

RANDGOLD RESOURCES LTD
Form 20-F
June 30, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES
EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____

Commission file number: 000-49888

RANDGOLD RESOURCES LIMITED

(Exact name of Registrant as specified in its charter
and translation of Registrant's name into English)

JERSEY, CHANNEL ISLANDS

(Jurisdiction of incorporation or organization)

La Motte Chambers, La Motte Street, St. Helier, Jersey JE1 1BJ, Channel Islands

(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class

Name of each exchange on which registered

None

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Ordinary Shares, U.S. Dollar ten cent par value per share

(Title of Class)

American Depositary Shares

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report.

As of December 31, 2003, the Registrant had outstanding 29,260,685 ordinary shares, par value \$0.10 per share.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark which financial statement item the registrant has elected to follow.

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(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by a checkmark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

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GLOSSARY OF MINING TECHNICAL TERMS

The following explanations are not intended as technical definitions, but rather are intended to assist the reader in understanding some of the terms as used in this Annual Report.

Birimian:	Geological time era, about 2.1 billion years ago.
Carbonate:	A mineral typically found in quartz veins and as a product of hydrothermal alteration of sedimentary rock.
Carbon-In-Leach (CIL):	A process similar to CIP (described below) except that the ore slurries are not leached with cyanide prior to carbon loading. Instead, the leaching and carbon loading occur simultaneously.
Carbon-In-Pulp (CIP):	A common process used to extract gold from cyanide leach slurries. The process consists of carbon granules suspended in the slurry and flowing counter-current to the process slurry in multiple-staged agitated tanks. The process slurry, which has been leached with cyanide prior to the CIP process, contains gold in solution. The gold in solution is absorbed onto the carbon granules which are subsequently separated from the slurry by screening. The gold is then recovered from the carbon by electrowinning onto steel wool cathodes or by a similar process.
Chalcopyrite:	A mineral compound of copper, iron and sulphide.
Clastic:	Rocks built up of fragments of pre-existing rocks which have been produced by the processes of weathering and erosion.
Craton:	A part of the earth's crust that has attained stability and has been little deformed for a long time.
Cut-off grade:	The grade at which the total profit from mining the orebodies, under a specified set of mining parameters, is maximized.
Development:	Activities required to prepare for mining activities and maintain a planned production level and those costs to enable the conversion of mineralized material to reserves.
Dilution:	Mixing of ore grade material with non-ore grade/waste material in the mining process.
Disseminated:	

	A term used to describe fine particles of the ore mineral dispersed through the enclosing rock.
Dyke:	A sheet-like body of igneous rock which is discordant to bedding or foliation.
EEP:	Exclusive exploration permit.
Elution:	Chemical process of extracting gold from activated carbon.
EP:	Exploration permit.
Exploration:	Activities associated with ascertaining the existence, location, extent or quality of mineralized material, including economic and technical evaluations of mineralized material.
Fault:	A fracture or a zone of fractures within a body of rock.
Feldspar:	An alumino-silicate mineral.

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Flotation:	A recovery process by which valuable minerals are separated from waste rock to produce a concentrate. Chemicals are then introduced to induce certain minerals to attach to air bubbles and to float.
Fold:	A flexure of planar structures within the rocks.
Foliation:	A term used to describe planar arrangements of minerals or mineral bands within rocks.
Footwall:	The underlying side of a fault, orebody or stope.
Fragmentation:	The breakage of rock during blasting in which explosive energy fractures the solid mass into pieces; the distribution of rock particle sizes after blasting.
g/t:	Gram of gold per metric tonne.
Gold reserves:	The gold contained within proven and probable reserves on the basis of recoverable material (reported as mill delivered tonnes and head grade).
Grade:	The quantity of metal per unit mass of ore expressed as a percentage or, for gold, as grams of gold per tonne of ore.
Greenstone:	A field term used to describe any slightly metamorphosed rock.
Greywacke:	Type of sedimentary rock.
Grinding:	Reducing mineralized rock to the consistency of fine sand by crushing and abrading in a rotating steel grinding mill.
Head grade:	The grade of the ore as delivered to the metallurgical plant.
Hydrothermal:	Pertaining to the action of hot aqueous solutions on rocks.
Igneous:	A rock or mineral that solidified from molten or partially molten material.
In situ:	In place or within unbroken rock or still in the ground.
Intrusive:	A rock produced by the emplacement and subsequent solidification of hot magma in pre-existing rock.
Kriging:	An interpolation method that minimizes the estimation error in the determination of reserves.
Landsat:	Spectral images of the Earth's surface.
Leaching:	Dissolution of gold from the crushed and milled material, including reclaimed slime, for absorption and concentration on to the activated carbon.

