

RANDGOLD

RANDGOLD & EXPLORATION COMPANY LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1992/005642/06)

Share code: RNG (Suspended)

ISIN: ZAE000008819

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

PUBLICATION OF THE ANNUAL REPORT, NOTICE OF ANNUAL GENERAL MEETING IN TERMS OF SECTION 179(4) OF THE COMPANIES ACT 61 OF 1973, AUDITED FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2008 AND UNAUDITED, DISCLAIMED, CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2004 TO 31 DECEMBER 2006 INCLUDING RENEWAL OF CAUTIONARY

The board of R&E is pleased to announce that the annual report of the Company, incorporating the audited annual financial statements for the years ended 31 December 2007 and 31 December 2008, will be distributed to shareholders on 8 December 2009.

This is the first set of audited financial statements published by R&E since the suspension of R&E from the JSE Limited on 1 August 2005 as a result of the Company's inability to publish audited financial statements due to the alleged widespread fraud and misappropriation of R&E's assets, details of which have been previously communicated to shareholders on a regular basis.

Furthermore, the restated, unaudited and disclaimed consolidated financial statements of R&E for the years ended 31 December 2004, 2005 and 2006 respectively, will also be distributed to shareholders concurrently with the annual report but as a separate publication on 8 December 2009.

As indicated in prior shareholder updates, shareholders are reminded that given the extent of the frauds and misappropriations allegedly perpetrated against R&E, there may well be historical events and circumstances of which the present board of R&E are not aware that could have had a material effect on the affairs of R&E. The present board of R&E has therefore disclaimed any liability in respect of the accuracy and/or completeness of the information reflected in the financial results for the years ended 31 December 2004, 2005 and 2006 respectively.

UPDATE TO SHAREHOLDERS

As set out in the Information Update to shareholders published on 17 June 2009, and the last SENS announcement of 22 September 2009, the present board of R&E has embarked upon a pragmatic and commercial strategy to endeavour to recover further funds and assets allegedly misappropriated from R&E by, amongst others, JCI Limited ("JCI"). Since April 2007, R&E has attempted to effect both a merger and a settlement with JCI as an alternative to expensive and costly litigation. Despite overwhelming support from R&E's shareholders, both attempts were rejected by JCI's shareholders.

In terms of the mediation and arbitration agreement concluded with JCI on 7 April 2006 and amended on 19 July 2006 and 28 September 2007 ("the Agreement"), the board instructed R&E's legal team to refer the matter to arbitration.

Notwithstanding the fact that JCI has for in excess of three years actively participated in the mediation process as set out in the Agreement, JCI is now not willing to subject the dispute between the companies to arbitration. On 6 November 2009, JCI launched an application out of the South Gauteng High Court (Johannesburg) seeking an order that the dispute between it and R&E should not be referred to arbitration and that the provisions of the Agreement should cease to have any effect. R&E is opposing this application. Shareholders will be kept informed of any developments regarding this matter.

The unaudited Net Asset Value ("NAV") of R&E at 31 October 2009 is approximately R7.36 per share. Some 55% of the NAV is exposed to

the gold market through R&E's investment in Gold Fields Limited and gold-related prospecting rights. The balance of the NAV is comprised of cash and secured loans to the JCI group, making the Company extremely liquid.

Any increase in value beyond the current NAV will largely be dependent on R&E's ability to prove and extract value from its civil claims and in particular claims against JCI.

In this regard, the R&E board believes that JCI has a duty to formally advise R&E's and JCI's shareholders of its current financial status, the last statement to this effect having been an abbreviated NAV statement published by JCI in October 2008 as part of JCI's circular to its shareholders proposing a merger with R&E, which merger was rejected by JCI's shareholders.

In summary, the R&E board remains focused on the recovery of assets allegedly misappropriated from it whilst simultaneously protecting and growing the Company's existing asset base. It would not be in the interests of R&E to elaborate on its asset recovery strategy, except to assure shareholders that the board will always adopt a commercial and pragmatic approach towards recoveries.

The relisting of the Company on the JSE, which would allow shareholders to trade their ordinary shares, is now a management priority and shareholders will be kept abreast of further developments in this regard.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that pursuant to an order by the Registrar of Companies, a general meeting of the Company which shall be deemed to be an annual general meeting in terms of the provisions of section 179(4) of the Companies Act, 61 of 1973, as amended, for the financial years ended 31 December 2004 to 31 December 2008 ("the AGM"), will be held at MW Business Centre, Michelangelo Hotel, Mandela Square, Sandton, at 10:00 on Thursday 21 January 2010 to transact the business as set out in the notice contained in the annual report of the Company.

The annual report for the years ended 31 December 2007 and 31 December 2008, incorporating the notice of AGM for the financial years ended 31 December 2004 to 31 December 2008, and the unaudited, disclaimed consolidated financial statements of R&E for the years ended 31 December 2004 to 31 December 2006, will be available on the R&E website: www.randgold.co.za before close of business today.

RENEWAL OF CAUTIONARY

R&E's shareholders should note that the cautionary announcement of 26 October 2009 is hereby further renewed. Accordingly, R&E's shareholders should continue to exercise caution when trading in their shares over the counter.

Johannesburg
8 December 2009

Sponsor



PSG CAPITAL