



Resolute

ASX Announcement

7 July 2016

FY16 Production and FY17 Guidance

Gold production, sales, and operating cost outperformance

Debt fully repaid

Cash and bullion increases to A\$101 million

Highlights

Preliminary production and results for FY16 (Unaudited):

- Gold production of **315,169 ounces** in line with guidance of 315,000 ounces.
- Gold sales of **340,540 ounces**, above the guidance of 340,000 ounces.
- All-In-Sustaining-Costs of A\$1,210 per ounce (US\$880 per ounce) significantly better than original guidance of A\$1,280 per ounce and lower than the revised guidance of A\$1,220 per ounce provided in April.
- Total borrowings reduced by A\$91 million.
- Cash and bullion as at 30 June 2016 of **A\$101 million**.

Production guidance for FY17:

- Gold production forecast to be a minimum of 300,000 ounces.
- Gold sales forecast to be 325,000 ounces as increased processing efficiency continues to allow a reduction of gold in circuit inventory.
- All-In-Sustaining-Costs forecast to be A\$1,280 per ounce (US\$934 per ounce).
- Capital expenditure for major growth projects expected to be A\$170 million (US\$124 million), fully funded from existing cash reserves and operating cash flows.
- Exploration budget increased to A\$19 million (US\$14 million) focused on resource and reserve expansion at the Syama Gold Mine in Mali, Ravenswood Gold Mine in Queensland, Australia and Bibiani Gold Project in Ghana.

Resolute Mining Limited (ASX: RSG, "Resolute" or the "Company") is pleased to announce it has outperformed both production and cost guidance for FY16 on the back of consistent results from the Syama Gold Mine ("Syama") in Mali and the Ravenswood Gold Mine ("Ravenswood") in Queensland, Australia. Cash and bullion on hand as at 30 June 2016 totals A\$101 million, up from A\$54 million a year ago. Production guidance for FY17 is forecast to be a minimum of 300,000 ounces ("oz") with All-In-Sustaining-Costs expected to be A\$1,280/oz (US\$934/oz).



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FY16 Production and FY17 Guidance

Resolute gold production for FY16 of 315,169oz was in line with guidance of 315,000oz. All-In-Sustaining-Costs for the year of A\$1,210/oz was better than the most recent guidance of A\$1,220/oz.

Group gold production for FY17 is anticipated to be a minimum of 300,000 ounces. Production will be derived from a combination of processing oxide and sulphide ore from satellite open pit mining at Syama, Syama sulphide stockpiles Mt Wright underground ore and the re-commencement of open pit mining at Nolans East at Ravenswood. FY17 is a transitional year as the Company prepares for and invests in long mine life extensions at Syama and Ravenswood and continues to prepare for future production at the Bibiani Gold Project ("Bibiani") in Ghana.

Production from Syama for FY17 is forecast to be a minimum of 200,000oz. Processing of Syama sulphide open pit ore stockpiles will continue and be supplemented by sulphide material from satellite open pits. Mill throughput is expected to increase as a result of the improvements made to the processing facilities in FY16. The higher grade sulphide open pit feed will partially offset falling stockpile grades. Oxide production will be at similar levels to FY16. FY17 production levels at Ravenswood are expected to be maintained at approximately 100,000oz. This will be achieved by increasing mill throughput to an annualised rate of 2.8 million tonnes per annum and supplementing Mt Wright underground ore with open pit ore from Nolans East (see ASX Announcement dated 21 June 2016). Open pit mining at Nolans East is expected to commence this month.

Group All-In-Sustaining-Costs are forecast to be similar to the initial guidance provided for FY16 of A\$1,280/oz. This cost guidance has been maintained despite the ongoing reduction in stockpile grades due to ongoing cost reduction strategies and increasing efficiency.

Gold sales will again exceed gold produced, as gold in circuit at Syama, which is largely comprised of sulphide concentrate stocks, is progressively reduced. These concentrate stocks are able to be reduced because the Syama roaster is now operating at around 20% above design capacity. This is a major technical achievement and is a testament to the continuous improvement focus being applied at all of Resolute's operations. The innovation and technical competence behind this achievement is fundamental to the confidence in future recoveries expected once the Syama underground mine commences (see ASX Announcement dated 30 June 2016).

Resolute's Managing Director and CEO, Mr John Welborn, shared his delight at the Company's operating performance and ongoing transformation: "During the financial year Resolute has applied extraordinary discipline to reduce debt, generate cash, and complete three major project studies which have revitalised and revalued our existing assets."

"Our operating team, led by Peter Beilby, have again delivered ahead of guidance. Despite processing reducing grade stockpiles at Syama and managing the closing stages of Mt Wright at Ravenswood, our team have reduced costs and maintained production. Looking forward we will continue to focus on reducing the costs of our operations as we make investments in the exciting long mine life futures we have identified at Syama, Ravenswood, and Bibiani. We remain committed to explore all opportunities to fulfil our primary function; to reward our shareholders."

Resolute's June 2016 Quarterly Activities Report is expected to be released during the week commencing 25 July 2016.

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About Resolute

Resolute is a successful gold miner with more than 25 years of continuous production. The Company is an experienced explorer, developer, and operator having operated nine gold mines across Australia and Africa which have produced in excess of 7 million ounces of gold. The Company currently operates two mines, the Syama Gold Mine in Africa and the Ravenswood Gold Mine in Australia, and is one of the largest gold producers listed on the Australian Securities Exchange with FY17 guidance of 300,000 ounces of gold production at All-in-Sustaining-Costs of A\$1,280/oz (US\$934/oz).

Resolute's flagship Syama Gold Mine in Mali is a robust long life asset benefitting from fully operational parallel sulphide and oxide processing plants. The move to underground mining will continue the asset's history of strong cash generation and extend the mine life to out beyond 2028. The Ravenswood Gold Mine in Queensland, Australia demonstrates Resolute's significant underground expertise in the ongoing success in mining the Mt Wright ore body. In Ghana, the Company has completed a feasibility study on the Bibiani Gold Project focused on the development of an underground operation requiring modest capital and using existing plant infrastructure. Resolute also controls an extensive exploration footprint along the highly prospective Syama Shear and greenstone belts in Mali and Cote d'Ivoire and is active in reviewing new opportunities to build shareholder value.

ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 655,632,994

Current Share Price: A\$1.55 as at 6 July, 2016

Market Capitalisation: A\$1.02B

FY17 Guidance: 300,000oz @AISC A\$1,280/oz

Board of Directors

Mr Peter Huston *Non-Executive Chairman*

Mr John Welborn *Managing Director & CEO*

Mr Peter Sullivan *Non-Executive Director*

Mr Martin Botha *Non-Executive Director*

Mr Bill Price *Non-Executive Director*

Contact

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