

ASX Announcement

01

9 July 2015

Resolute Operational Update

Outperformance due to record production from Syama Cash and bullion increases to \$53 million

Resolute Mining Limited (ASX: RSG, "Resolute" or the "Company") is pleased to announce it has successfully beaten both production and cost guidance for FY2015 on the back of record results from the Syama mine. Cash and bullion on hand as at 30 June 2015 totals \$53 million compared with \$24 million as at 31 March 2015. Production guidance for 2016 is maintained at 315,000 ounces.

HIGHLIGHTS

Production results for FY2015 (Unaudited):

- Gold production of 328,685 ounces above guidance of 315,000 ounces
- Cash costs of \$857/oz, better than guidance of \$890/oz
- All-In-Sustaining costs of \$1,091/oz significantly better than original guidance for FY2015 of \$1,280/oz and also beating the revised guidance of \$1,125/oz provided mid-year
- Record gold production at Syama for the month of June, the June quarter and the full year demonstrating its value as a robust, long life, cash generator for Resolute
- Cash and bullion on hand of \$53m at 30 June 2015

Production outlook for FY2016:

- Gold production forecast to be 315,000 ounces
- Cash costs forecast to be \$990/oz
- All-In-Sustaining costs forecast to be \$1,280/oz
- Potential for additional gold sales and cash boost through reduction of gold in circuit inventory and the utilisation of available ore stockpiles

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FY2015 PRODUCTION AND FY2016 GUIDANCE

Resolute gold production for FY2015 of 328,685 ounces was above guidance of 315,000 ounces. Cash costs for the year of \$857/oz, subject to any audit adjustments, are expected to be better than guidance of \$890/oz.

Group production for the June 2015 quarter was 99,330 ounces at a cash cost of \$827/oz. This outstanding result was driven by record production from Syama in addition to a strong performance from Ravenswood.

Group gold production for FY2016 is anticipated to be at similar levels to FY2015 and is forecast to be 315,000 ounces.

Production from Syama will be generated from both the Sulphide processing circuit and the new parallel oxide processing plant which was commissioned in January 2015. Resolute successfully completed Stage 1 open pit mining at Syama during the June quarter. As previously announced (see ASX announcements dated 20 March 2015 and 9 June 2015) Resolute intends to transition Syama to an underground operation which will more efficiently extract Stage 2 mineralisation and extend project mine life to beyond 2028. As a result the sulphide mill feed is currently being sourced from the abundant available stockpiles which consist of more than 6 million tonnes of ore. Feed for the oxide circuit will continue to be sourced from open pit mining at A21 and other satellite oxide orebodies.

Production levels at the Ravenswood gold mine in Australia are expected to continue to be consistent with the life of mine plan with minor improvements due to higher mill throughput following the completion of the secondary crusher installation in July 2015.

Group cash costs for FY2016 are forecast to be \$990/oz and Group All-In-Sustaining costs are forecast to be identical to the original guidance for FY2015 of \$1,280/oz. The increment in cost guidance above the results achieved for FY2015 are a result of the revised life of mine plan for Syama, as explained above, and the impact of the lower USD/AUD exchange rate.

The revised life of mine plan for Syama, in addition to ongoing operational efficiencies in both the sulphide and oxide circuits, provides the opportunity for the Company to liquidate the excess inventory of gold in circuit maintained during FY2015. It is expected that during FY2016 gold in circuit will be drawn down by approximately 25,000 ounces which will result in FY2016 gold sales exceeding forecast gold production by a similar margin. Further guidance on production, costs, sales, and planned capital expenditure will be provided in the Company's June 2015 Quarterly Activities Report due for release on or about 23 July 2015.

Managing Director & CEO, Mr John Welborn said the production results demonstrated the Company's operational expertise and provides a strong base to build profitability and value: "Resolute has an exceptional operating team who continue to deliver against guidance. The results show the benefits of the development strategy for Syama and the ability to generate solid cash flows that can be used to build balance sheet capacity and fund future expansion."

“The focus for the year ahead is to take advantage of our operating performance at Syama and Ravenswood and deliver on growth opportunities. We are currently completing three feasibility studies to expand our existing assets; the Syama underground development, the Bibiani gold project in Ghana, and the Nolans East project at Ravenswood. In addition, we are refocusing our exploration activities in Africa and Australia and investigating a range of new growth opportunities.”

JOHN WELBORN

Managing Director & CEO

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About Resolute:

Resolute is a successful gold miner with more than 25 years of continuous production. The Company is an experienced explorer, developer, and operator having operated nine gold mines across Australia and Africa which have produced in excess of 7 million ounces of gold. The Company currently operates two mines, the Syama gold mine in Africa and the Ravenswood gold mine in Australia, and is one of the largest gold producers listed on the Australian Securities Exchange with FY16 guidance of 315,000 ounces of gold production at a cash cost of \$990/oz.

Resolute’s flagship Syama gold mine in Mali is a robust long life asset benefitting from fully operational parallel sulphide and oxide processing plants. The move to underground mining is expected to continue the asset’s history of strong cash generation and extend the mine life to out beyond 2028. The Ravenswood gold mine in Queensland demonstrates Resolute’s significant underground expertise in the ongoing success in mining the Mt Wright ore body. In Ghana, the Company is completing a feasibility study on the Bibiani gold project focused on the development of an underground operation requiring very low capital and using existing plant infrastructure. Resolute also controls an extensive exploration footprint along the highly prospective Syama Shear and Greenstone Belts in Mali and Cote d’Ivoire and is active in reviewing new opportunities to build shareholder value.