



Resolute

ASX Announcement

Monday, 27 February 2017

Appendix 4D

Half Year Report for the six months ended 31 December 2016

Reporting Period

The reporting period is for the half year ended 31 December 2016 with the corresponding reporting period being for the half year ended 31 December 2015.

Results for announcement to the market

				A\$'000
Revenue from ordinary activities	down	-32%	to	168,167
Profit for the half year	down	-37%	to	64,265
Profit before tax attributable to members	down	-39%	to	55,362
Profit after tax attributable to members	down	-39%	to	55,362

Dividends	Amount per security	Franked amount per security
	n/a	n/a
Interim dividend (per share)	n/a	n/a
Record date for determining entitlements to the final dividend	n/a	

This half year report should be read in conjunction with the most recent annual financial report.

Corporate Directory

Directors

Chairman	PE Huston
Chief Executive Officer	JP Welborn
Non-Executive Director	MJ Botha
Non-Executive Director	HTS Price
Non-Executive Director	PR Sullivan

Secretary

GW Fitzgerald

Registered Office and Business Address

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Website

RML maintains a website where all major announcements to the ASX are available:
www.rml.com.au

Share Registry

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770 Canning Highway
Applecross, Western Australia 6153
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Facsimile: + 61 8 9315 2233
Email: registrar@securitytransfer.com.au

Home Exchange

Australian Securities Exchange Limited
Exchange Plaza, 2 The Esplanade
Perth, Western Australia 6000

Quoted on the official lists of the
Australian Securities Exchange

ASX Ordinary Share Code: "RSG"

Securities on Issue (31/12/2016)

Ordinary Shares	736,982,768
Unlisted Options	500,400
Performance Rights	17,530,528

Auditor

Ernst & Young
Ernst & Young Building
11 Mounts Bay Rd
Perth, Western Australia 6000

Bankers

BDM-SA
Avenue Modibo-Keita
BP 94 Bamako, Mali
Africa

Citibank Limited
Level 23, Citigroup Centre
2 Park Street
Sydney, New South Wales 2000
Australia

Shareholders wishing to receive copies of
Resolute's ASX announcements by e-mail should
register their interest by contacting the Company
at contact@rml.com.au

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Directors' Report

Your directors present their half year report on the consolidated entity (referred to hereafter as the "Group" or "Resolute") consisting of Resolute Mining Limited and the entities it controlled at the end of or during the half year ended 31 December 2016.

Corporate Information

Resolute Mining Limited ("RML" or "the Company") is a company limited by shares that is incorporated and domiciled in Australia.

Directors

The names of the Company's directors in office during the half year and until the date of this report are as follows. Directors were in office for this entire period.

PE Huston (Chairman)
JP Welborn (Chief Executive Officer)
MJ Botha (Non-Executive Director)
HTS Price (Non-Executive Director)
PR Sullivan (Non-Executive Director)

Company Secretary

GW Fitzgerald

Financial Position and Performance

- Cash, bullion and listed investments increased to a total market value of A\$283m (June 2016: A\$104m) and cash/bullion net of debt improved significantly from A\$75m (June 2016) to A\$253m. Cash, bullion and listed investments is represented as follows:

Asset type	Market value A\$'M	Book Value A\$'M
Cash	142	142
Gold bullion on hand held in metal accounts*	133	84
Listed Investments	8	8
Total	283	234

*Market value is calculated on 83,379 ounces at a gold price of A\$1,592/oz.

- Gross profit of \$69m (1H 2015: \$62m).
- Successful institutional placement completed, raising A\$150 million to secure growth project funding.
- Final dividend for FY16 of 1.7c per share paid in cash and bullion through an innovative gold sales-linked dividend policy.
- Average cash price received on 94,080 ounces of gold sold (1H 2016: 158,540 ounces) was \$1,784/oz (1H 2015: \$1,561/oz).

Directors' Report

Financial Position and Performance (continued)

- Resolute actively manages the company's currency exposure across AUD, USD and EUR and the company treats gold bullion as an alternative currency for treasury purposes. The decision to hold surplus liquid assets in a variety of currencies/forms provides currency flexibility to meet the group's wide range of foreign currency obligations, and most importantly maintains shareholder 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 in-turn temporarily reduced gold sales activity and hence temporarily reduced sales revenue, profit and operating cash flows recognised by the group for the half year ended 31 December 2016.

Had the gold bullion in metal accounts been sold by period end, the effect on earnings and cash flows would be as follows (note, this is unaudited information):

	Dec-16			Dec-15		
	Increase by* A\$'000	From A\$'000	To A\$'000	Decrease by* A\$'000	From A\$'000	To A\$'000
Revenue from continuing operations	112,642	168,167	280,809	(75)	248,592	248,517
Gross profit from operations	33,161	69,366	102,527	(728)	62,116	61,388
Profit for the period	33,161	64,265	97,426	(728)	57,180	56,452
Net cash flows from operating activities	106,265	(21,026)	85,239	(35)	70,487	70,452

* Using the period end gold price of US\$1,145.90 (31 December 2015: US\$1,060.00) and AUD:USD exchange rate of \$0.72 (31 December 2015: \$0.73).

Directors' Report (continued)

Review of Operations

Production

- FY17 year to date gold production of 170,558 ounces at an All-In Sustaining Cost of A\$999 (US\$753) per ounce, tracking ahead of guidance due mainly to higher than expected head grades at Syama.

