) the shareholder, or (b) the proxy or proxies, if the shareholder has (i) directed the company to do so in writing; and (ii) paid any reasonable fee charged by the company for doing so.

By order of the board

Randgold & Exploration Company Limited

Van Zyl Botha

Company secretary

Johannesburg
22 March 2017

Registered office

Suite 25, Katherine & West Building
Corner of Katherine and West Streets, Sandown
Sandton, 2196

Postal address

PO Box 202, Stellenbosch, 7600

Transfer secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

COMMENTARY

TO THE SUMMARISED GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

GENERAL

The board of R&E is pleased to announce the audited results for the year ended 31 December 2016.

Mr Van Zyl Botha CA(SA), financial director, is responsible for the annual financial statements and these summarised annual results and has supervised the preparation thereof in conjunction with Mrs Mandrie Steyn CA(SA) (group financial manager).

INCOME

The 2016 group results reflected a total comprehensive loss for the year of R7.9 million (2015 profit: R5.4 million). This was mainly as a result of an increase in legal fees. During the year income was derived primarily from third party recoveries of R6.4 million (2015: R7.5 million) and interest of R14.4 million (2015: R11.7 million) earned on cash investments. The company spent R6.4 million (2015: R6.1 million) on personnel costs, R18.3 million (2015: R11.5 million) on legal and forensic fees, and other operational costs totalled R4.8 million (2015: R1.8 million).

FINANCIAL POSITION

R&E is liquid with no interest-bearing debt. R&E's total assets consist primarily of cash and cash equivalents. R&E had a net asset value per share of R2.23 at 31 December 2016.

CASH FLOW

R&E started the year under review with a cash and cash equivalent balance of R175.9 million.

The group's cash outflow of R5.9 million were the net result of interest earned on cash and recoveries received less cash utilised to fund its operations during the year.

R&E remains in a healthy cash position with R170 million in cash and cash equivalents at 31 December 2016.

OUTLOOK

The outlook for 2017 is largely dependent on the progress and outcome of current legal matters. Expenditure on litigation is expected to be at a similar level as 2016. Until the claims in which the company are engaged have been finalised, this pattern of expenditure is likely to prevail.

David Kovarsky

Chairman

Johannesburg
22 March 2017

Marais Steyn

Chief executive officer

SUMMARISED GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Audited 2016 R'000	Audited 2015 R'000
Revenue		296	207
Profit on disposal of listed equity securities		66	288
Recoveries	7	6 441	7 528
Other income		–	163
Personnel expenses		(6 444)	(6 089)
Profit on disposal of prospecting rights	6	–	3 951
Change in fair value of listed equity securities		917	(571)
Change in fair value of cash investments		(545)	1 118
Other operating expenses		(23 196)	(13 304)
Loss from operating activities		(22 465)	(6 709)
Finance income		14 445	11 681
Finance expense		(654)	–
(Loss)/profit before taxation		(8 674)	4 972
Taxation		–	(20)
(Loss)/profit for the year		(8 674)	4 952
Other comprehensive income			
Items of other comprehensive income that will not be subsequently reclassified to profit or loss			
Actuarial gains		687	414
Total comprehensive (loss)/income for the year		(7 987)	5 366
(Loss)/profit attributable to:			
Owners of the company		(8 674)	4 952
(Loss)/profit for the year		(8 674)	4 952
Total comprehensive (loss)/income attributable to:			
Owners of the company		(7 987)	5 366
Total comprehensive (loss)/income for the year		(7 987)	5 366
Basic and diluted (loss)/earnings per share (cents)	8	(12)	7

SUMMARISED GROUP STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2016

	Audited 2016 R'000	Audited 2015 R'000
Assets		
Non-current assets	24	9
Equipment	23	7
Intangible assets	1	2
Current assets	176 842	181 862
Investment in listed equity securities	6 683	5 702
Trade and other receivables	118	222
Cash and cash equivalents	170 041	175 938
Total assets	176 866	181 871
Equity and liabilities		
Shareholders' equity	159 776	167 763
Ordinary share capital	716	716
Retained earnings	159 060	167 047
LIABILITIES		
Non-current liabilities		
Post-retirement medical benefit obligation	11 849	12 872
Current liabilities		
Trade and other payables	5 241	1 236
Total equity and liabilities	176 866	181 871

