



**Resolute**

# ASX Announcement

**25 January 2019**

## Ravenswood Update

**Resolute to build new State School at Ravenswood**  
**Strong ongoing commitment to local heritage and community**  
**Ravenswood Expansion Project Strategic Review underway**

### Highlights

- Agreement with Queensland Government for the relocation and construction of new Ravenswood school
- Significant potential enhancements to the Ravenswood Expansion Project identified
- Strategic Review of Ravenswood Expansion Project has commenced with results expected during 2019

Resolute Mining Limited (Resolute or the Company) (ASX: RSG) is pleased to announce an agreement with the Queensland Department of Education whereby the Company will fund the relocation and construction of a new State School at Ravenswood (New School). The cost to Resolute is slightly less than the capital budget allocated within the Ravenswood Expansion Project Study. The agreement represents a key milestone in enabling the Company to progress development activities at Buck Reef West as part of the Ravenswood Expansion Project which will extend mining at the Ravenswood Gold Mine to at least 2032.

Recent analysis of the Company's geological model for the Ravenswood province, ongoing optimisation work on the Company's existing processing infrastructure, and a focus on improving environmental outcomes has confirmed significant potential exists for material enhancements to the Ravenswood Expansion Project. A strategic review of the Ravenswood Expansion Project has commenced and is expected to result in an updated Life-of-Mine plan.

Managing Director and CEO, Mr John Welborn, was pleased that an agreement had been reached with the Queensland Department of Education to provide an improved educational experience for local students and enable the Company to progress enhanced development plans for Ravenswood.

"Resolute has worked closely with the Queensland Government and local community at Ravenswood for more than 15 years. The construction of a new State School is consistent with our commitment to the local community and to local heritage. The relocation and renovation of the currently uninhabitable heritage-listed residence will enable this historic building to be both preserved and utilised."

"We have a commitment to continual improvement of our assets through exploration, adopting available technologies and disciplined investment in operational expansions and improvements. In July 2018, when we published the updated Ravenswood Expansion Plan, we advised that we planned to intensify our efforts to identify further cost saving and revenue enhancements as our plans at Ravenswood develop. We are now ready to incorporate additional advantages and opportunities into our development plan. I am excited by our work to date and look forward to updating the market once our review is completed."

"Resolute is proud to support the local communities where we work and build partnerships with governments in large scale projects to ensure optimal long term social and economic outcomes".