December 2016 YTD	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravenswood	GROUP Total
UG lateral development - capital	m	611	-	611	-	611
UG ore mined	t	-	-	-	551,198	551,198
UG grade mined	g/t	-	-	-	2.56	2.56
OP operating waste	BCM	370,896	1,298,343	1,669,239	641,507	2,310,746
OP ore mined	BCM	312,349	414,974	727,323	164,031	891,354
OP grade mined	g/t	2.55	2.48	2.51	0.66	2.17
Total ore mined	t	848,241	777,215	1,625,456	953,025	2,578,481
Total tonnes processed	t	1,047,902	638,600	1,686,502	965,140	2,651,642
Grade processed	g/t	2.87	3.18	2.99	1.69	2.51
Recovery	%	73.1	77.9	75.0	93.8	79.6
Gold produced	oz	70,579	50,855	121,434	49,124	170,558
Gold in circuit drawdown/(addition)	oz	(1,207)	(1,296)	(2,503)	(3,228)	(5,731)
Gold shipped	oz	69,372	49,559	118,931	45,895	164,826
Gold bullion in metal account (increase)/decrease	oz	(27,857)	(18,874)	(46,731)	(24,015)	(70,746)
Gold sold	oz	41,515	30,685	72,200	21,880	94,080
Achieved gold price	A\$/oz	1,783	1,783	1,783	1,787	1,784
	US\$/oz	1,351	1,351	1,351	1,356	1,352
Cost Summary						
Mining	A\$/oz	279	412	335	646	425
Processing	A\$/oz	432	272	365	440	386
Administration	A\$/oz	168	84	133	178	146
Stockpile Adjustments	A\$/oz	(44)	(198)	(109)	(18)	(83)
Amortisation/(Deferral) of stripping costs	A\$/oz	-	424	178	(65)	108
Transfer of underground development costs to development	A\$/oz	(115)	-	(67)	-	(48)
Cash Cost	A\$/oz	721	993	835	1,180	934
	US\$/oz	543	749	629	888	703
Royalties	A\$/oz	61	64	62	39	63
By-product credits	A\$/oz	-	-	-	(7)	(2)
Amortisation/(Deferral) of stripping costs	A\$/oz	-	(424)	(178)	65	(108)
Sustaining capital + others	A\$/oz	79	72	76	81	79
Overhead costs	A\$/oz	12	13	12	12	33
All-in Sustaining Cost	A\$/oz	874	718	808	1,370	999
	US\$/oz	658	542	610	1,031	753
Depreciation and amortisation	A\$/oz	57	23	43	141	71

- Cash cost per ounce of gold produced is calculated as costs of production relating to gold sales excluding gold in circuit inventory movements divided by gold ounces produced.
 - All in Sustaining Costs ("AISC") per ounce of gold produced is calculated in accordance with World Gold Council guidelines.
- These measures are included to assist investors to better understand the performance of the business. Cash cost per ounce of gold produced and AISC are non-International Financial Reporting Standards financial information and where included in this Directors' Report have not been subject to review by the Group's external auditors.

Directors' Report (continued)

Review of Operations (continued)

Development

- Underground mine development commenced at the Syama underground project and is on schedule to deliver development ore in the first half of calendar year 2017 and first production ore in the second half of calendar year 2018.
- Ravenswood Expansion Project boosts mine-life at Ravenswood by 13 years until at least 2029. The project is underway with the re-commencement of open pit mining at Nolans East, and the first stage of processing plant re-configuration was successfully completed to increase mill throughput capacity from 1.5 to 2.8 million tonnes per annum.
- Total annual production at Ravenswood to increase to more than 130,000 ounces of gold with a Life of Mine All-In Sustaining Cost of A\$1,166 per ounce (US\$880 per ounce).
- Drilling commenced at Bibiani in the December 2016 quarter with the aim of extending the mine life beyond the current potential of five years and identifying further opportunities to reduce operating costs.

Exploration

- Drilling at Nafolo confirmed a major new gold discovery south of the Syama Gold Mine with intercepts showing mineralisation with similar width, grade, and characteristics to the 8 million ounce Syama orebody.
- Total Ravenswood Ore Reserves increased to 1.8 million ounces.

Directors' Report (continued)

Significant Events After Balance Date

No significant events have occurred since balance date on 31 December 2016 and the date of this Directors' Report.

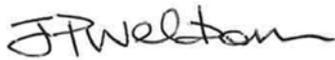
Auditor's Independence

Refer to page 9 for a copy of the Auditor's Independence Declaration to the Directors of Resolute Mining Limited.

Rounding

RML is a Company of the kind specified in Australian Securities and Investments Commission Corporations (Rounding in Financial Directors' Reports) Instrument 2016/191. In accordance with that class order, amounts in the financial report and the Directors' Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

Signed in accordance with a resolution of the directors.



J.P. Welborn

Director

Perth, Western Australia

27 February 2017

Auditor's Independence Declaration to the Directors of Resolute Mining Limited

As lead auditor for the review of Resolute Mining Limited for the half-year ended 31 December 2016, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Resolute Mining Limited and the entities it controlled during the financial period.