SUMMARISED GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Audited 31 December 2016 R'000	Audited 31 December 2015 R'000
Attributable to equity holders of the company		
Ordinary share capital	716	716
Retained earnings	159 060	167 047
Balance at the beginning of the period	167 047	161 651
Treasury shares reclassified	-	30
(Loss)/profit and total comprehensive (loss)/profit for the year	(7 987)	5 366

SUMMARISED GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Audited 31 December 2016 R'000	Audited 31 December 2015 R'000
(Loss)/profit before taxation	(8 674)	4 972
Adjusted for:		
Profit on disposal of listed equity securities	(66)	(288)
Profit on disposal of prospecting rights	–	(3 951)
Change in fair value of listed equity securities	(917)	571
Purchase of computer equipment	(18)	–
Depreciation	2	30
Post-retirement medical benefit obligation – interest cost	1 190	994
Interest received	(14 445)	(11 681)
Interest paid	654	–
Dividends received	(296)	(207)
Working capital changes	4 109	864
Cash utilised in operating activities	(18 461)	(8 696)
Interest received	14 445	11 681
Interest paid	(654)	–
Post-retirement medical benefit liability – benefits paid	(1 526)	(1 461)
Taxation paid	–	(20)
Cash flow from operating activities	(6 196)	1 504
Cash flow from investing activities	299	479
Dividends received	296	207
Proceeds on disposal of prospecting rights	–	4 000
Acquisition of investment in listed equity securities	(1 647)	(5 852)
Proceeds on disposal of listed equity securities	1 650	2 124
Cash flow from financing activities	–	–
(Decrease)/increase in cash and cash equivalents	(5 897)	1 983
Cash and cash equivalents at the beginning of the year	175 938	173 955
Cash and cash equivalents at the end of the year	170 041	175 938

NOTES

TO THE SUMMARISED GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. REPORTING ENTITY

R&E is a company domiciled and incorporated in the Republic of South Africa. The summarised group annual financial statements of the company for the year ended 31 December 2016 includes the company and its subsidiaries (together referred to as "the group").

2. BASIS OF PREPARATION

The summarised group financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports, and the requirements of the Companies Act applicable to summary financial statements. The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of the group financial statements, from which the summarised group financial statements were derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous group annual financial statements.

The accounting policies have been applied consistently by all group entities.

4. INDEPENDENT AUDIT BY THE AUDITOR

These summarised group financial statements for the year ended 31 December 2016 have been extracted from the complete set of annual financial statements on which the auditors, KPMG Inc., have expressed an unqualified audit opinion, dated 22 March 2017. The auditor's report and annual financial statements, which have been summarised in this report, are available for inspection at the registered office of the company. This abridged report is extracted from audited information, but is not itself audited.

The directors take full responsibility for the preparation of this report and that the financial information has been correctly extracted from the underlying annual financial statements.

5. SEGMENT REPORTING

The group operates in a single operating segment as an investment holding company with assets in the mining industry.

6. PROSPECTING RIGHTS

During 2015, R&E group disposed of certain of its prospecting rights that had a carrying value of R1 to a third party realising a profit of R3.9 million. Certain prospecting rights with a carrying value of R49 435 expired during 2015. Another prospecting right with a carrying value of R 1 000 expired during 2016. R&E has entered into an agreement for the sale of a prospecting right with a R nil carrying value to third parties for R5.9 million. In terms of the agreement, however, there were a number of conditions precedent outstanding at year-end and the disposal has therefore not been recognised as yet.

7. RECOVERIES

R&E received liquidation dividends from The Insolvent Deceased Estate of Roger Brett Kebble during 2016 of R5.7 million and a taxation award from Charles Orbach & Company of R750 000.

