

Resolute



ACN 097 088 689

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting of the Shareholders of Resolute Mining Limited (**Company**) will be held at 3.00pm (AWST) on Thursday, 27 February 2020 at Level 2, Australia Place, 15-17 William Street, Perth, Western Australia (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form both form part of this Notice.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company at 3.00pm (AWST) on Tuesday, 25 February 2020.

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in the Schedule.

AGENDA

Resolution 1 – Ratification of Issue of Tranche 1 Placement Shares

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of Listing Rules 7.4 and for all other purposes, Shareholders ratify and approve the issue of 132,733,185 Shares at an issue price of \$1.10 per Share, on the terms and conditions detailed in the Explanatory Memorandum."

Resolution 2 – Approval of Issue of Major Shareholder Placement Shares

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of Listing Rules 7.1 and for all other purposes, Shareholders approve the issue of up to 22,327,272 Shares at an issue price of \$1.10 per Share to ICM Limited (or its nominee/s), on the terms and conditions detailed in the Explanatory Memorandum."

Resolution 3 – Approval of Issue of Shares to Chairman, Mr Martin Botha

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 45,455 Shares at an issue price of \$1.10 per Share to Mr Marthinus (Martin) Botha (or his nominee/s), on the terms and conditions detailed in the Explanatory Memorandum."

Resolution 4 – Approval of Issue of Shares to Managing Director and CEO, Mr John Welborn

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 300,000 Shares at an issue price of \$1.10 per Share to Mr John Welborn (or his nominee/s), on the terms and conditions detailed in the Explanatory Memorandum."

Resolution 5 – Approval of Issue of Shares to Non-Executive Director, Ms Yasmin Broughton

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 27,273 Shares at an issue price of \$1.10 per Share to Ms Yasmin Broughton (or her nominee/s), on the terms and conditions detailed in the Explanatory Memorandum."

Resolution 6 – Approval of Issue of Shares to Non-Executive Director, Ms Sabina Shugg

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 27,273 Shares at an issue price of \$1.10 per Share to Ms Sabina Shugg (or her nominee/s), on the terms and conditions detailed in the Explanatory Memorandum."

Resolution 7 – Approval of Issue of Shares for Royalty

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

"That, for the purposes of Listing Rules 7.1 and for all other purposes, Shareholders approve the issue of up to 15,750,000 Shares to Taurus Mining Finance Fund L.P. (or its nominee/s), on the terms and conditions detailed in the Explanatory Memorandum."

VOTING EXCLUSIONS

Resolution 1 – Ratification of Issue of Tranche 1 Placement Shares

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a person who participated in the Tranche 1 Placement or any of their associates.

However, the Company will not disregard a vote in favour of Resolution 1 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in this way;
- (b) the Chairman as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and
 - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 2 – Approval of Issue of Major Shareholder Placement Shares

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of ICM Limited (or its nominee/s) or any of their associates.

However, the Company will not disregard a vote in favour of Resolution 2 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in this way;
- (b) the Chairman as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and
 - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolutions 3-6 – Approval of Issue of Shares to Martin Botha, John Welborn, Yasmin Broughton and Sabina Shugg (respectively)

The Company will disregard any votes cast:

- (a) in favour of Resolution 3, by or on behalf of:
 - (i) Martin Botha (or his nominee/s);
 - (ii) any other person who will obtain a material benefit as a result of the issue of the Shares to Martin Botha (or his nominee/s) (except a benefit solely by reason of being a holder of ordinary securities in the Company); or

- (iii) any associate of those persons;
- (b) in favour of Resolution 4, by or on behalf of:
 - (i) John Welborn (or his nominee/s);
 - (ii) any other person who will obtain a material benefit as a result of the issue of the Shares to John Welborn (or his nominee/s) (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
 - (iii) any associate of those persons;
- (c) in favour of Resolution 5, by or on behalf of:
 - (i) Yasmin Broughton (or her nominee/s);
 - (ii) any other person who will obtain a material benefit as a result of the issue of the Shares to Yasmin Broughton (or her nominee/s) (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
 - (iii) any associate of those persons; and
- (d) in favour of Resolution 6, by or on behalf of:
 - (i) Sabina Shugg (or her nominee/s);
 - (ii) any other person who will obtain a material benefit as a result of the issue of the Shares to Sabina Shugg (or her nominee/s) (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
 - (iii) any associate of those persons.