Ernst & Young



Gavin Buckingham
Partner
Perth
27 February 2017

Consolidated Statement of Comprehensive Income

	Note	For the half year ended 31-Dec-16 \$'000	Restated For the half year ended 31-Dec-15 \$'000
Continuing Operations			
Revenue from gold and silver sales	3	168,167	248,592
Costs of production relating to gold sales	3	(74,675)	(149,355)
Gross profit before depreciation, amortisation and other operating costs		93,492	99,237
Depreciation and amortisation relating to gold sales	3	(12,111)	(21,004)
Other operating costs relating to gold sales	3	(12,015)	(16,117)
Gross profit from operations		69,366	62,116
Administration and other corporate expenses	3	(4,865)	(2,354)
Exploration and business development expenditure	3	(3,111)	(4,572)
Other income	3	591	64
Finance costs	3	(1,559)	(4,303)
Treasury - realised gains/(losses)	3	1,337	(6,282)
Fair value movements and unrealised treasury transactions	3	2,914	18,356
Other expenses	3	(177)	(5,798)
Share of associates' losses	3	(188)	-
Depreciation of non mine site assets	3	(43)	(47)
Profit before tax from continuing operations		64,265	57,180
Tax expense		-	-
Profit for the period from continuing operations		64,265	57,180
Discontinued Operation			
Profit after tax for the discontinued operation	5	-	44,722
Profit for the period		64,265	101,902
Profit attributable to:			
Members of the parent		55,363	91,452
Non-controlling interest		8,903	10,450
		64,265	101,902

Consolidated Statement of Comprehensive Income (continued)

	For the half year ended 31-Dec-16 \$'000	Restated For the half year ended 31-Dec-15 \$'000
Profit for the period (brought forward)	64,265	101,902
Other comprehensive income/(loss)		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations:		
- Members of the parent	5,950	181
- Transferred to profit and loss - disposed subsidiaries	-	(42,488)
Changes in the fair value/realisation of available for sale financial assets, net of tax	(155)	(57)
<i>Items that may not be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations:		
- Non-controlling interest	1,019	(2,639)
Other comprehensive income/(loss) for the period, net of tax	6,814	(45,003)
Total comprehensive income for the period	71,079	56,899
Total comprehensive income attributable to:		
Members of the parent	61,157	49,088
Non-controlling interest	9,922	7,811
	71,079	56,899
Earnings per share for net profit attributable to the ordinary equity holders of the parent:		
Basic earnings per share	7.96 cents	14.26 cents
Diluted earnings per share	7.77 cents	13.87 cents
Earnings per share for net profit from continuing operations attributable to the ordinary equity holders of the parent:		
Basic earnings per share	7.96 cents	7.28 cents
Diluted earnings per share	7.77 cents	7.09 cents

Consolidated Statement of Financial Position

	Note	As at 31-Dec-16 \$'000	Restated As at 30-Jun-16 \$'000
Current assets			
Cash		142,065	79,873
Receivables		16,302	7,005
Inventories	7	277,434	174,022
Available for sale financial assets		525	427
Financial derivative assets	8	5,783	-
Other current assets		2,939	2,177
Total current assets		445,048	263,504
Non current assets			
Other financial assets		3,853	3,699
Exploration and evaluation		52,813	46,292
Development		107,384	117,190
Property, plant and equipment		75,244	61,656
Investments in associates	9	7,288	-
Total non current assets		246,582	228,837
Total assets		691,630	492,341
Current liabilities			
Payables		36,224	33,367
Interest bearing liabilities		22,698	26,678
Provisions		19,075	28,328
Financial derivative liabilities	8	-	151
Total current liabilities		77,997	88,524
Non current liabilities			
Provisions		64,306	65,139
Financial derivative liabilities	8	-	264
Total non current liabilities		64,306	65,403
Total liabilities		142,303	153,927
Net assets		549,327	338,414
Equity attributable to equity holders of the parent			
Contributed equity	10	544,987	395,198
Reserves		40,469	33,427
Retained earnings/(accumulated losses)		2,324	(41,836)
Total equity attributable to equity holders of the parent		587,780	386,789
Non-controlling interest		(38,453)	(48,375)
Total equity		549,327	338,414

Consolidated Statement of Changes in Equity

	Contributed equity	Net unrealised gain/(loss) reserve	Convertible notes equity reserve	Share options equity reserve	Employee equity benefits reserve	Foreign currency translation reserve	(Accumulated Losses)/Retained earnings	Non-controlling interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2016	395,198	(68)	384	5,987	12,092	14,868	(32,080)	(45,977)	350,404
Restatement of comparatives (Note 12)	-	-	-	-	-	164	(9,756)	(2,398)	(11,990)
At 1 July 2016 (restated)	395,198	(68)	384	5,987	12,092	15,032	(41,836)	(48,375)	338,414
Profit for the period	-	-	-	-	-	-	55,362	8,903	64,265
Other comprehensive loss, net of tax	-	(155)	-	-	-	5,950	-	1,019	6,814
Total comprehensive (loss)/income for the period, net of tax	-	(155)	-	-	-	5,950	55,362	9,922	71,079
Shares issued	152,697	-	-	-	-	-	-	-	152,697
Share issue costs	(2,908)	-	-	-	-	-	-	-	(2,908)
Dividend paid	-	-	-	-	-	-	(11,202)	-	(11,202)
Share-based payments to employees	-	-	-	-	1,247	-	-	-	1,247
At 31 December 2016	544,987	(223)	384	5,987	13,339	20,982	2,324	(38,453)	549,327
At 1 July 2015	380,305	(127)	384	5,987	10,507	56,275	(213,793)	(74,312)	165,226
Profit for the period	-	-	-	-	-	-	95,450	11,449	106,899
Restatement of comparatives (Note 12)	-	-	-	-	-	-	(3,998)	(999)	(4,997)
Restated profit for the period	-	-	-	-	-	-	91,452	10,450	101,902
Other comprehensive loss, net of tax	-	(57)	-	-	-	(42,307)	-	(2,639)	(45,003)
Total comprehensive (loss)/income for the period, net of tax	-	(57)	-	-	-	(42,307)	91,452	7,811	56,899
Share-based payments to employees	-	-	-	-	906	-	-	-	906
At 31 December 2015	380,305	(184)	384	5,987	11,413	13,968	(122,341)	(66,501)	223,031

