



Resolute

ASX Announcement

27 February 2017

Strong first half net profit of A\$64M

Half year gross profit of A\$69M from sales revenue of A\$168M

A\$283M cash, bullion & listed investments

- Revenue from gold sales of A\$168 million
- Gross profit from operations of A\$69 million
- Net profit after tax of A\$64 million
- Net cash and bullion flows from operations up 21% on comparative period to A\$85 million*
- Gold Production of 170,558 ounces, an increase of 11% on comparative period, and tracking ahead of current full year guidance
- All-In Sustaining Costs of A\$999 per ounce (US\$753 per ounce) tracking ahead of full year guidance
- Gold sales of 94,080 ounces at an average gold price received of A\$1,784 per ounce
- Gold bullion on hand increased by 70,746 ounces during the half year
- Cash, bullion and listed investments at 31 December 2016 increased to a total of A\$283 million following a successful institutional placement raising A\$150 million to secure growth project funding
- Net Cash, bullion and listed investments net of debt improved from A\$75 million at 30 June 2016 to A\$269 million at 31 December 2016

* This is unaudited information and assumes the increase in gold bullion on hand during the period of 70,746 ounces was sold at period end gold price of A\$1,592/oz.

Resolute Mining Limited (Resolute or the Company) (ASX:RSG) has today reported a half-year gross profit of A\$69 million for the six months ended 31 December 2016. Total half year gold production of 170,558 ounces (oz) was achieved at an All-In Sustaining Cost (AISC) of A\$999/oz (US\$753/oz).

Managing Director & CEO, Mr. John Welborn, commented that the strong revenue and profit performance was particularly pleasing given Resolute had also significantly boosted gold bullion held on hand in metal accounts during the period: "The results demonstrate our ongoing ability to generate strong operational cash flows as we continue to strengthen the company's balance sheet and invest in the development of long mine life extensions at the Syama Gold Mine in Mali and the Ravenswood Gold Mine in Queensland, Australia. As at 31 December 2016 Resolute held more than 83,000 ounces of gold bullion in metal accounts of which more than 70,000 ounces was added during the six month period. The sale of this gold during the period would have further boosted the reported revenue and profit numbers. Collectively, strong operating performance delivered better than expected production and costs over the half year period driving a positive financial result. Resolute has now delivered three consecutive outstanding half year results which have generated more free-cashflow than any other 18 month period in the history of the Company."

Operational activity during the half year was focused on the transition to open pit mining at Ravenswood and the commencement of underground development at Syama. The Ravenswood Expansion Project has extended the mine life by 13 years and will increase annual production to 140,000ozpa. Work on the Syama Underground mine is on



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schedule to increase production at Syama to 250,000ozpa over an initial operating life of 12 years. Resolute continues to transition both operations to deliver consistent free cashflow over the long term.

Exploration has delivered a major new discovery at Nafolo located 250m from the proposed Syama Underground mine. Nafolo has potential to expand the 8 million ounce world class Syama orebody and add significant value to our business. During the period we continued to actively explore and define the potential of the Bibiani Gold Mine with an aim to improve confidence in the resource, add mining inventory to the existing mine plan and explore for new zones of mineralisation”

Resolute actively manages currency exposures across AUD, USD and EUR and treats gold bullion as an alternative currency for treasury purposes. The decision to hold surplus liquid assets in a variety of currencies/forms provides flexibility to meet the Company’s wide range of foreign currency obligations, and maintains exposure to the value of gold, rather than surplus exposure to the traditional currencies of AUD and USD.

The decision to increase bullion on hand has affected gold sales volumes and consequently delayed the accounting recognition of sales revenue, profit and operating cash flows recognised by the group. As at 31 December 2016 Resolute held 83,379oz of gold bullion in metal accounts all of which remains available for sale. Had the additional gold bullion added to metal accounts during the period (70,746oz) been sold at the prevailing spot price at period end (A\$1,592/oz), the effect on half year earnings and cash flows would be as follows*:

	HY17 Accounts	Assuming gold sold at period end*	Difference +/-
	A\$'000	A\$'000	A\$'000
Revenue from continuing operations	168,167	280,809	112,642
EBITDA	73,501	106,662	33,161
Gross profit from operations	69,366	102,527	33,161
Profit for the period	64,265	97,426	33,161
Net cash flows from operating activities	(21,026)	85,239	106,265

* unaudited information

Half-Year Financial Results Conference Call

Resolute will host a Half Year Financial Results conference call today at 7:30am WST (10:30am AEDT).

Teleconference details:

Toll-free local dial-in number: 1800 123 296

Conference ID: 7473 7579

Please dial in five minutes prior to the conference start time and provide the operator with your name and the Conference ID as shown above. To ask a question, please dial “*1” (star, 1) on your telephone keypad.

For international dial-in details refer to Resolute’s ASX announcement dated 27 February 2016.

For further information, contact:

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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.

ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 736,982,768

Current Share Price: A\$1.84 as at 27 Feb 2017

Market Capitalisation: A\$1.35 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

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