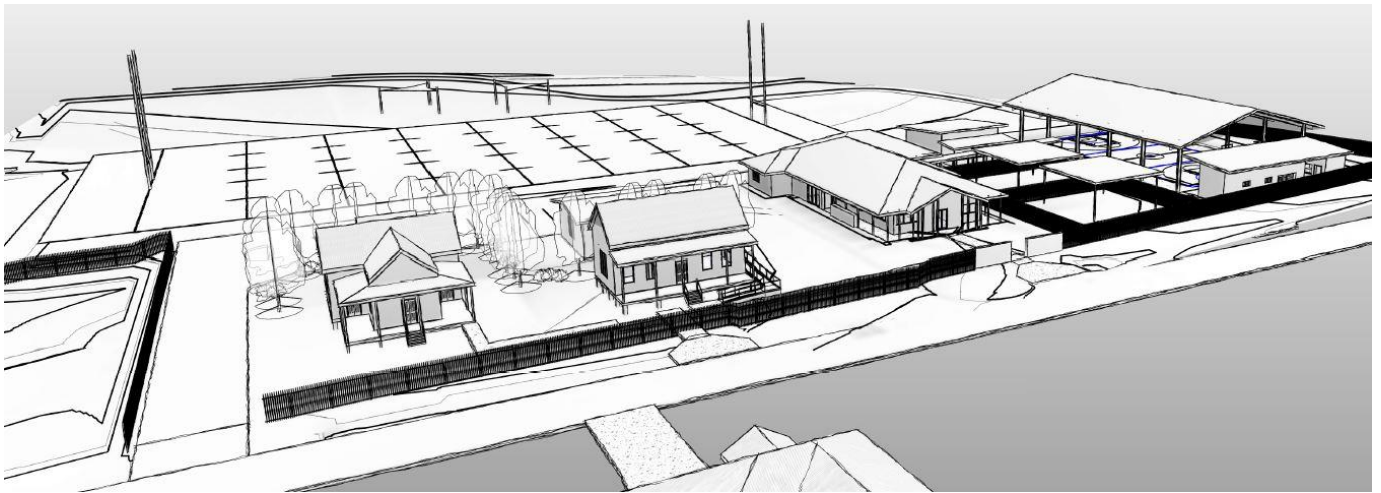


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### New School at Ravenswood

The New School will comprise the relocation of the existing heritage-listed school residence and school buildings in addition to the construction of a new state-of-the-art learning centre and administration building, separate undercover playgrounds for junior and senior students, a new covered multi-purpose court and amenities building, a large sports field and nature reserve and a new Principal's Residence. The existing heritage-listed school residence and school buildings will be renovated and reinforced as part of the relocation. The new learning centre will enable better separation of age-groups and provide local students with an enhanced learning experience. Students at the New School will have access to the latest technology in education which will better prepare them with the essential skills to participate in the fast-developing world of information and communications technology. Resolute's commitment to install the latest technology at the New School builds on the previous work of The Resolute Foundation in supplying tablet computers and coding robots to the Ravenswood State School.



**Figure 1: Artist's Impression of New State School at Ravenswood**

The total funding cost to Resolute under the agreement with the Queensland Department of Education is approximately A\$8.5 million which is within the capital amount allocated within the Ravenswood Expansion Project Study. Construction activities will begin during 2019, with the opening of the New School targeted for mid-2020.

### Ravenswood Expansion Project Strategic Review

As previously announced (see ASX Announcement dated 8 January 2019), Resolute has commenced a strategic review of the Ravenswood Expansion Project. The initial focus of the review is to enhance project economics by pursuing reductions in capital and operating costs. The review will also assess the potential for further growth through processing expansions, mine life extensions, and increased production capacity.

Ongoing work at Ravenswood has identified new exploration targets along with opportunities for plant expansions and improved environmental outcomes. Resolute intends for the strategic review to capture these enhancements and incorporate them into an updated Life-of-Mine plan expected to be finalised during 2019.

*For further information, contact:*

**John Welborn**  
*Managing Director & CEO*

**Jeremy Meynert**  
*General Manager – Business Development & Investor Relations*



## About Resolute

Resolute is a successful gold miner with more than 28 years of experience as an explorer, developer, and operator of gold mines in Australia and Africa. The Company has operated nine gold mines which have produced more than 8 million ounces of gold. Resolute currently owns three gold mines, the Syama Gold Mine in Mali (Syama), the Ravenswood Gold Mine in Australia (Ravenswood) and the Bibiani Gold Mine in Ghana (Bibiani). For the financial year ending 30 June 2019, Resolute expects to produce 300,000 ounces of gold at an All-In Sustaining Cost of US\$960/oz (A\$1,280/oz). The Company has a pathway to annual gold production more than 500,000 ounces from a Global Mineral Resource base of 16.5 million ounces.

Syama is a world class, robust, long-life asset capable of producing more than 300,000 ounces of gold per annum from existing processing infrastructure. Resolute is currently commissioning the world's first fully automated underground gold mine at Syama which will deliver a low cost, large scale operation with a mine life beyond 2032.

Ravenswood has been consistent performer and an integral part of Resolute's business for more than a decade. The highly successful Mt Wright Underground Mine continues to produce as the Company transitions back to a large scale, low cost open pit mining operation which will extend the mine life to at least 2032.

Bibiani is a potential long life, high margin operation and represents a growth opportunity for Resolute.