Consolidated Cash Flow Statement

	For the half- year ended 31-Dec-16 \$'000	For the half- year ended 31-Dec-15 \$'000
Cash flows from operating activities		
Receipts from customers	168,167	248,592
Payments to suppliers, employees and others	(185,514)	(169,655)
Exploration expenditure	(3,111)	(5,061)
Interest paid	(1,120)	(3,411)
Interest received	552	22
Net cash flows (used in)/from operating activities	<u>(21,026)</u>	<u>70,487</u>
Cash flows from investing activities		
Payments for property, plant & equipment	(18,576)	(8,789)
Payments for development activities	(19,486)	(7,971)
Payments for evaluation activities	(6,471)	(5,392)
Proceeds from sale of property, plant & equipment	555	2,654
Payments for financial assets	(4,509)	-
Other investing activities	(1,285)	(1,305)
Net cash flows used in investing activities	<u>(49,772)</u>	<u>(20,803)</u>
Cash flows from financing activities		
Proceeds from issuing ordinary shares	150,000	-
Costs of issuing ordinary shares	(2,908)	-
Dividend paid	(11,202)	-
Repayment of lease liability	(234)	(2,522)
Repayment of borrowings	-	(25,365)
Net cash flows from/(used in) financing activities	<u>135,656</u>	<u>(27,887)</u>
Net increase in cash and cash equivalents	64,858	21,797
Cash and cash equivalents at the beginning of the financial year	53,417	(19,735)
Exchange rate adjustment	1,092	(1,483)
Cash and cash equivalents at the end of the period	<u>119,367</u>	<u>579</u>
Cash and cash equivalents comprise the following:		
Cash at bank and on hand	142,065	33,289
Bank overdraft	(22,698)	(32,710)
	<u>119,367</u>	<u>579</u>

Notes to the Financial Statements

Note 1: Corporate Information

The financial report of Resolute Mining Limited and its controlled entities (“Resolute”, the “Group” or “consolidated entity”) for the half year ended 31 December 2016 was authorised for issue in accordance with a resolution of directors on 27 February 2017.

Resolute Mining Limited (the parent) is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activities of entities within the consolidated entity during the half year were:

- Gold mining; and,
- prospecting and exploration for minerals.

There has been no significant change in the nature of those activities during the half year.

Note 2: Basis of Preparation and Summary of Significant Accounting Practices

This interim financial report for the half year ended 31 December 2016 has been prepared in accordance with AASB 134 *Interim Financial Reporting and the Corporations Act 2001*.

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

It is recommended that the half year financial report be read in conjunction with the Annual Report for the year ended 30 June 2016 and considered together with any public announcements made by Resolute Mining Limited during the half year ended 31 December 2016 in accordance with the continuous disclosure obligations of the Australian Securities Exchange listing rules.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

Notes to the Financial Statements

Note 3: Segment revenue and expenses

<u>For the half-year ended 31 December 2016</u>	<u>UNALLOCATED (b)</u>					TOTAL
	RAVENSWOOD (AUSTRALIA) \$'000	SYAMA (MALI) \$'000	BIBIANI (GHANA) \$'000	CORP/OTHER \$'000	TREASURY \$'000	
Revenue						
Gold and silver sales at spot to external customers (a)	38,627	126,482	-	-	3,058	168,167
Total segment gold and silver sales revenue	38,627	126,482	-	-	3,058	168,167
Costs of production	(57,979)	(101,378)	-	-	-	(159,357)
Gold in circuit inventories movement	36,182	48,500	-	-	-	84,682
Costs of production relating to gold sales	(21,797)	(52,878)	-	-	-	(74,675)
Royalty expense	(1,926)	(8,850)	-	-	-	(10,776)
Operational support costs	(105)	(1,134)	-	-	-	(1,239)
Other operating costs relating to gold sales	(2,031)	(9,984)	-	-	-	(12,015)
Other management and administration expenses	(571)	(866)	-	(2,659)	-	(4,096)
Share-based payments expense	-	-	-	(769)	-	(769)
Administration and other corporate expenses	(571)	(866)	-	(3,428)	-	(4,865)
Exploration and business development expenditure	(1,929)	(163)	(331)	(688)	-	(3,111)
Earnings/(loss) before interest, tax, depreciation and amortisation	12,299	62,591	(331)	(4,116)	3,058	73,501
Amortisation of evaluation, development and rehabilitation costs	(4,921)	(1,868)	-	-	-	(6,789)
Depreciation of mine site properties, plant and equipment	(1,991)	(3,331)	-	-	-	(5,322)
Depreciation and amortisation relating to gold sales	(6,912)	(5,199)	-	-	-	(12,111)
Segment operating result before treasury, other income/(expenses) and tax	5,387	57,392	(331)	(4,116)	3,058	61,390