8. (LOSS)/EARNINGS PER SHARE

	2016 Per share (in cents)	2015 Per share (in cents)
Earnings per share		
Basic (loss)/earnings and diluted (loss)/earnings per ordinary share	(12)	7
The calculation of basic and diluted (loss)/earnings per ordinary share is based on loss of R8.6 million (2015: earnings of R4.9 million) attributable to ordinary shareholders of the company and a weighted average of 71 585 172 (2015: 71 585 172) shares in issue.		
Headline (loss)/earnings and diluted headline (loss)/earnings per share	(12)	1
The calculation of the headline (loss)/earnings and diluted headline (loss)/earnings per share is based on headline loss of R8.6 million (2015: headline earnings of R1 million) attributable to equity holders of the company and a weighted average of 71 585 172 (2015: 71 585 172) ordinary shares in issue.		

NOTES (CONTINUED)

8. (LOSS)/EARNINGS PER SHARE (CONTINUED)

	2016 R'000	2015 R'000
Reconciliation between basic (loss)/profit for the year and headline (loss)/earnings		
(Loss)/profit for the year attributable to equity holders of the company	(8 674)	4 952
Adjusted for:		
Profit on disposal of prospecting rights	–	(3 951)
Headline (loss)/earnings for the year attributable to equity holders of the company	(8 674)	1 001

9. NET ASSET AND TANGIBLE NET ASSET VALUE PER SHARE

The net asset value per share is calculated using the following variables:

	31 December 2016	31 December 2015
Net asset value (R'000)	159 776	167 763
Ordinary shares outstanding	71 585 172	71 585 172
Net asset value per share (cents)	223	234
Net tangible asset value per share (cents)	223	234

The number of shares outstanding at 31 December 2016 and 31 December 2015 has been adjusted for the 2 999 893 treasury shares held.

10. MATERIAL CHANGES

No material changes occurred during 2016.

11. RELATED PARTY TRANSACTIONS

There were no related party transactions during the period under review other than in the normal course of business. Key management remuneration for the current year was R4.5 million (2015: R4.2 million). JH Scholes, a director of R&E, is also a director of Malan Scholes Attorneys, which provides legal prospecting right consulting services to R&E on an ad hoc basis. The cost of these services amounted to R119 860 during 2016 (2015: R253 045).

12. EVENTS AFTER REPORTING DATE

There were no significant events between the reporting date and the approval date of these results.

13. MINERAL RESOURCES

There have been no material changes to information disclosed in the prior reporting period in terms of Section 12 of the JSE Listing requirements.

Directors

DC Kovarsky (Chairman)**, M Steyn (CEO)*, V Botha*, P Burton**, JH Scholes**
*(*Executive, **Independent non-executive)*

Company secretary

V Botha CA(SA)

Sponsor

PSG Capital Proprietary Limited
 First Floor, Ou Kollege, 35 Kerk Street, Stellenbosch, 7600
 (Registration number 2004/003647/07)

Transfer secretaries

Computershare Investor Services Proprietary Limited
 Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

ANNEXURE

General information in respect of directors, major shareholders, directors' interest and share capital of the company.

DIRECTORS

Executive directors

Marais Steyn (46)

Chief executive officer

BComm (Hons), CA(SA)

Van Zyl Botha (36)

Financial director

BComm (Hons) (Stellenbosch), CA(SA)

Non-executive directors

David Chaim Kovarsky (69)

Independent non-executive chairman

CTA, CA(SA)

John Hulme Scholes (50)

Independent non-executive director

BA (Law), LLB (Wits)

Patrick Burton (64)

Independent non-executive director

BComm (Hons) Financial Management, Postgraduate Diploma in Tax Law

MAJOR SHAREHOLDERS

Register Date: 30 December 2016

Issued Share Capital: 74,585,065 shares

SHAREHOLDER SPREAD	Number of shareholders	%	Number of shares	% of ISC
1 – 1 000 shares	903	67.09	259 456	0.35
1 001 – 10 000 shares	276	20.51	946 790	1.27
10 001 – 100 000 shares	111	8.25	4 082 065	5.47
100 001 – 1 000 000 shares	45	3.34	14 426 476	19.34
1 000 001 shares and over	11	0.82	54 870 278	73.57
Total	1 346	100	74 585 065	100

