



Resolute

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ASX Announcement

27 September 2016

RESOLUTE TO RAISE A\$150 MILLION

Highlights

- Fully underwritten institutional share placement to raise a minimum of A\$150 million to fund long life production growth
- Equity raising to further strengthen balance sheet will result in fully funded accelerated mine life development programs for the Syama Underground Project and the Ravenswood Extension Project
- New placement shares to be issued at A\$1.96 per share, representing a 10.5% discount to the last closing price of A\$2.19 and 11.1% discount to the 5-day volume weighted average price (VWAP) of A\$2.21
- Proceeds raised will be used to fully fund the start-up capital requirements of the Ravenswood Extension Project in North Queensland, and will also be applied to fund a new exploration program at the Bibiani Project in Ghana

Overview

Resolute Mining Limited (Resolute or the Company) (ASX:RSG) is pleased to announce the launch of a fully underwritten institutional placement to raise a minimum of A\$150 million (Placement).

The Company will issue a minimum of 76.5 million new ordinary shares in Resolute at a price of A\$1.96 per share (Placement Price). The Placement Price represents a 10.5% discount to the last close and a 11.1% discount to the 5-day VWAP. The shares will be issued without shareholder approval under the Company's 15% placement capacity which allows for a maximum of 98,113,564 shares to be issued.

The funds raised via the Placement will be used to advance the development of the Ravenswood Extension Project (REP) in Queensland, Australia and for drilling and evaluation activity at the Bibiani Gold Mine (Bibiani) in Ghana. Following the Placement, Resolute will have the balance sheet strength to fully fund the Company's growth projects in both Australia and in Africa. The REP, the Syama Underground development, and a new exploration and development programme for Bibiani, can be fully funded from the Company's cash balances and ongoing operational cash flows.

Resolute's Managing Director and CEO, Mr John Welborn, confirmed the Placement provided the Company with strength and flexibility to achieve current project development ambitions: "Few gold companies have the genuine capacity and optionality to fully fund growth of scale across multiple quality assets while preserving a conservative balance sheet."

"During the 2016 financial year Resolute applied extraordinary discipline to reduce debt, generate cash, and progress three major feasibility studies which have revitalised our assets, our people, and our Company. A priority has been Resolute's flagship project, the Syama gold mine in Mali. Construction of the Syama Underground Project commenced in July 2016 and is expected to deliver a highly profitable mine with a mine life beyond 2028, total site production of up to 250,000 ounces of gold per year, and all-in sustaining costs of US\$881 per ounce. Resolute has committed to fully fund the US\$95 million capital demands of the Syama Underground Project over the next 18



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months from existing cash reserves and ongoing operational cashflows.”

“The Ravenswood Extension Project provides Resolute with a further opportunity to deliver an attractive long life, low cost gold mine in Australia. The recently published feasibility study identified that start-up capital of A\$134 million will deliver production of approximately 120,000 ounces per annum at an all-in sustaining cost of A\$1,166 per ounce for the next 13 years. The funds raised by the Placement allow Resolute to fully fund the Ravenswood Extension Project and retain the financial flexibility and balance sheet strength to advance other growth opportunities as they arise.”

“While we have identified a viable pathway to production at Bibiani, our ambition for the asset is to deliver a +10 year mine life at globally competitive all-in sustaining costs. To achieve this, further exploration drilling is required with the aim of expanding our Reserve base and building a bigger project. The Placement provides an additional A\$15 million to advance our exploration agenda at Bibiani.”

Proposed use of Placement Proceeds

| Use of funds | A\$m |
|---|------------|
| Development of the Ravenswood Extension Project | 135 |
| Drilling and evaluation of the Bibiani Project | 15 |
| Total | 150 |

Note: the costs of the placement will be paid from existing cash

About the Ravenswood Extension Project (REP) Feasibility Study

Resolute recently announced¹ the completion of the REP feasibility study which confirmed a long life, low risk, low cost development with robust economics (see ASX announcement dated 21 September 2016).