Notes to the Financial Statements

Note 3: Segment revenue and expenses (continued)

<u>For the half-year ended 31 December 2016</u>	<u>UNALLOCATED (b)</u>					TOTAL
	RAVENSWOOD (AUSTRALIA) \$'000	SYAMA (MALI) \$'000	BIBIANI (GHANA) \$'000	CORP/OTHER \$'000	TREASURY \$'000	
Segment operating result before treasury, other income/(expenses) and tax (brought forward)	5,387	57,392	(331)	(4,116)	3,058	61,390
Interest income	-	-	-	-	552	552
Other income	10	-	-	-	29	39
Total other income	10	-	-	-	581	591
Interest and fees	-	-	-	-	(1,054)	(1,054)
Rehabilitation and restoration provision accretion	-	-	-	-	(505)	(505)
Finance costs	-	-	-	-	(1,559)	(1,559)
Realised foreign exchange gain	-	-	-	-	826	826
Realised gain on available for sale investments	-	-	-	-	511	511
Treasury - realised gain	-	-	-	-	1,337	1,337
Inventories net realisable value movements	1,083	5,607	-	-	-	6,690
Unrealised foreign exchange gain	-	-	-	-	6	6
Unrealised gain on gold forward sales contracts	-	-	-	-	6,199	6,199
Unrealised foreign exchange loss on intercompany balances	-	-	-	-	(9,981)	(9,981)
Fair value movements and unrealised treasury transactions	1,083	5,607	-	-	(3,776)	2,914
Loss on sale of property, plant and equipment	(76)	-	(101)	-	-	(177)
Other expenses	(76)	-	(101)	-	-	(177)
Share of associates' losses	-	-	-	-	(188)	(188)
Depreciation of non mine site assets	-	-	-	(43)	-	(43)
Profit/(loss) for the period	6,404	62,999	(432)	(4,159)	(547)	64,265

Notes to the Financial Statements

Note 3: Segment revenue and expenses (continued)

<u>For the half-year ended 31 December 2015 (restated)</u>	RAVENSWOOD (AUSTRALIA) \$'000	SYAMA (MALI) \$'000	BIBIANI (GHANA) \$'000	UNALLOCATED (b)		TOTAL \$'000
				CORP/OTHER \$'000	TREASURY \$'000	
Revenue						
Gold and silver sales at spot to external customers (a)	91,287	155,980	-	-	1,325	248,592
Total segment gold and silver sales revenue	91,287	155,980	-	-	1,325	248,592
Costs of production	(54,593)	(84,634)	-	-	-	(139,227)
Gold in circuit inventories movement	9	(10,137)	-	-	-	(10,128)
Costs of production relating to gold sales	(54,584)	(94,771)	-	-	-	(149,355)
Royalty expense	(4,557)	(10,396)	-	-	-	(14,953)
Operational support costs	-	(1,153)	-	(11)	-	(1,164)
Other operating costs relating to gold sales	(4,557)	(11,549)	-	(11)	-	(16,117)
Other management and administration expenses	(570)	(1,212)	-	139	-	(1,643)
Share-based payments expense	-	-	-	(711)	-	(711)
Administration and other corporate expenses	(570)	(1,212)	-	(572)	-	(2,354)
Exploration and business development expenditure	(1,637)	(210)	(1,089)	(1,636)	-	(4,572)
Earnings/(loss) before interest, tax, depreciation and amortisation	29,939	48,238	(1,089)	(2,219)	1,325	76,194
Amortisation of evaluation, development and rehabilitation costs	(9,017)	(1,195)	-	-	-	(10,212)
Depreciation of mine site properties, plant and equipment	(6,268)	(4,524)	-	-	-	(10,792)
Depreciation and amortisation relating to gold sales	(15,285)	(5,719)	-	-	-	(21,004)
Segment operating result before treasury, other income/(expenses) and tax	14,654	42,519	(1,089)	(2,219)	1,325	55,190

Notes to the Financial Statements

Note 3: Segment revenue and expenses (continued)