Resolute is actively exploring over 5,300km<sup>2</sup> of world class tenure in Africa and Australia searching for opportunities to expand and improve the Company's operations. A portfolio of strategic investments in highly prospective, well managed African-focused gold exploration companies has been established to provide a pipeline of future development opportunities.

## About the Ravenswood Gold Mine

Carpentaria Gold Pty Ltd, a wholly-owned subsidiary of Resolute, operates the Ravenswood Gold Mine located 90km by road from Charters Towers and 120km from Townsville, north-east Queensland.

Ravenswood is a key asset for Resolute with a large resource base, substantial mining and processing infrastructure and a tier one location. Until 2016, ore for the Ravenswood operations was sourced primarily from the Mt Wright underground mine using the unique mining method of sublevel shrinkage with continuous fill, a caving technique successfully pioneered by the Resolute team.

In September 2016, Resolute published the Ravenswood Expansion Plan Study which outlined the Company's plans to complete the Mt Wright underground mine and maintain continuity of production at Ravenswood by commencing open pit mining at the Nolans East, Sarsfield, and Buck Reef West pits (see ASX Announcement dated 21 September 2016). This study reinvigorated Resolute's Ravenswood operations and enabled a transition back to open pit mining. Open pit mining operations at the Nolans East deposit recommenced in August 2016.

Resolute updated the Ravenswood Expansion Plan in July 2018 (see ASX Announcement dated 11 July 2018) to include revised mining and processing schedules and tailings disposal strategies.

## Outlook

The revised mining and processing sequence for Ravenswood is currently expected to consist of:

- Mining at Mt Wright targeted until late 2019;
- Mining of Nolans East completed in September 2018, with processing of stockpiled ore supplemented by existing low-grade stocks to the end of 2019;
- Processing plant to be upgraded to 3.2Mtpa (currently 2.8Mtpa) by the start of 2020;
- Mining and processing of the Buck Reef West open pit from July 2019 (Stage 1);
- Expansion of the Nolans processing plant to 5.0Mtpa in FY24; and
- Mining and processing of ore from the Sarsfield open pit from FY25 (Stage 2).



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A strategic review of the operation commenced in January 2019. Its aim is to further enhance project economics by pursuing reductions in capital and operating costs. The review will also assess the potential for further growth through processing expansions, mine life extensions and increased production capacity.

Ongoing work at Ravenswood has identified new exploration targets along with opportunities for plant expansions and improved environmental outcomes. Resolute intends for the strategic review to capture these enhancements and incorporate them into an updated Life-of-Mine plan expected to be finalised during 2019.

### Ravenswood Overview

- Ownership: 100% through subsidiary Carpentaria Gold Pty Ltd
- Mining: Underground – sub-level shrinkage with continuous fill; Open pit – conventional truck and excavator
- Location: 95km southwest of Townsville, north-east Queensland, Australia
- Processing: Three stage crushing, SAG and ball milling and carbon-in-pulp processing with a gravity circuit for recovery of free gold
- Expected Mine Life: 2032
- Life-of-Mine Average Annual Production Au eq. oz: 115,000oz
- Life-of-Mine Average All-In Sustaining Cost: A\$1.097/oz
- 2018 Proven and Probable Gold Ore Reserves: 1.7Moz
- 2018 Gold Mineral Resources: 4.7Moz

### ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 757,512,088

Current Share Price:

A\$1.13 as at 24 January 2019

Market Capitalisation:

A\$852 million

FY19 Guidance:

300,000oz @ AISC US\$960/oz (A\$1,280/oz)

### Board of Directors

Mr Martin Botha *Non-Executive Chairman*  
Mr John Welborn *Managing Director & CEO*  
Ms Yasmin Broughton *Non-Executive Director*  
Mr Mark Potts *Non-Executive Director*  
Ms Sabina Shugg *Non-Executive Director*  
Mr Peter Sullivan *Non-Executive Director*

### Contact

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