Lower proterozoic: Era of geological time between 2.5 billion and 1.8 billion years before the present.

Measures: Conversion factors from metric units to U.S. units are provided below:

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Metric Unit		U.S. Equivalent
1 tonne	= 1 t	= 1.10231 tons
1 gram	= 1 g	= 0.03215 ounces
1 gram per tonne	= 1 g/t	= 0.02917 ounces per ton
1 kilogram per tonne	= 1 kg/t	= 29.16642 ounces per ton
1 kilometer	= 1km	= 0.621371 miles
1 meter	= 1m	= 3.28084 feet
1 centimeter	= 1cm	= 0.3937 inches
1 millimeter	= 1mm	= 0.03937 inches
1 square kilometer	= 1 sq km	= 0.3861 miles

Metamorphism: Alteration of rocks and minerals by a combination of heat, pressure and chemical processes over a long time period.

Metasediment: A sedimentary rock that has undergone metamorphism.

Metallurgical plant: A processing plant used to treat ore and extract the contained gold.

Metallurgy: In the context of this document, the science of extracting metals from ores and preparing them for sale.

Mill delivered tonnes: A quantity, expressed in tonnes, of ore delivered to the metallurgical plant.

Milling/mill: The comminution of the ore, although the term has come to cover the broad range of machinery inside the treatment plant where the gold is separated from the ore.

Mineable: That portion of a mineralized deposit for which extraction is technically and economically feasible.

Mineralization:

	<p>The presence of a target mineral in a mass of host rock.</p>
Mineralized material:	<p>A mineralized body which has been delineated by appropriately spaced drilling and/or underground sampling to support a sufficient tonnage and average grade of metals to warrant further exploration. A deposit of mineralized material does not qualify as a reserve until a comprehensive evaluation based upon unit cost, grade, recoveries, and other material factors conclude legal and economic feasibility.</p>
Moz:	<p>Million troy ounces.</p>
Mt:	<p>Million metric tonnes.</p>
Open pit:	<p>Mining in which the ore is extracted from a pit. The geometry of the pit may vary with the characteristics of the orebody.</p>
Orebody:	<p>A continuous, well-defined mass of material containing sufficient minerals of economic value to make extraction economically feasible.</p>
Orogenic:	<p>Of or related to mountain building, such as when a belt of the Earth's crust is compressed by lateral forces to form a chain of mountains.</p>
Ounce:	<p>One troy ounce, which equals 31.1035 grams.</p>
Overburden:	<p>The soil and rock that must be removed in order to expose an ore deposit.</p>
Oxide:	<p>Soft, weathered rock.</p>

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Paste Tailings:	<p>The technique of tailings deposition using high-density</p>
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	thickened tailings rather than the conventional unthickened tailings.
Payshoot:	A defined zone of economically viable mineralization.
Porphyry:	Medium grained igneous rock containing larger mineral crystals.
Probable reserves:	Reserves for which quantity and grade and/or quality are computed from information similar to that used for proven reserves, but the sites for inspection, sampling, and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven reserves, is high enough to assume continuity between points of observation.
Prospect:	An area of land with insufficient data available on the mineralization to determine if it is economically recoverable, but warranting further investigation.
Prospecting license or permits:	An area for which permission to explore has been granted.
Proven reserves:	Reserves for which quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes; grade and/or quality are computed from the results of detailed sampling; and the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well-established.
Pyrite:	A brassy-colored mineral of iron sulphide (compound of iron and sulfur).
Pyrrhotite:	A mineral compound of iron and sulphide.
Quartz:	

Quartzite:	A mineral compound of silicon and oxygen. Metamorphic rock with interlocking quartz grains displaying a mosaic texture.
Refining:	The final stage of metal production in which final impurities are removed from the molten metal by introducing air and fluxes. The impurities are removed as gases or slag.
Regolith:	Weathered products of fresh rock, such as soil, alluvium, colluvium, sands, and hardened oxidized materials.
Rehabilitation:	The process of restoring mined land to a condition approximating its original state.
Reserve:	That part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination.
Reverse circulation (RC) drilling:	A drilling method.
Rotary Air Blast (RAB) drilling:	A drilling method.
Sampling:	Taking small pieces of rock at intervals along exposed mineralization for assay (to determine the mineral content).