<u>For the half-year ended 31 December 2015 (restated)</u>	UNALLOCATED (b)					TOTAL \$'000
	RAVENSWOOD (AUSTRALIA) \$'000	SYAMA (MALI) \$'000	BIBIANI (GHANA) \$'000	CORP/OTHER \$'000	TREASURY \$'000	
Segment operating result before treasury, other income/(expenses) and tax (brought forward)	14,654	42,519	(1,089)	(2,219)	1,325	55,190
Profit on sale of property, plant and equipment	-	-	-	1	-	1
Interest income	-	-	-	22	-	22
Other income	14	-	-	27	-	41
Total other income	14	-	-	50	-	64
Interest and fees	-	-	-	-	(3,749)	(3,749)
Rehabilitation and restoration provision accretion	-	-	-	-	(554)	(554)
Finance costs	-	-	-	-	(4,303)	(4,303)
Realised foreign exchange loss	-	-	-	-	(5,769)	(5,769)
Realised loss on repayment of gold prepay loan	-	-	-	-	(513)	(513)
Treasury - realised losses	-	-	-	-	(6,282)	(6,282)
Inventories net realisable value movements	(499)	6,199	-	-	-	5,700
Other	-	529	-	-	-	529
Unrealised foreign exchange gain	-	-	-	-	3,100	3,100
Unrealised foreign exchange gain on intercompany balances	-	-	-	-	9,027	9,027
Fair value movements and unrealised treasury transactions	(499)	6,728	-	-	12,127	18,356
Withholding tax expenses	-	(5,734)	-	(64)	-	(5,798)
Other expenses	-	(5,734)	-	(64)	-	(5,798)
Depreciation of non mine site assets	-	-	-	(47)	-	(47)
Profit for the period from discontinued operation, net of tax	-	-	-	44,722	-	44,722
Profit/(loss) for the period	14,169	43,513	(1,089)	42,442	2,867	101,902

Notes to the Financial Statements

Note 3: Operating Segments (continued)

- (a) Revenue from external sales for each reportable segment is derived from several customers.
- (b) This information does not represent an operating segment as defined by AASB 8, however this information is analysed in this format by the Chief Operating Decision Maker, and forms part of the reconciliation of the results and positions of the operating segments to the financial statements.

Note 4: Segment cash flow, expenditure, assets and liabilities

<u>For the half-year ended 31 December 2016</u>	RAVENSWOOD (AUSTRALIA) \$'000	SYAMA (MALI) \$'000	BIBIANI (GHANA) \$'000	UNALLOCATED (b)		TOTAL \$'000
				CORP/OTHER \$'000	TREASURY \$'000	
Cash flow by segment, including gold bullion, and gold shipped but unsold and held in metal accounts	(2,588)	59,536	(4,935)	(10,834)	130,742	171,921
Reconciliation of cash flow by segment to the cash flow statement:						
Movement in gold shipped but unsold and held in metal accounts						(110,172)
Mark to market movement in gold unsold						(1,687)
Movement in bank overdraft, including foreign exchange movements						3,758
Exchange rate adjustment in cash on hand						1,038
Movement in cash and cash equivalents per consolidated cash flow statement						64,858
Capital expenditure	6,335	31,326	5,045	396	-	43,102
Segment assets	89,258	362,400	70,537	169,435	-	691,630
Segment liabilities	43,151	77,862	16,795	4,495	-	142,303

Notes to the Financial Statements

Note 4: Segment cash flow, expenditure, assets and liabilities (continued)

<u>For the half-year ended 31 December 2015</u>	RAVENSWOOD (AUSTRALIA) \$'000	SYAMA (MALI) \$'000	BIBIANI (GHANA) \$'000	UNALLOCATED (b)		TOTAL \$'000
				CORP/OTHER \$'000	TREASURY \$'000	
Cash flow by segment, including gold bullion, and gold shipped but unsold and held in metal accounts	31,604	29,994	(6,923)	(3,856)	(26,689)	24,130
Reconciliation of cash flow by segment to the cash flow statement:						
Movement in gold shipped but unsold and held in metal accounts						1,429
Mark to market movement in gold unsold						858
Movement in bank overdraft, including foreign exchange movements						(3,090)
Exchange rate adjustment in cash on hand						844
Cash flows from discontinued operation						(2,374)
Movement in cash and cash equivalents per consolidated cash flow statement						21,797
Capital expenditure	4,822	14,191	5,107	36	-	24,156
Segment assets as previously stated	84,714	272,463	60,433	32,440	-	450,050
Restatement of comparatives (Note 12)	-	(4,997)	-	-	-	(4,997)
Restated segment assets	84,714	267,466	60,433	32,440	-	445,053
Segment liabilities	44,909	88,469	16,549	9,879	62,216	222,022

Notes to the Financial Statements

Note 5: Discontinued Operation

On 12 December 2014, the formal handover of the Golden Pride site and all remaining infrastructure to the Madini Institute to set up a mining institute of learning was completed, as agreed with the Government of Tanzania. This ended Resolute's presence on site at Golden Pride after 15 years and production of over 2.2 million ounces of gold. This arm of the business, previously represented as the Golden Pride operating segment, has been classified as a discontinued operation and is no longer presented as a segment in Note 3.

In October 2015, Resolute completed the divestment of Resolute Pty Ltd, the company holding all of Resolute's subsidiaries, assets, liabilities, contingent liabilities, and mineral rights in Tanzania (the "RPL group"). Resolute entered into an agreement with Cienega S.A.R.L. whereby Cienega S.A.R.L. acquired the RPL group for nominal initial consideration, with a potential deferred consideration equal to 50% of the proceeds of the sale of any mineral rights, related physical assets, and other specific legal actions.