However, the Company will not disregard a vote in favour of Resolutions 3-6 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in this way;
- (b) the Chairman as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and
 - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Resolution 7 – Approval of Issue of Shares for Royalty

The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of Taurus Mining Finance Fund L.P. (or its nominee/s) or any of their associates.

However, the Company will not disregard a vote in favour of Resolution 7 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in this way;
- (b) the Chairman as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and
 - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

VOTING IN PERSON

A Shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring the enclosed Proxy Form to the Meeting to assist in registering your attendance and the number of votes.

Holders of Depository Interests (DI Holders) may attend the Meeting but will not be permitted to vote at the Meeting. In order for their votes to be counted, DI Holders must submit their CREST Voting Instruction to the Company's agent by the required cut-off time set out below. Alternatively, DI Holders can vote using the enclosed Form of Instruction as per the instructions set out below.

'SNAP-SHOT' TIME

The Company may specify a time, not more than 48 hours before the Meeting, at which a 'snap-shot' of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Directors have determined that all Shares on issue at 3.00pm (AWST) on Tuesday, 25 February 2020 will, for the purposes of determining voting entitlements at this extraordinary general meeting, be taken to be held by the persons registered as holding the Shares at that time.

CORPORATE REPRESENTATIVE

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that Company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

VOTING BY PROXY

Australia (Proxy form)

If you do not wish to or cannot attend the Meeting, you may appoint a proxy to attend and vote on your behalf. A Shareholder, who may be an individual or a body corporate, who is entitled to attend and vote at the Meeting is entitled to appoint a proxy which may be a body corporate or an individual. A proxy need not be a Shareholder.

A body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy. If a representative of a corporate proxy is to attend the Meeting, you must ensure that the appointment of the representative is in accordance with section 250D of the Corporations Act. The corporate representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed. A form of the certificate may be obtained from the Company's share registry.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the total votes. If you wish to appoint a second proxy,

an additional proxy form may be obtained by telephoning the Company's share registry or you may copy the enclosed Proxy Form. To appoint a second proxy, you must follow the instructions on the Proxy Form.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy and Shareholders and their proxies should be aware of these provisions which generally provide that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chairman, who must vote the proxies as directed.

If the proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on that resolution on a show of hands.

The enclosed Proxy Form provides further details on voting entitlement, appointing proxies and lodging proxy forms. To vote by proxy, please complete, sign and return the enclosed Proxy Form. In order for it to be valid, your Proxy Form (and any power of attorney under which it is signed) must be received at one of the addresses given below by 3.00pm (AWST) on Tuesday, 25 February 2020. Any proxy form received after that time will not be valid for the Meeting.

Online	at www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your Proxy Form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

United Kingdom (CREST Voting Instruction)

Holders of Depositary Interests in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a **CREST Voting Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual.

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) by no later than 3.00pm (GMT) on Monday, 24 February 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.

Holders of Depositary Interests in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder concerned to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be

necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time. In this regard, DI Holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

United Kingdom (Form of Instruction)

Alternatively, DI Holders can vote by completing, signing and returning the enclosed Form of Instruction to the Company's agent (Computershare Investor Services PLC) no later than 3.00pm (GMT) on Monday, 24 February 2020.

BY ORDER OF THE BOARD



Amber Stanton
Company Secretary
Dated: 24 January 2020

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the extraordinary general meeting to be held at 3.00pm (AWST) on 27 February 2020 at Level 2, Australia Place, 15-17 William Street, Perth, Western Australia.

The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution the subject of this extraordinary general meeting.

Background to Resolutions 1-6

On 21 January 2020 the Company announced the Equity Raising which comprises:

- (a) a fully underwritten institutional placement to raise approximately \$146 million (before costs) from the issue of 132,733,185 Shares (**Tranche 1 Placement Shares**) issued at the Issue Price of \$1.10 per Share (**Tranche 1 Placement**);
- (b) a second tranche placement (**Tranche 2 Placement**) comprising of:
 - (i) a placement to ICM Limited (or its nominee/s), the Company's largest Shareholder, of a total of 22,327,272 Shares (**Major Shareholder Placement Shares**) issued at the Issue Price of \$1.10 per Share (**Major Shareholder Placement**) to enable it to maintain its approximate pro rata shareholding in the Company; and
 - (ii) a placement to the Company's Directors of up to a total of 400,001 Shares (**Director Placement Shares**) issued at the Issue Price of \$1.10 per Share (**Director Placement**),together to raise up to \$25 million; and
- (c) a share purchase plan offered to Shareholders residing in Australia and New Zealand to raise up to \$25 million (**SPP**).

