

ASX ANNOUNCEMENT

01

11 November 2014

CONVERTIBLE NOTE ISSUE – LETTER TO SHAREHOLDERS

Resolute Mining Limited advises that the attached letter is being posted to shareholders later today.



GREG FITZGERALD
Company Secretary

About Resolute:

Resolute is an unhedged gold miner with two operating mines in Africa and Australia. The Company is one of the largest gold producers by volume listed on the ASX. Resolute's flagship Syama project in Mali is on track for an increase in production to 270,000oz of gold a year following an approved expansion to be undertaken through FY2016. At its Ravenswood mine in Queensland Resolute is investigating a number of opportunities to add value by increasing gold production and lowering operating costs. In Ghana, the Company is now the owner and operator of the advanced Bibiani gold project where work is being undertaken on an underground feasibility study including a 20,000m drill program. The Company controls an extensive footprint along the highly prospective Syama Shear and Greenstone Belts in Mali and Cote d'Ivoire. Resolute has also identified a number of highly promising exploration targets at its Ravenswood operations and holds a number of exploration projects in Tanzania surrounding its now completed Golden Pride mine.



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Dear Shareholder

Notice to Shareholders of Convertible Note Offer

As announced on 7 November 2014, Resolute Mining Limited (**Resolute** or **Company**) is undertaking an offer of 15,000,000 convertible unsecured notes (**Notes**) with a face value of \$1.00 per Note to raise up to \$15,000,000 (before costs), with the ability to accept oversubscriptions of up to \$10,000,000 (**Offer**). The Offer is underwritten by the Company's major shareholder (ICM Limited) for \$15,000,000.

The Offer provides flexibility for Resolute's current project development opportunities and is also a prudent capital management initiative in light of prevailing market challenges in the gold sector. Details on the purpose of the Offer are provided on the following page.

The Offer is made pursuant to the prospectus lodged with ASIC on 6 November 2014 (**Prospectus**) and will open on 14 November 2014. The indicative timetable for the Offer is provided on the following page.

Priority Allocation

The Company's shareholders will be given priority to participate in the Offer (**Priority Allocation**). To be eligible for the Priority Allocation, you must be registered as a shareholder of the Company at 5:00pm (WST) on the Record Date of 13 November 2014 and have a registered address in Australia or New Zealand (**Eligible Priority Shareholders**).

Eligible Priority Shareholders who wish to participate in the Priority Allocation must apply for Notes prior to the close of the Offer at 5:00pm (WST) on 28 November 2014.

The general public who wish to participate in the Offer must apply for Notes prior to the close of the Offer at 5:00pm (WST) on 28 November 2014. Such applications will be satisfied to the extent there are Notes available after Eligible Priority Shareholder applications have been processed.

Key Terms of the Notes

The key terms and conditions of the Notes are set out below:

	SUMMARY
Face Value:	\$1.00 per Note.
Maturity Date:	3 years from date of issue of the first Note.
Interest Rate:	10% per annum accruing daily and payable in arrears quarterly until the Maturity Date.
Security:	Unsecured.
Ranking:	Subordinated to senior lender(s) pursuant to a subordination deed and ranking equally with all other unsecured creditors.
Conversion Rate:	Each Note is convertible into one fully paid ordinary share (Share), unless adjusted in accordance with the terms of the Notes. For illustrative purposes, 1,000 Notes would be convertible into 1,000 Shares.
Conversion Period:	Noteholders may elect to convert Notes into Shares at any time prior to the Maturity Date. The Company will issue Shares on conversion of Notes on 31 January, 30 April, 31 July and 31 October.
Listing:	Notes to be listed on ASX.

Purpose of the Offer

Completion of the Offer will result in an increase in the cash on hand of up to approximately \$25,000,000 (before the payment of associated costs).

The funds raised pursuant to the Offer will be utilised by the Company:

- (a) to undertake drilling programs and feasibility studies on the Company's Bibiani, Syama and Buck Reef West projects;
- (b) to advance works on the connection of the Syama project to the main power grid;
- (c) to maintain ongoing operations on current projects; and
- (d) for general working capital purposes.

Indicative Timetable

The indicative timetable* for the Offer is as follows:

Lodgement of Prospectus with ASIC and ASX	6 November 2014
Notice of Offer sent to shareholders	11 November 2014
Priority Allocation Record Date	13 November 2014
Opening Date of Offer	14 November 2014
Closing Date of Offer	28 November 2014
Notify underwriter of shortfall	1 December 2014
Anticipated date for issue of Notes	4 December 2014

* This timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the Notes.

Prospectus

Details of the Offer are contained in the Prospectus which was lodged with ASIC on 6 November 2014. The Prospectus is available:

- (a) on the Company's website at www.rml.com.au or the ASX website; or
- (b) by contacting the Company on +61 8 9261 6100.

If you would like to participate in the Priority Allocation, **please complete the Priority Allocation Application Form attached to the Prospectus and return it to Security Transfer Registrars Pty Ltd in the enclosed reply paid envelope.**

The general public who wish to participate in the Offer can apply for Notes by completing the General Public Application Form attached to the Prospectus.

Applications must be lodged by 5:00pm (WST) on 28 November 2014 and payment can be made by cheque. Please see the application forms for more details.

The Directors of Resolute encourage you to read the Prospectus carefully and seek advice from your professional adviser if you have any queries. This notice is to inform you of the Offer. You are not required to do anything in respect to this letter.

Should you have any queries in relation to the Offer, please do not hesitate to contact the Company on +61 8 9261 6100.

Yours sincerely

Peter Sullivan
CEO and Director