



52-wk Range: £33.51-66.00
12 month target £74.65

Market Cap (M): £5,591.4
EV (M): £5,254.3

Mining

Revised Commodity and Currency forecasts

Summary

Randgold Resources is an African focused gold mining and exploration company with primary listings on the London Stock Exchange and Nasdaq. The company produces gold from the Loulo and Morila Mines.



Event

Fox-Davies has reviewed its commodity and currency forecasts. For full details please see today's daily

Comment

The only changes to the model are the revised gold prices. As these mainly occur over the next three years they have had a significant impact on the Randgold net present value.

Recommendation

We retain the Buy recommendation but with the target price increases from £67.43 to £74.65/share.

Key Metrics

EV/EBITDA: 59.4
Shares Outstanding (M): 90.5
Current Price (GBP): £61.80

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FYE Dec	2008	2009	2010E	2011E	2012E
Revenue (US\$M):	338.6	432.8	660.5	1210.6	1385.5
EBITDA (US\$M):	88.0	132.7	331.1	793.6	927.1
NPAT (inc significant items):	41.6	69.4	197.4	461.2	556.2
EPS (USc):	54.5	85.1	218.8	511.1	616.4
Cash Flow/Share (USc):	129.3	154.4	355.9	729.4	831.4
Gold Price (US\$/oz):	872.6	973.7	1204.7	1400.0	1520.0
Ozs production/'000 shares	4.9	4.6	5.4	8.5	8.9
Ozs resources/'000 shares	115.8	139.7	158.4	149.1	139.3

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Peter Rose

Peter Rose has 20 years experience in equities as a resources analyst, most recently having spent 11 years with Deutsche Bank in Australia. Prior to this he spent three years with Prudential Bache and five years with James Capel. Peter's industry experience includes 16 years as a metallurgist, three years with De Beers in South Africa and eight years in the uranium industry, five of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Mining & Metallurgy and a chartered engineer.

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Research disclosure as of 05 July 2010

Company Name	Disclosure
Randgold Resources (RRS)	

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Fox-Davies corporate client & coverage universe as of 05 July 2010:

Company	Ticker	Recommendation	Date	Target Price	Last Price
Mining					
African Barrick Gold	ABG LN Equity	SELL	27.05.10	£5.18	£6.03
Angel Mining	ANGM LN Equity	BUY	03.03.10	£0.16	£0.06
Antofagasta	ANTO LN Equity	BUY	28.05.10	£10.33	£7.65
Atlantic Coal	ATC LN equity	BUY	21.01.10	£0.025	£0.004
Discovery Metals	DME LN Equity	BUY	05.07.10	£1.04	£0.37
EMED Mining	EMED LN Equity	BUY	05.07.10	£0.34	£0.08
Exco Resources	EXS AU Equity	BUY	05.07.10	A\$0.77	A\$0.24
Gippsland Limited	GIP LN Equity	BUY	06.10.09	£0.02	NA
Hambledon Mining	HMB LN Equity	BUY	20.05.10	£0.18	£0.07
Highland Gold	HGM LN Equity	BUY	05.07.10	£1.71	£1.21
Hochschild Mining	HOC LN Equity	BUY	05.07.10	£3.68	£3.02
KEFI Minerals	KEFI LN Equity	Spec. BUY	06.10.09	NA	£0.01
Kryso Resources	KYS LN Equity	BUY	21.04.10	£0.14	£0.14
Lydian International	LYD CN Equity	BUY	18.03.10	C\$1.22	C\$1.29
Minera IRL	MIRL LN Equity	BUY	05.07.10	£1.28	£0.59
Oxus Gold	OXS LN Equity	BUY	21.04.10	£0.30	£0.06
Randgold Resources	RRS LN equity	BUY	05.07.10	£74.65	£61.55
Stratex International	STI LN Equity	BUY	03.03.10	£0.07	£0.03

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