The Issue Price represents a:

- (a) 6.4% discount to the closing price of Shares on Monday, 20 January 2020 (being the trading day immediately prior to announcement of the Equity Raising) of \$1.175; and
- (b) a 7.0% discount to the Company's 5-day VWAP to Monday, 20 January 2020 of \$1.183.

The Company intends to use the proceeds from the Placement for the following purposes:

- (a) to repay the US\$130 million acquisition finance facility which was provided by Taurus Funds Management Pty Limited as part of Resolute's acquisition of Toro Gold Limited (announced on the ASX in July 2019); and
- (b) to strengthen the Company's balance sheet as part of the Company's broader refinancing activities,

(Placement Uses).

Resolution 1 – Ratification of Issue of Tranche 1 Placement Shares

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain Shareholder Approval. While the Company has no present intention to issue additional Shares (other than upon the vesting and exercise of existing performance rights), the Company considers it necessary to retain the maximum flexibility to do so, should this become necessary or desirable. The requirement to obtain Shareholder approval for a future issue pursuant to Listing Rule 7.1 could limit the Company's ability to take advantage of opportunities that may arise.

Resolution 1 is an ordinary resolution.

Specific Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- (a) the Tranche 1 Placement Shares will be issued to institutional investors. None of the participants in the Tranche 1 Placement will be Directors, associates of Directors or related parties of the Company;
- (b) a total of 132,733,185 Tranche 1 Placement Shares will be issued by the Company on Thursday, 30 January 2020, at an issue price of \$1.10 per Share, raising approximately \$146 million (before costs);
- (c) the Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and will rank equally with all other fully paid ordinary share on issue (from their date of issue);
- (d) the funds raised from the issue of the Tranche 1 Placement Shares will be used for the Placement Uses; and
- (e) a voting exclusion statement is included in the Notice for Resolution 1.

Chairman's intentions

The Chairman intends to exercise all available proxies in favour of Resolution 1.

Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Approval of Issue of Major Shareholder Placement Shares

The Company's largest shareholder is ICM Limited (**ICM**). ICM supported the Equity Raising via the execution of a placement agreement whereby ICM committed to subscribe for 22,327,272 Shares in the Tranche 2 Placement (subject to shareholder approval). ICM's commitment to the Tranche 2 Placement

provided price support and underwriter confidence for the Tranche 1 Placement. ICM did not participate in the Tranche 1 Placement and is accepting additional risk by participation in Tranche 2. ICM's participation in Tranche 2 Placement will allow ICM to maintain its approximate pro rata shareholding in the Company.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 2 will be to allow the Company to issue the Major Shareholder Placement Shares within the month following the Meeting without using the Company's 15% annual placement capacity.

Resolution 2 is an ordinary resolution.

Specific Information required by Listing Rule 7.1

Listing Rule 7.3 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 7.1:

- (a) the Major Shareholder Placement Shares will be issued to ICM Limited (or its nominee/s);
- (b) a total of 22,327,272 Major Shareholder Placement Shares will be issued by the Company, at an issue price of \$1.10 per Share, raising approximately \$24,560,000 million;
- (c) the Major Shareholder Placement Shares are fully paid ordinary shares in the capital of the Company and will rank equally with all other fully paid ordinary share on issue (from their date of issue);
- (d) it is proposed that, if Shareholders approve the applicable Resolution, the Major Shareholder Placement Shares will be issued as soon as practicable after the date of the Meeting and, in any event, no later than three months after the date of the Meeting;
- (e) the Company intends to use the funds raised from the issue of the Major Shareholder Placement Shares for the Placement Uses; and
- (f) a voting exclusion statement is included in the Notice for Resolution 2.

Chairman's intentions

The Chairman intends to exercise all available proxies in favour of Resolution 2.

Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 2.

Resolutions 3-6 – Approval of Issue of Shares to Martin Botha, John Welborn, Yasmin Broughton and Sabina Shugg (respectively)

Resolutions 3-6 seek Shareholder approval for the purposes of Listing Rule 10.11 and for all other purposes, to issue the Director Placement Shares as follows:

- (a) Resolution 3 – up to 45,455 Shares to Martin Botha (or his nominee/s);
- (b) Resolution 4 – up to 300,000 Shares to John Welborn (or his nominee/s);

(c) Resolution 5 – up to 27,273 Shares to Yasmin Broughton (or her nominee/s); and

(d) Resolution 6 – up to 27,273 Shares to Sabina Shugg (or her nominee/s),

in each case at an issue price of \$1.10 per Share (the same as the Issue Price under the Equity Raising), to raise an aggregate amount of approximately \$440,000.

