



ASX ANNOUNCEMENT

ISA URANIUM JOINT VENTURE

Resolute Mining Limited advises that Summit Resources (Australia) Pty Ltd, a participant in the Isa Uranium Joint Venture, is alleging a material breach of the Isa Uranium Joint Venture Agreement by Resolute Mining's subsidiary Resolute Limited and former subsidiary Mt Isa Uranium Pty Ltd and that it has commenced proceedings in the Supreme Court of Western Australia on the matter.

The action relates to disclosures made by Resolute and Mt Isa Uranium, allegedly in breach of the Isa Uranium Joint Venture Agreement, in connection with the successful takeover of Valhalla Uranium Ltd by Paladin Resources Ltd.

Summit Resources has had the benefit of legal discovery in relation to this allegation and has been provided with copies of the relevant confidentiality deeds entered into in accordance with the requirements of the Isa Uranium Joint Venture Agreement.

Resolute Mining has provided an indemnity to Paladin Resources in relation to this claim by Summit Resources and is confident that any disclosures made by Resolute and Mt Isa Uranium were made in accordance with the provisions of the Isa Uranium Joint Venture Agreement.

Resolute Mining welcomes the opportunity for the matter to be dealt with by the Supreme Court.

A handwritten signature in black ink, appearing to read 'P. Sullivan', is positioned above the printed name of the Chief Executive Officer.

PETER SULLIVAN
Chief Executive Officer

26 September 2006