

Appendix 4E

Preliminary Final Report

FOR THE YEAR ENDED 30 JUNE 2011

HIGHLIGHTS

- Net profit after tax attributable to members of the parent of \$61.4m (2010: \$37.2m loss).
- Gold production of 330,859 ounces at a cash cost of \$908/oz.
- Cash and bullion of \$25.7m.
- Unhedged and reducing already low gearing.
- Project Proved and Probable Reserves have increased by 80% to 5.24m ounces of gold.
- Group gold production forecast to rise from current year by 24% to 410,000 ounces in 2011/12.
- Group cash costs in 2011/12 forecast to fall from current year by 20% to \$730/oz.
- Stronger cash flows to drive significant balance sheet improvement, fund identified growth opportunities across asset portfolio and capital management initiatives.

RESULTS

- Revenues from gold sales increased by 30% to \$445.1m (2010: \$342.5m). Revenues were enhanced by the close out of the hedge book in October which has allowed greater participation in the strong spot gold price.
- The average cash price received per ounce of gold sold during the year was \$1,337/oz (2010: \$1,070/oz).
- Net profit after tax attributable to members increased significantly to \$61.4m (2010: \$37.2m loss).
- Syama's results have been included in the 2011 full year profit result but partially excluded from the 2010 comparative result due to all costs and revenue being capitalised during the half year ended 31 December 2009.
- The \$78.4m cost of closing out the hedge book did not have a significant impact on the current

year profit result due to this expense being recognised in prior periods

- Net operating cash inflows during the year (which include exploration expenditure) were \$58.7m (2010: \$31.8m). This does not include the \$14.5m of bullion on hand at 30 June 2011.
- Net investing cash outflows of \$34.2m (2010: \$54.0m) relate mainly to expenditure on property, plant and equipment and development.
- Net financing outflows of \$31.8m (2010: \$27.3m inflow) include \$46.9m of borrowing repayments.

OPERATIONS

- The Group gold production for the year was 330,859 ounces (2010: 352,302 oz) of gold at an average cash cost of \$908/oz (2010: \$741/oz).
- Golden Pride gold mine in Tanzania, Africa, produced 122,921 ounces (2010: 148,675 oz) at a cash cost of \$713/oz (or US\$708/oz) (2010: \$583/oz or US\$514/oz).
- Ravenswood gold mine in Queensland, Australia, produced 122,576 ounces (2010: 125,652 oz) at a cash cost of \$893/oz (2010: \$804/oz).
- Syama gold mine produced a total of 85,362 ounces (2010: 77,975 oz) at a cash cost of \$1,209/oz (or US\$1,197/oz) (2010: \$1,114/oz or US\$1,001).

DEVELOPMENT

Mali

- The Syama Strategic Study was completed and resulted in an expanded pit with a contained reserve of 31.7Mt @ 2.9g/t Au for 2.94 million ounces of gold. This reserve represents a 104% increase over reserves at 30 June 2010.
- Project management and engineering design for the Syama Expansion Definitive Feasibility Study ("DFS") was awarded to GR Engineering

Services in Perth. This study will include all aspects of the open pit expansion as well as the design and construction of a parallel oxide ore circuit. This study is due for completion in Q1 2012.

- A positive Feasibility Study was completed for the Supply and Installation of a High Voltage Grid to supply power to Syama. A Memorandum of Understanding and Terms of Reference documents are being progressed between the State of Mali, the Energie du Mali and SOMISY.

Queensland

- An internal scoping study to assess the benefits of re-developing the Sarsfield open cut supported the expansion of the open pit. As a result the reserve base at Ravenswood has increased 174% to greater than 1.5m ounces, supporting a further 10 years of operation. A DFS is now underway to evaluate this expansion and also the process to obtain all regulatory approvals for this has commenced.
- New proven and probable reserves of 6.0Mt @ 2.7g/t Au for 519,000 ounces were estimated for Mt Wright. Infill diamond drilling to the 600mRL delivered a 90,000 ounce reserve addition which largely replaced full-year production at Ravenswood.

EXPLORATION

- Exploration drilling was carried out in Mali, Tanzania and Queensland while target definition and tenement consolidation work continued in Cote d'Ivoire.

Mali

- Resource estimates for the Syama Extension, Alpha and Tellem deposits added 5.82Mt@ 2.3g/t for 428,000 ounces to the Syama resource inventory.
- Drilling at the BA01 Prospect, 5km northeast of Syama, returned excellent first pass intercepts including; 13m @ 5.41g/t Au from 58m and 14m @ 6.48g/t Au from 141m, and 25m @ 7.64g/t Au from 62m.