The reason for seeking the approval of Shareholders contemplated by Resolutions 3-6 is to enable the Directors to demonstrate their support for the Company and to do so by participating in an issue of Shares at the same issue price and on the same terms as the Placement. Non-Executive Directors, Mr Potts and Mr Sullivan, intend to participate in the SPP and therefore are not participating in the Director Placement.

In accordance with Listing Rule 10.11, the Company must not issue securities to a related party of the Company unless it obtains Shareholder approval.

Martin Botha, John Welborn, Yasmin Broughton and Sabina Shugg are related parties of the Company as they are Directors.

In accordance with Listing Rule 7.2 (Exception 14), if approval for the issue of the Director Placement Shares is given under Listing Rule 10.11, separate approval is not required under Listing Rule 7.1.

Specific Information required by Listing Rule 10.13

Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11:

	Martin Botha (or his nominee/s)	John Welborn (or his nominee/s)	Yasmin Broughton (or her nominee/s)	Sabina Shugg (or her nominee/s)
Relationship of person	Director and therefore a related party of the Company under Listing Rule 10.11.1			
Maximum number of securities	Up to 45,455 Shares	Up to 300,000 Shares	Up to 27,273 Shares	Up to 27,273 Shares
Subscription amount	\$50,000	\$330,000	\$30,000	\$30,000
Issue price	\$1.10 per Share			
Date of issue	It is proposed that, if Shareholders approve the applicable Resolution, the Director Placement Shares will be issued as soon as practicable after the date of the Meeting and, in any event, no later than three months after the date of the Meeting.			
Intended use of funds raised	If Resolutions 3-6 are all approved, the issue of the Director Placement Shares will raise an aggregate amount of approximately \$440,000. The Company intends to use these funds for the Placement Uses.			
Voting exclusion statement	Voting exclusion statements for Resolutions 3-6 are included in this Notice.			

Chairman's intentions

The Chairman intends to exercise all available proxies in favour of Resolutions 3-6.

Directors' recommendation

Martin Botha, John Welborn, Yasmin Broughton and Sabina Shugg (to whom the Director Placement Shares will, if approved by Shareholders, be issued) abstain from making a recommendation in respect of any of Resolutions 3-6 on the basis of their interest in the outcome of Resolutions 3-6.

The remaining Directors recommend that Shareholders vote in favour of Resolutions 3-6.

Resolution 7 – Approval of Issue of Shares for Royalty

As part of the original project financing provided by Taurus Funds Management Pty Limited (**Taurus**) to fund the construction of the Mako Gold Mine (**Mako**), royalties were established in favour of investment funds associated with Taurus (**Royalty Holders**) with an aggregated rate of 1.1%, in respect of all proceeds received for the sale of all gold mined, extracted and removed from Mako (**Royalty**). The Royalty is payable to Royalty Holders in respect of the first 1.4 million ounces of gold derived from Mako.

The Royalty is currently secured over Mako and all related assets, including the shares the companies within the company structure that own Mako. Pursuant to the Royalty agreements, each Royalty Holder may terminate its Royalty if a "Change of Control" occurs. Because of that provision, the Company's acquisition of 90% of the issued shares in Toro Gold Limited (**Toro**) would have triggered a Change of Control under each Royalty agreement and, therefore, have given each Royalty Holder the right to terminate its Royalty agreement.

On termination, each Royalty Holder is entitled to claim a termination amount equal to the anticipated value of the Royalty. That anticipated value is determined in accordance with a specific formula, which essentially calculates the value of future gold production (up to 1.4 million ounces) multiplied by the royalty rate multiplied by a spot gold price reference.

To avoid termination of the Royalty being triggered by the Toro acquisition in July 2019, Resolute agreed with each Royalty Holder that the election to terminate the Royalty be deferred to align with the ultimate refinancing of the amounts outstanding under the finance facilities provided by Taurus.