Key highlights of the REP include:

- Average annual production to increase to approximately 120,000 ounces of gold;
- Mine life extended by 13 years with operations continuing until at least 2029;
- Life of Mine All-in-Sustaining Costs of A\$1,166 per ounce (US\$880 per ounce);
- Total Ravenswood Ore Reserves increased to 1.8 million ounces;
- Staged development plan requires no immediate additional capital expenditure during FY17;
- Start-up capital of only A\$134 million for pre-stripping and staged processing plant expansion to 5.0 million tonnes per annum (to be completed in FY2018); and
- Significant potential for economic upside and further extensions.

Placement details

Resolute is undertaking a Placement at A\$1.96 per share to raise a minimum of A\$150 million through the issue of up to approximately 76.5 million new Resolute shares (New Shares).

The Placement Price represents a discount of:

- 10.5% to A\$2.19, being the last closing price of Resolute before announcement of the Placement; and
- 11.1% to A\$2.21, being the 5-day VWAP of Resolute before announcement of the Placement.

The New Shares will rank equally with existing Resolute shares on issue at the time of this announcement.

¹ For further detail, refer to the announcement dated 21 September 2016 and titled "Ravenswood Expansion Project extends mine-life to 2029" which contains details of the Ore Reserves and Mineral Resources that underpin the production target in this announcement (and which were prepared by competent persons in accordance with the requirements of JORC (2012)). The company is not aware of any new information or data that materially affects the information included in the 21 September 2016 announcement and all material assumptions underpinning the production target continue to apply.



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Key Dates of the Placement

| Description | Date |
|--|---|
| Trading halt | Tuesday, 27 September |
| Book opens | 10.00am, Tuesday, 27 September |
| Book closes | Asia Pacific Investors—5.00pm, Tuesday, 27 September Other Investors—6:00am, Wednesday, 28 September |
| Trading halt lifted | Wednesday, 28 September |
| Settlement of offer | Friday, 30 September |
| Issue and commencement of trading of New Shares issued | Monday, 3 October |

Note: Dates and times are indicative only and subject to change without notice. Resolute reserves the right to alter the dates in this presentation at its discretion and without notice, subject to the ASX Listing Rules and Corporations Act 2001 (Cth). All dates refer to 2016 and Sydney, Australia time.

Additional Information

Further information concerning the Placement is contained in the investor presentation released to the ASX today or is available on the company's website: <https://www.rml.com.au/>

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should seek appropriate professional advice before making any investment decision.

For further information, contact:

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Resolute Mining Limited

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Email: contact@rml.com.auWeb: www.rml.com.au**ASX:RSG Capital Summary****Fully Paid Ordinary Shares:** 658,921,396**Current Share Price:** A\$2.19 as at 26 Sep, 2016**Market Capitalisation:** A\$1.44 Billion**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****John Welborn** *Managing Director & CEO*4th Floor, BGC Centre | 28 The Esplanade
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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. The completion of the Ravenswood Extension Project Study has now confirmed a 13-year mine life based on a return to open pit mining.

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.

Disclaimer

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This announcement contains certain "forward-looking statements" including statements regarding our intent, belief or current expectations with respect to Resolute's business and operations, market conditions, results of operations and financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Such statements, estimates and projections reflect various assumptions concerning anticipated results, which assumptions may prove not to be correct. Such projections and estimates are not necessarily indicative of future performance, which may be significantly less favourable than as reflected herein.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and involve known and unknown risks, uncertainty and other factors, many of which are outside the control of Resolute. As such, undue reliance should not be placed on any forward looking statement and no representation or warranty is made by any person as to the likelihood of achievement of any forward looking statements, forecast financial information or other forecasts and to the maximum extent permitted by law, Resolute and its related bodies corporate and each of their respective officers, employees and advisers disclaim any responsibility for the accuracy or completeness of any such statements or information.