The results for the period are presented below:

	For the half year ended 31-Dec-16 \$'000	For the half year ended 31-Dec-15 \$'000
Revenue	-	-
Expenses	-	(1,381)
Gain on sale of the Resolute Pty Ltd group (i)	-	46,103
Profit before tax from a discontinued operation	-	44,722
Tax expense	-	-
Profit for the period from a discontinued operation	-	44,722
<i>Earnings per share:</i>		
Basic earnings per share of discontinued operation	N/A	6.97 cents
Diluted earnings per share of discontinued operation	N/A	6.79 cents
The net cash flows of the discontinued operation are as follows:		
Operating cash flows	-	(2,374)
Net cash outflow	-	(2,374)

- (i) The net liabilities of the RPL Group sold for nil consideration totalled \$3.615 million. Additionally, the RPL Group's accumulated foreign exchange gain recognised in equity was A\$42.488m and was credited to profit and loss.

Note 6: Dividend paid

The 30 June 2016 final dividend declared and paid in the half year ended 31 December 2016 was \$11.202m (\$0.017 per share) (31 December 2015: nil). There were no interim dividends paid or provided for during the half year end up to the date of this report (half year ended 31 December 2015: nil).

Notes to the Financial Statements

Note 7: Inventories

	As at 31-Dec-16 \$'000	Restated As at 30-Jun-16 \$'000
Ore stockpiles		
-At cost	61,822	30,699
-At net realisable value	12,534	14,972
Total ore stockpiles	74,356	45,671
Gold bullion on hand - at cost	84,052	11,460
Gold in circuit - at cost	69,039	66,397
Consumables at cost	49,987	50,494
	277,434	174,022

Note 8: Financial assets and liabilities

Financial derivative assets

Gold forwards at fair value - current	5,783	-
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Financial derivative liabilities

Gold forwards at fair value - current	-	151
Gold forwards at fair value - non-current	-	264
	-	415

Gold forward sales are deliverable at an average price of A\$1,800 an ounce for a total of 30,000 ounces between January 2017 and October 2017 inclusive at the rate of 3,000 ounces per month.

The gold forward contracts are valued using the valuation techniques with market observable inputs such as credit quality of counterparties, forward rate curves of the underlying commodity etc. The fair value methodology adopted is categorised as Level 2 in the fair value hierarchy.

Note 9: Investments in Associates

Kilo Goldmines Limited

During the period Resolute acquired a 27.4% interest in Kilo Goldmines Limited ("Kilo") through an initial acquisition of 14.6% of Kilo via participation in a private placement in August 2016 and a subsequent 12.9% interest through a share swap agreement with Osisko Mining Incorporated ("Osisko") in October 2016. The acquisition of the first tranche was accounted for as an available for sale financial asset, with the second tranche representing an interest in which Resolute gained significant influence and began equity accounting for the investment. The market value of Resolute's investment in Kilo as at 31 December 2016 was \$4.565m.

Notes to the Financial Statements

Note 9: Investments in Associates (continued)

Manas Resources Limited

At 30 June 2016 Resolute owned 4.8% of Manas Resources Limited ("Manas"). During the period Resolute acquired an additional 14.2% interest in Manas, taking its overall investment in the company to 19.0% on 22 November 2016. The investment in Manas was accounted for as an available for sale financial asset until the appointment of a Resolute executive to the board of Manas on 22 November 2016, at which point it was deemed Resolute had significant influence and began accounting for its interest as an equity accounted investment. The market value of Resolute's investment in Manas as at 31 December 2016 was \$1.999m.

Note 10: Contributed Equity

	\$ per share	Total Number	Number Quoted	\$'000	
Ordinary securities					
As at 1 July 2016		655,632,994	655,632,994	395,198	
<u>Changes during current period, net of issue costs</u>					
Placement of shares to institutional investors (net of costs)	1.96	76,530,612	76,530,612	147,092	
Shares issued pursuant to the Osisko Share Purchase Agreement (net of costs)	1.67	1,530,760	1,530,760	2,544	
Increase through issue of shares to Level 1 and 2 employees	-	3,158,402	3,158,402	-	
Increase through exercise of unlisted options	1.18	130,000	130,000	153	
As at 31 December 2016		736,982,768	736,982,768	544,987	
		Total Number	Number Quoted	Exercise Price	Expiry Date
Options on issue					
As at 31 December 2016		500,400	-	\$1.85	26/01/2017
		500,400	-	\$1.85	
		Total Number	Number Quoted	Exercise Price	Date of Change
<u>Changes during current period</u>					
Exercise of unlisted options		(130,000)	-	\$1.18	15/07/2016
Lapsing of unlisted options		(45,000)	-	\$1.85	1/08/2016

Notes to the Financial Statements

Note 10: Contributed Equity (continued)

	Issue Date	Total Number	Fair Value per Right at Grant Date	Vesting Date
Performance rights on issue				
Level 1	1/07/2014	2,250,597	\$0.50	30/06/2017
Level 1	1/07/2015	5,083,995	\$0.25	30/06/2018
Level 2	28/08/2015	4,720,402	\$0.25	30/06/2017
Level 2	31/08/2016	575,145	\$1.89	30/06/2018
Band 1 to 4	24/10/2016	2,900,389	\$1.27	30/06/2019
Band 1	29/11/2016	400,000	\$1.21	30/06/2018
Band 1	29/11/2016	600,000	\$1.20	30/06/2019
Band 1	29/11/2016	1,000,000	\$1.18	30/06/2020
As at 31 December 2016		17,530,528	\$0.62	