Resolute has now negotiated the opportunity to acquire the Royalty from the Royalty Holders for the agreed termination sum of US\$12 million to be paid to Taurus Mining Finance Fund L.P. or its nominee/s (**TMFF**). The Royalty Holders may elect to have the purchase price paid either in cash, or subject to Shareholder approval of Resolution 7, by the issue of 15,750,000 Shares to TMFF at an issue price of \$1.10 per Share, being the same Issue Price as the Company's Equity Raising the subject of Resolutions 1-6.

Subject to the agreement between the parties, the Royalty Holders are required to elect whether they receive consideration in either cash or Resolute shares within 5 business days of the repayment of all amounts outstanding under any of the facilities provided by Taurus relating to Mako. Repayment of all amounts outstanding to Taurus relating to Mako is expected to occur during the March 2020 quarter.

As described above, the Royalty is currently secured over Mako and all related assets. As part of the agreement to acquire the Royalty, the Royalty Holders have agreed that the Royalty security will be released. The release of that security will significantly simplify any future secured or unsecured financing relating to the Group, which will provide more flexible funding opportunities to the Group.

The Company has negotiated the acquisition of the Royalty with the commercial objective of providing further value to shareholders – namely, by removing the Royalty security and taking back the potential future value embedded in the Royalty.

If Resolution 7 is not approved by Shareholders, the Royalty will be eradicated by the payment of US\$12 million to the Royalty Holders in cash.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 7 will be to allow the Company to issue Shares to TMFF within the month following the Meeting without using the Company's 15% annual placement capacity.

Resolution 7 is an ordinary resolution.

Specific Information required by Listing Rule 7.1

Listing Rule 7.3 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 7.1:

- (a) the Shares will be issued to Taurus Mining Finance Fund L.P. (or its nominee/s);
- (b) a total of 15,750,000 Shares will be issued by the Company;
- (c) the Shares are fully paid ordinary shares in the capital of the Company and will rank equally with all other fully paid ordinary share on issue (from their date of issue); and
- (d) it is proposed that, if Shareholders approve the Resolution 7, the Shares will be issued no later than three months after the date of the Meeting;
- (e) the shares will be issued for nil cash consideration;
- (f) no funds will be raised by the Company as the Shares issued to Taurus Mining Finance Fund L.P. (or its nominee/s) will be issued as consideration for the eradication of the Royalty; and
- (g) a voting exclusion statement is included in the Notice for Resolution 7.

Chairman's intentions

The Chairman intends to exercise all available proxies in favour of Resolution 7.

Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 7.

SCHEDULE – DEFINITIONS

In the Notice (which includes the Explanatory Memorandum), words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors of the Company.

Chairman means the person appointed to chair the Meeting or any part of the Meeting.

Company or **Resolute** means Resolute Mining Limited ABN 39 097 088 689.

Corporations Act means *Corporations Act 2001* (Cth).

CREST means the electronic settlement system for UK and Irish securities operated by Euroclear.

Depository Interest or **DI** is a security which represents an underlying interest in an existing security registered with another exchange. In the case of Resolute, each Resolute DI will represent an interest in a Resolute share currently tradable on the ASX. For further information, refer to Resolute's ASX Announcement titled "LSE Dual Listing and Depository Interest Information" dated 17 June 2019.

Director means a director of the Company.

Director Placement has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions 1-6".

Director Placement Shares has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions 1-6".

Equity Raising means the Tranche 1 Placement, the Tranche 2 Placement and the SPP.

Euroclear means Euroclear UK & Ireland Limited (Company number 02878738).

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

GMT means Greenwich Mean Time.

Listing Rules means the listing rules of the ASX.

Major Shareholder Placement Shares has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions 1-6".

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting which is comprised of the notice, agenda, Explanatory Memorandum and Proxy Form.

Placement Uses has the meaning given in the Explanatory Memorandum under the heading "Background to Resolutions 1-6".

Proxy Form means the proxy form attached to the Notice.

Resolutions means the resolutions contained in the Notice.

Royalty has the meaning given in the Explanatory Memorandum to Resolution 7.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

SPP has the meaning given in the Explanatory Memorandum under the heading “Background to Resolutions 1-6”.

Tranche 1 Placement has the meaning given in the Explanatory Memorandum under the heading “Background to Resolutions 1-6”.

Tranche 1 Placement Shares has the meaning given in the Explanatory Memorandum under the heading “Background to Resolutions 1-6”.

Tranche 2 Placement has the meaning given in the Explanatory Memorandum under the heading “Background to Resolutions 1-6”.

