



Resolute

ASX Announcement

20 January 2020

Resolute adds to US\$ gold hedge book

37,200 ounces forward sold at average price of US\$1,562/oz

Resolute Mining Limited (Resolute or the Company) (ASX/LSE: RSG) advises that the Company has forward sold an additional 37,200 ounces of gold at an average price of **US\$1,562 per ounce** in scheduled monthly deliveries of 1,200 ounces between July 2020 and December 2020 and scheduled monthly deliveries of 5,000 ounces between January 2021 and June 2021.

Resolute has taken advantage of market volatility and current gold price strength to incrementally extend the Company's US dollar denominated gold hedge position. This hedging secures price certainty for a portion of the US dollar revenues generated from Resolute's African gold mines: the Syama Gold Mine in Mali and the Mako Gold Mine in Senegal.

The additional US dollar hedging extends Resolute's existing US dollar forward gold sales program which consisted of 77,800 ounces of gold forward sold at an average price of US\$1,522 per ounce in scheduled monthly deliveries to December 2020 (see ASX Announcement dated 3 January 2020).

Resolute maintains a hedging policy of committing to modest short-dated forward deliveries of a percentage of the Company's gold production to take advantage of elevated gold prices. Resolute's total gold hedge book as at 20 January 2019, including the new US dollar gold hedges, consists of 215,000 ounces in monthly deliveries out to June 2021 representing less than 3% of Resolute's Ore Reserves.

Managing Director and CEO, Mr John Welborn, was pleased to continue Resolute's success in maximising gold sales revenue through responsible hedging strategies:

"Incremental expansion of our US dollar hedging position at current levels which are significantly above our budgeted gold price, protects and supports Resolute's revenue and cash flow. As we seek to expand our existing low-cost senior revolving syndicated loan facility, our hedging program has strong support from our syndicate banks as our modest hedge book protects the Company's balance sheet and supports a portion of our future revenue and cash flows. With long mine lives, large gold inventories, and an industry leading production growth profile, Resolute remains strongly leveraged to future upside in gold prices."

For further information, contact:

John Welborn
Managing Director & CEO

Jeremy Meynert
General Manager – Business Development & Investor Relations

Authorised by Mr John Welborn, Managing Director & CEO

ASX/LSE: RSG Capital Summary

Fully Paid Ordinary Shares: 903,153,734
Current Share Price:
A\$1.19 as at 17 January 2020
Market Capitalisation: A\$1.1 Billion
FY20 Guidance (to 31 December):
500,000oz @ AISC US\$980/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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