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Saprock:	A transitional rock; a state of weathering between fresh rock and total weathered saprolite or clay.
Sedimentary:	Sourced from erosion of other rocks.
Shear zone:	An elongated area of structural deformation.
Silica:	A naturally occurring dioxide of silicon.

Silicification:	Introduction of additional silica into the rock during hydrothermal alteration.
Stockpile:	A store of unprocessed ore.
Stope:	The underground excavation within the orebody where the main gold production takes place.
Stripping:	The process of removing overburden to expose ore.
Stripping ratio:	Ratio of waste material to ore material needed to be moved in an open pit mine.
Sulphide:	A mineral characterized by the linkages of sulfur with a metal or semi-metal, such as pyrite or iron sulphide. Also a zone in which sulfide minerals occur.
Tailings:	Finely ground rock from which valuable minerals have been extracted by milling.
Tectonic:	Deformation related to orogenic events.
Tonalite:	A type of igneous rock.
Tonnage:	Quantities where the ton or tonne is an appropriate unit of measure. Typically used to measure reserves of gold-bearing material in situ or quantities of ore and waste material mined, transported or milled.
Tonne:	One tonne is equal to 1,000 kilograms (also known as a "metric" ton).
Total cash costs:	Total cash costs, as defined in the Gold Institute standard, include mine production, transport and refinery costs, general and administrative costs, movement in production inventories and ore stockpiles, transfers to and from deferred stripping and royalties.
Trenching:	Making elongated open-air excavations for the purposes of mapping and sampling.

Trend:	The arrangement of a group of ore deposits or a geological feature or zone of similar grade occurring in a linear pattern.
Waste:	Rock mined with an insufficient gold content to justify processing.
Weathered:	Rock broken down by erosion.

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Statements in this Annual Report concerning our business outlook or future economic performance; anticipated revenues, expenses or other financial items; and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters, are "forward-looking statements" as that term is defined under the United States federal securities laws. Forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from those stated in such statements. Factors that could cause or contribute to such differences include, but are not limited to, those set forth under Item 3. Key Information–D. Risk Factors in this Annual Report as well as those discussed elsewhere in this Annual Report and in our other filings with the Securities and Exchange Commission.

We are incorporated under the laws of Jersey, Channel Islands with the majority of our operations located in West Africa. Our books of account are maintained in U.S. dollars and our annual and interim financial statements are prepared on a historical cost basis in accordance with International Financial Reporting Standards, or IFRS. IFRS differs in significant respects from generally accepted accounting principles in the United States, or U.S. GAAP. This Annual Report includes a discussion of the relevant differences between IFRS and U.S. GAAP, and Note 23 to our consolidated financial statements included in this Annual Report sets forth a reconciliation from IFRS to U.S. GAAP of net income and shareholders' equity. We have also included in this Annual Report the audited financial information for the years ended December 31, 2003 and 2002 of Société des Mines de Morila SA, or Morila SA. On October 25, 1999, we approved a change in our fiscal year from March 31 to December 31. Accordingly, the financial statements for the period in which the change in fiscal year became effective cover a nine month period from April 1, 1999 through December 31, 1999. The financial information included in this Annual Report has been prepared in accordance with IFRS, and except where otherwise indicated, is presented in U.S. dollars. For a definition of cash costs, please see Item 3. Key Information–A. Selected Financial Data.

Unless the context otherwise requires, "us", "we", "our", or words of similar import, refer to Randgold Resources Limited and its subsidiaries and affiliated companies.

PART 1

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. SELECTED FINANCIAL DATA

The following selected historical consolidated financial data have been derived from the more detailed information and financial statements, including our audited consolidated financial statements for the years ended December 31, 2003, 2002 and 2001 and as at December 31, 2003 and 2002 which appear elsewhere in this Annual Report. The historical consolidated financial data for the year ended December 31, 2000 and the nine month period ended December 31, 1999 and as at December 31, 2000 and 1999 have been derived from our audited consolidated financial statements not included in this Annual Report.

The financial data have been prepared in accordance with IFRS, unless otherwise noted. In Note 23 to our audited consolidated financial statements, we present the principal differences between IFRS and U.S. GAAP and a reconciliation of our net income and shareholders' equity to U.S. GAAP.