VWAP means the volume weighted average price of Shares for a specific number of ASX trading days.



Resolute

ASX/LSE: RSG | www.rml.com.au



RSG

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (WST) Tuesday, 25 February 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Resolute Mining Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Resolute Mining Limited to be held at Level 2, Australia Place, 15-17 William Street, Perth, Western Australia on Thursday, 27 February 2020 at 3:00pm (WST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Ratification of Issue of Tranche 1 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of Issue of Major Shareholder Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Issue of Shares to Chairman, Mr Martin Botha	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Issue of Shares to Managing Director and CEO, Mr John Welborn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of Issue of Shares to Non-Executive Director, Ms Yasmin Broughton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of Issue of Shares to Non-Executive Director, Ms Sabina Shugg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of Issue of Shares to Taurus Mining Finance Fund L.P.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address
By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically





MR A SAMPLE
< DESIGNATION >
SAMPLE STREET
SAMPLE TOWN
SAMPLE CITY
SAMPLE COUNTY
AA11 1AA



Holder Reference Number

C0000000000



Form of Instruction - Extraordinary General Meeting to be held on 27 February 2020



To View the Notice of Meeting online visit:

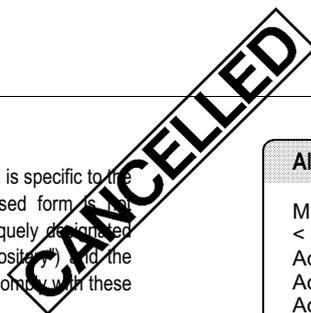
<http://resmin.com.au/investor-centre/>

**To be effective, all forms of instruction must be lodged at the office of the Depositary at:
Computershare Investor Services PLC, The Pavilions, Bridgwater Rd, Bristol BS99 6ZY by 24 February 2020 at 3.00 pm (GMT).**

Explanatory Notes:

1. Please indicate, by placing "X" in the appropriate space overleaf, how you wish your votes to be cast in respect of each of the Resolutions. If this form is duly signed and returned, but without specific direction as to how you wish your votes to be cast, the form will be rejected.
2. The 'Abstain' option overleaf is provided to enable you to abstain on any particular Item. However, it should be noted that an 'Abstain' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' an Item.
3. Any alterations made in this form should be initialled.
4. To appoint one or more proxies or to give an instruction to a proxy, (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the Issuer's agent (ID number 3RA50) not later than 72 hours before the time appointed for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
5. The completion and return of this form will not preclude a holder from attending the meeting and voting in person. Should the holder, or a representative of that holder wish to attend the meeting and/or vote at the meeting, they must notify the Depositary in writing or email !UKALLDITeam2@computershare.co.uk

Kindly Note: This form is issued only to the addressee(s) and is specific to the unique designated account printed hereon. This personalised form is not transferable between different (i) account holders; or (ii) uniquely designated accounts. Computershare Investor Services PLC (the "Depositary") and the Custodian accept no liability for any instruction that does not comply with these conditions.



All Named Holders

MR A SAMPLE
< Designation >
Additional Holder 1
Additional Holder 2
Additional Holder 3
Additional Holder 4

Form of Instruction



Please use a **black** pen. Mark with an **X** inside the box as shown in this example.



C0000000000

I/We hereby instruct the Custodian "Computershare Clearing Pty Limited a/c CCNL DI" to vote on my/our behalf at the Extraordinary General Meeting of the Company to be held at **Level 2, Australia Place, 15 -17 William Street, Perth, Western Australia** on 27 February 2020 at **3.00 pm (WST)** and at any adjournment thereof.

CANCELLED

Ordinary Resolutions

- | | For | Against | Abstain |
|---|--------------------------|--------------------------|--------------------------|
| 1. Ratification of Issue of Tranche 1 Placement Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Approval of Issue of Major Shareholder Placement Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Approval of Issue of Shares to Chairman, Mr Martin Botha | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Approval of Issue of Shares to Managing Director and CEO, Mr John Welborn | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Approval of Issue of Shares to Non-Executive Director, Ms Yasmin Broughton | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Approval of Issue of Shares to Non-Executive Director, Ms Sabina Shugg | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Approval of Issue of Shares for Royalty | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Signature

Date

CANCELLED

MM / YY

In the case of joint holders, only one holder need sign. In the case of a corporation, the Form of Instruction should be signed by a duly authorised official whose capacity should be stated, or by an attorney.