DISTRIBUTION OF SHAREHOLDERS	Number of shareholders	%	Number of shares	% of ISC
ADRs	3	0.22	4 755 385	6.38
Banks	56	4.16	17 070 506	22.89
Brokers	12	0.89	161 006	0.22
Close Corporations	15	1.11	6 631 706	8.89
Endowment Funds	4	0.30	183 584	0.25
Individuals	1 063	78.97	4 023 271	5.39
Insurance Companies	2	0.15	263 961	0.35
Mutual Funds	15	1.11	8 084 069	10.84
Nominees and Trusts	85	6.32	1 366 538	1.83
Other Corporations	19	1.41	84 298	0.11
Pension Funds	29	2.15	4 703 573	6.31
Private Companies	38	2.82	27 208 349	36.48
Public Companies	5	0.37	48 819	0.07
Total	1 346	100	74 585 065	100

ANNEXURE (CONTINUED)

PUBLIC/NON-PUBLIC SHAREHOLDERS	Number of shareholders	%	Number of shares	%
Non-public shareholders	2	0.15	19 985 105	26.80
Strategic Holdings (more than 10%)	1	0.07	16 985 212	22.77
R&E subsidiary	1	0.07	2 999 893	4.02
Public shareholders	1 344	99.85	54 599 960	73.20
Total	1 346	100	74 585 065	100

BENEFICIAL SHAREHOLDERS HOLDING 3% OR MORE	Number of shares	%
Pacol Investments Proprietary Limited	16 985 212	22.77
Zerbans Cake & Coffee Shop CC	6 550 000	8.78
ADRs (American Depositary Receipts)	4 755 385	6.38
Allan Gray Equity Fund	3 725 649	5.00
Investec Bank Limited	3 280 821	4.40
Charisma Holdings Proprietary Limited	3 050 000	4.09
Refraction Investment Proprietary Limited*	2 999 893	4.02

FUND MANAGERS HOLDING 10% OR MORE	Number of shares	%
Allan Gray Proprietary Limited**	13 750 697	18.44

* Refraction Investment Proprietary Limited is a subsidiary of R&E

** Includes the beneficial owner Allan Gray Equity Fund

DIRECTORS' INTEREST

No director held any shares in the group, directly or indirectly, for the 2016 or 2015 financial years and up to the date of this report.

SHARE CAPITAL OF THE COMPANY

The company's authorised and issued share capital at 31 December 2016 was:

Authorised

105 000 000 ordinary shares of 1 cent each Issued

74 585 065 ordinary shares of 1 cent each

Treasury shares

At the reporting date, a subsidiary of R&E held 2 999 893 R&E shares as treasury shares

CORPORATE INFORMATION

Randgold & Exploration Company Limited (R&E)

Company secretary

(Registration number 1992/005642/06)

Van Zyl Botha CA(SA)

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Sandton, 2196

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Stellenbosch, 7600

Telephone: +27 71 580 3739

Facsimile: +27 86 235 9863

Website: www.randgoldexp.co.za

Registered office

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Corner of Katherine and West Streets, Sandown

Sandton, 2196

South African attorneys to R&E

Van Hulsteyns

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Corner of Katherine and West Streets, Sandown

Sandton, 2196

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United States solicitors to R&E

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Sponsor and corporate advisor to R&E

PSG Capital Proprietary Limited

(Registration number 2006/015817/07)

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Facsimile: +27 21 887 9624

Auditors to R&E

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(Registration number 1999/021543/21)

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Facsimile: +27 21 408 7100

South African transfer secretaries to R&E

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

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Communications for R&E

Brian Gibson Issue Management

Brian Gibson

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Email: gibson@icon.co.za

Competent persons – Prospecting Rights report

Minxcon

Johan Odendaal (Director, Minxcon)

Charles Muller (Director, CJM Consulting)

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European solicitors to R&E

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United States depository

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In the United Kingdom

The Bank of New York Mellon

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