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	Year Ended December 31, 2003	Year Ended December 31, 2002	Year Ended December 31, 2001	Year Ended December 31, 2000	Nine Months Ended December 31, 1999
(In thousands, except per share and per ounce data)					
STATEMENT OF OPERATIONS DATA:					
Amounts in accordance with IFRS					
TOTAL REVENUES	\$ 116,505	\$ 134,651	\$ 87,507	\$ 201,385	\$ 37,663
SELECTED ITEMS INCLUDED WITHIN TOTAL REVENUES					
Product sales	109,573	131,440	84,154	63,781	34,872
Interest income	999	225	2,293	2,167	64
Other income	5,933	2,986	1,060	10,458	2,727
TOTAL COSTS	69,330	69,143	70,278	178,282	120,561
SELECTED ITEMS INCLUDED WITHIN TOTAL COSTS					
Cash operating costs	25,373	22,234	46,354	58,178	42,069
Royalties	7,648	9,185	5,801	3,718	2,028
Total cash costs	31,637	31,419	52,155	61,896	44,097
Interest expense	1,895	3,686	4,067	14,874	2,764
Depreciation and amortization	10,269	8,765	7,097	12,208	17,081
Exploration and corporate expenditure	17,007	16,686	9,187	10,731	5,621
Impairment	—	—	—	74,606	45,007
Loss/(gain) on financial Instruments	1,733	346	(7,424)	(3,602)	4,569
Other expenses	7,779	8,241	5,196	7,569	1,422
	47,175	65,508	17,229	23,103	(82,898)

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Income/(loss) from operations before income tax and minority interest					
Income tax expense	—	—	(126)	(363)	(256)
Profit/(loss) before minority interest	47,175	65,508	17,103	22,740	(83,154)
Minority interest	351	220	656	1,621	4,984
Net income/(loss)	47,526	65,728	17,759	24,361	(78,170)
Basic earnings/(loss) per share (\$)	1.66	2.61	0.58	0.74	(2.36)
Fully diluted earnings per share (\$)	1.65	2.59	0.57	0.73	—
Amounts in accordance with U.S. GAAP (2)					
Revenue from product sales	—	—	16,723	48,613	—
Loss from operations before joint venture	(22,135)	(31,081)	(16,705)	(15,179)	—
Equity income of Morila joint venture	64,744	90,522	32,482	7,908	—
Net income	42,960	59,661	16,434	24,323	—
Basic earnings per share (\$)	1.50	2.37	0.54	0.74	—
Fully diluted earnings per share (\$)	1.49	2.35	0.53	0.73	—
OTHER FINANCIAL DATA					
Amounts in accordance with IFRS					
Net assets	177,187	118,985	30,497	96,844	69,500
Number of shares outstanding	29,260,385	27,663,740	22,461,630	33,076,629	33,056,416
Capital stock (excluding long-term debt and dividends declared)	—	—	—	—	—
Total cash costs (\$ per ounce) (1)	100	74	153	260	348

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	December 31, 2003	At December 31, 2002	At December 31, 2001	At December 31, 2000	At December 31, 1999
(In thousands, except per share and per ounce data)					
BALANCE SHEET AMOUNTS IN ACCORDANCE WITH IFRS					
Cash and equivalents	\$ 105,475	\$ 59,631	\$ 6,683	\$ 63,505	\$ 4,313
Restricted cash	3,882	4,526	4,474	—	—
Receivables	15,196	14,262	16,558	26,769	18,073
Inventories	17,165	11,601	9,743	10,534	25,585
Total current assets	141,718	90,020	37,458	100,808	47,971
Property, plant and equipment, net.	72,822	76,436	79,737	77,295	137,166
Other long-term assets	10,885	7,402	2,359	368	483
Total assets	\$ 225,425	\$ 173,858	\$ 119,554	\$ 178,471	\$ 185,620
Bank overdraft.	\$ 1,550	\$ 1,170	\$ 1,708	\$ 1,867	\$ 7,995
Current portion of long-term liabilities	11,567	9,726	11,224	12,200	55,956
Accounts payable & accrued liabilities	11,990	10,838	10,851	16,092	21,046
Total current liabilities	25,107	21,734	23,783	30,159	84,997
Provision for environmental rehabilitation	5,962	4,972	4,340	3,616	1,713

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Liabilities on financial instruments	8,488	7,530	2,452	1,465	7,969
Long-term loans	7,723	19,307	57,147	44,071	15,741
Loans from minority shareholders in subsidiaries, net.	958	1,330	1,335	2,316	5,700
Total long-term liabilities	23,131	33,139	65,274	51,468	31,123
Total liabilities	48,238	54,873	89,057	81,627	