



Resolute

# ASX Announcement

26 March 2020

## RESOLUTE COVID-19 BUSINESS UPDATE

Resolute Mining Limited (Resolute or the Company) (ASX/LSE: RSG) advises the Company has implemented a comprehensive companywide response to the coronavirus pandemic (COVID-19). Resolute places the highest priority on the safety and wellbeing of employees, contractors and all stakeholders. Keeping the Company's mines running is critically important for employment, local communities, and the national economies of the countries where Resolute operates. Resolute has taken actions to ensure that the impact of COVID-19 is mitigated across all aspects of Company operations.

Resolute's gold production has not been impacted by government-regulated COVID-19 restrictions. Mining and processing operations are continuing as normal at the Syama Gold Mine in Mali (Syama) and Mako Gold Mine in Senegal (Mako). The Company has not amended current production or cost guidance in response to COVID-19.

At Syama, underground mining and haulage is performing to expectations and the sulphide processing circuit is fully operational. Open pit oxide mining operations are continuing at Tabakoroni with haulage and processing tracking to plan. Exploration activity at Syama is continuing without interruption. Three drill rigs are currently active with exploration drilling focused on expanding the Tabakoroni underground resource and extending oxide resources at Tabakoroni and the Syama northern satellite deposits.

At Mako, mining and processing operations are continuing with gold production being achieved using a reduced workforce. The Ravenswood Gold Mine in Queensland (Ravenswood) is continuing to process stockpiled material while preparing for completion of the sale of the mine which is expected to settle on or around 31 March 2020 (see ASX Announcement dated 15 January 2020). At the Bibiani Gold Mine in Ghana (Bibiani), existing care and maintenance activities are continuing without interruption. Resolute's corporate offices in Perth and London are following the applicable local guidance with staff operating remotely using technology solutions.

A range of additional measures and safeguards are in place to mitigate the spread of infection amongst our workforce and to provide a platform for business continuity.

The COVID-19 pandemic poses unique risks and challenges to global mining companies operating in Africa. Resolute has significant regional experience and robust foundations across our business to sustain operations:

- **Ore Stockpiles:** at all three currently operating Resolute gold mines, Syama, Mako, and Ravenswood, significant ore stockpiles and run-of-mine inventory provides operational flexibility to maintain gold production should Resolute's future response to an escalation of COVID-19 require a period of reduced mining activity.
- **Manpower:** the vast majority of Resolute's Syama, Mako, Ravenswood, and Bibiani workforces are locally-based in each jurisdiction. Resolute has greatly reduced reliance on expatriate technical personnel. Current staffing arrangements on site at Syama and Mako are sufficient to maintain operations during the expected period of international travel restrictions related to COVID-19.
- **Logistics and Supply Chain:** Resolute maintains excellent infrastructure at, and robust supply lines to, all mine sites. Maintaining fuel supply is a priority and Resolute has ensured that existing on-site storage capacities are maximised, additional fuel is secured from our suppliers, and plans are in place to source additional emergency supplies. Strong regional relationships with African logistics partners will support continuity of fuel supply. Existing stocks of critical consumables at Syama and Mako are sufficient to maintain operations for several months and supply lines for replacement consumables remain secure.
- **Regional Experience:** Resolute has successfully operated in Africa for more than 25 years. At Syama, the



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Company has poured gold continuously for more than a decade during which time our team has faced various supply chain and security challenges including the 2012 coup d'État and the 2014-2015 Ebola epidemic.

- **Collaboration:** Resolute is engaging with host governments in Mali, Senegal and Ghana; Australian diplomatic agencies in Africa; industry groups; and peer companies to collaborate on operational logistics and manage the impacts of the pandemic for the mining industry in West Africa.
- **Resilience:** Resolute's strength in responding to the COVID-19 pandemic is the experience and strength of our people. Significant investments in security and health infrastructure, operational support capacity, government relations, and community development supports our people in responding to the COVID-19 pandemic.
- **Agility:** Resolute is continuously monitoring developments relating to COVID-19 and adapting the Company's response accordingly.

Resolute's Managing Director and CEO Mr John Welborn confirmed that exceptional circumstances require an exceptional response:

"The safety of our people is and will always be a Resolute priority. We do not have any cases of COVID-19 among our workforce in Australia and Africa and are implementing processes to ensure we limit the risks of infection. All non-essential travel has been suspended, both domestically and internationally, and we are following World Health Organisation guidelines for isolation and mitigation. Strict hygiene measures and social distancing protocols have been implemented at all sites and Company locations. Personnel at our corporate offices in Perth and London are working remotely. At Syama and Mako, we are limiting the numbers of people working while maintaining full production."

"The challenges presented by COVID-19 continue to change on a daily basis. We are working closely with our employees, contractors and stakeholders, including our host governments, to safeguard our operations. The commitment of our people to maintain production is commendable and consistent with how Resolute responds to challenges. We are well supported by our logistics partners and remain confident in our key supply chains including fuel, food and product shipment. Further operational changes will be made where necessary in response to the global pandemic. We will remain Resolute, and are focused on keeping our people safe, and wherever possible keeping our mills running to produce gold".

*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: 1,057,099,666  
Current Share Price (ASX):  
A\$0.88 as at 25 March 2020  
Market Capitalisation: A\$930 million  
FY20 Guidance (to 31 December):  
500,000oz at an AISC of 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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