	Date of Change	Total Number	Fair Value per Right at Grant Date	Vesting Date
<u>Changes during current period</u>				
Increase through issue of performance rights to eligible employees (Level 2)	31/08/2016	575,145	\$1.89	30/06/2018
Increase through issue of performance rights to eligible employees (Band 1 to 4)	24/10/2016	2,900,389	\$1.27	30/06/2019
Increase through issue of performance rights to eligible employees (Band 1)	29/11/2016	400,000	\$1.21	30/06/2018
Increase through issue of performance rights to eligible employees (Band 1)	29/11/2016	600,000	\$1.20	30/06/2019
Increase through issue of performance rights to eligible employees (Band 1)	29/11/2016	1,000,000	\$1.18	30/06/2020
Decrease through conversion of shares upon vesting of performance rights (Level 1)	31/08/2016	(1,655,638)	\$0.43	30/06/2016
Decrease through lapsing of performance rights (Level 1)	31/08/2016	(1,497,958)	\$0.43	30/06/2016
Decrease through conversion of shares upon vesting of performance rights (Level 2)	31/08/2016	(1,502,764)	\$0.56	30/06/2016
Decrease through lapsing of performance rights (Level 2)	31/08/2016	(163,401)	\$0.25	30/06/2017

*The terms and conditions of the Remuneration Framework are consistent with those disclosed in the Annual Report for the year ended 30 June 2016 and the Notice of Annual General Meeting sent to shareholders on 28 October 2016.

Note 11: Net Tangible Assets

	As at 31-Dec-16 \$'000	Restated As at 30-Jun-16 \$'000
Net tangible asset backing per share	0.75	0.52

Notes to the Financial Statements

Note 12: Restatement of Comparative Information

During the preparation of the 31 December 2016 half year financial report it was noted that there was a misstatement in the Gold in Circuit and Gold Bullion ("GIC") valuation model for the Syama gold mines sulphide GIC. The financial modelling caused the book value of GIC to be overstated at 31 December 2015 by \$4.997m, and at 30 June 2016 by \$11.990m.

It should be noted that all of the restatements are non-cash in nature, and do not affect reported cash flows. Furthermore, there is no change or impact on:

- the contained ounces of GIC, nor its market value at those balance dates;
- Resolute's enterprise value;
- banking covenant ratios;
- the group's liquidity position;
- reported gold production, cash costs per ounce of production¹, and all-in sustaining costs per ounce of production²; and,
- any of the information disclosed in the group's quarterly reports.

Restatements for each of the affected 31 December 2015 and 30 June 2016 financial statement line items for the prior periods are as follows:

	Restated For the half year ended 31-Dec-15 \$'000	As previously stated For the half year ended 31-Dec-15 \$'000
<u>Consolidated Statement of Comprehensive Income</u>		
Costs of production relating to gold sales	(149,355)	(144,358)
Gross profit before depreciation, amortisation and other operating costs	99,237	104,234
Gross profit from operations	62,116	67,113
Profit for the period from continuing operations	57,180	62,177
Profit for the period	101,902	106,899
Profit attributable to:		
Members of the parent	91,452	95,450
Non-controlling interest	10,450	11,449
Total comprehensive income attributable to:		
Members of the parent	49,088	53,086
Non-controlling interest	7,811	8,810
<u>Earnings per share for net profit attributable to the ordinary equity holders of the parent:</u>		
Basic earnings per share	14.26 cents	14.88 cents
Diluted earnings per share	13.87 cents	14.50 cents
<u>Earnings per share for net profit from continuing operations attributable to the ordinary equity holders of the parent:</u>		
Basic earnings per share	7.28 cents	7.91 cents
Diluted earnings per share	7.09 cents	7.71 cents

1. Cash cost per ounce of gold produced is calculated as costs of production relating to gold sales excluding gold in circuit inventory movements divided by gold ounces produced.

2. All in Sustaining Costs ("AISC") per ounce of gold produced is calculated in accordance with World Gold Council guidelines.

These measures are included to assist investors to better understand the performance of the business. Cash cost per ounce of gold produced and AISC are non-International Financial Reporting Standards financial information and where included in this Directors' Report have not been subject to review by the Group's external auditors.

Notes to the Financial Statements

Note 12: Restatement of Comparative Information (continued)

	Restated For the year ended 30-Jun-16 \$'000	As previously stated For the year ended 30-Jun-16 \$'000
<u>Consolidated Statement of Financial Position</u>		
Inventories	174,022	186,012
Total current assets	263,504	275,494
Total assets	492,341	504,331
Net assets	338,414	350,404
Reserves	33,427	33,263
Accumulated losses	(41,836)	(32,080)
Total equity attributable to equity holders of the parent	386,789	396,381
Non-controlling interest	(48,375)	(45,977)
Total equity	338,414	350,404

Note 13: Events Occurring after Balance Date

No significant events have occurred since balance date on 31 December 2016 up to the date of this report.

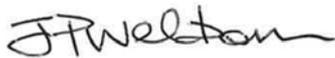
Directors' Declaration

In the opinion of the directors:

- a) the financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance, as required by Accounting Standards, for the half year ended on that date.

- b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made in accordance with a resolution of the directors.



J.P. Welborn
Director

Perth, Western Australia
27 February 2017

To the members of Resolute Mining Limited

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of Resolute Mining Limited, which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The Directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Resolute Mining Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the Directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Resolute Mining Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Ernst & Young



Gavin Buckingham
Partner
Perth
27 February 2017