Queensland

- Further diamond drilling at Welcome Breccia returned impressive results including 55m @ 10.54 g/t Au from 420m including 14m @ 21.83 g/t Au from 425m, 12m @ 6.18 g/t Au from

524m, and 50m @ 3.87 g/t Au from 298m. Subsequently, an initial inferred resource of 2.04Mt @ 2.04g/t Au for 210,000 ounces was estimated.

- A drill campaign was commenced in the June Quarter 2011 to test the vertical and lateral extents on the Welcome Deposit. Significant assay results have included 14m @ 18.78 g/t Au from 69m and 25m @ 1.70 g/t Au from 98m from RC drilling just below the old Welcome open pit.
- Several other Mt Wright style targets in the district are now ready for ground geophysical work and/or drill testing.

Tanzania

- RC drilling at the Far East deposit returned exceptional near surface intercepts including 18m @ 10.27 g/t Au from 12m, 9m @ 19.16 g/t Au from 23m and 5m @ 6.82 g/t Au from 58m.

Cote d'Ivoire

- Resolute has secured a significant land holding over targeted portions of the largely underexplored Birimian greenstone belts in Cote d'Ivoire. First pass surface geochemical programs have already defined ten significant gold and pathfinder element anomalies that will undergo further exploration in the coming year.

CORPORATE

- Group cash and bullion at 30 June 2011 was \$25.7m (2010: \$27.9m).
- Fund raising activities during the year, through a combination of a fully underwritten institutional placement and exercise of existing options, provided gross proceeds of \$41.8m.
- The hedging program was closed out in October 2010. Funding for the gold purchases to achieve this comprised approximately \$30.4m from the equity raising in October and \$48.5m of credit from the hedging counterparties, Barclays and Investec. The credit is being repaid in monthly instalments between February and September 2011, and as at 30 June, only \$18.9m of repayments remain.
- At 30 June 2011, the face value of Resolute's total borrowings were \$126.0m (2010: \$134.9m). The borrowings amounts stated here differ to those shown on the balance sheet as

these amounts exclude sunk-cost establishment fees and apportionments between debt and equity as required by accounting standards.

- The Barclays/Investec senior credit facilities have been recently amended to provide Resolute with more financial flexibility going forward. The revised amortisation profile sees the facility limit reduce to US\$25m at 31 December 2011, US\$12.5m at 30 June 2012 and nil by 10 December 2012.
- Repayments of borrowings during the year totalled \$46.9m (2010: \$14.4m), including a voluntary principal repayment of US\$10m to Barclays/Investec on 30 June. Following the repayment and as a result of the amendment to the debt repayment schedule, Resolute has up to US\$10m of unused credit on this cash advance facility, which can be utilised if necessary in line with the above limits.
- Interest of \$4.1m owing on the Resolute Convertible Notes for the 6 months ended 30 June 2011 was paid in cash on 1 July 2011 and the \$4.5m owing for the previous 6 months was funded / paid from an issue of 3.6m Resolute ordinary shares at an issue price of \$1.24 each.

OUTLOOK

Forecast gold production for the Group for the year ending 30 June 2012 is 410,000 ounces at a cash cost of approximately \$730 per ounce (based on an assumed USD/AUD exchange rate of US\$1.05).

Golden Pride

Gold production is expected to increase slightly this year as a result of the processing of higher grade ore.

Ravenswood

Gold production is expected to be marginally lower in the coming year due to the completion of processing the Sarsfield low grade ore stockpiles and reconfiguration of the operation to treatment of Mt Wright ore only.

Syama

Gold production is expected to significantly improve as the effects of improved reliability and throughput impact positively on the operation and better grade material becomes available from the pit.

Development

Work will continue on the DFS for the Syama Expansion, Syama High Voltage Grid Connection and Sarsfield Open Pit projects, with completion of all three expected during the year.

Diamond drilling is planned to test the down dip and adjacent extents of the Mt Wright deposit.

A scoping study of the Nyakafuru Project in Tanzania will be undertaken along with further resource drilling.

Exploration

The exploration budget has been doubled to \$20 million in the current financial year. Exploration spending will be primarily directed towards a number of highly prospective tenement package areas around existing infrastructure.

In Mali this includes the numerous oxide and sulphide targets identified along the Syama Sheer to the north and south of the Syama pit.

The Mt Wright-style targets at the Welcome Breccia and Golden Valley/ Mt Success Projects near Ravenswood will also be advanced.

Corporate

Cash flow is expected to improve over the year significantly strengthening the balance sheet.

In the early part of the year this will involve the aggressive pay down of secured debt.

Depending on market conditions, further de-gearing of the balance sheet could occur through the early redemption/conversion of the Convertible Notes representing approximately \$68m of unsecured debt.

Consideration will also be given to capital management initiatives.



PR SULLIVAN

Chief Executive Officer

30 August 2011



RESOLUTE
MINING
LIMITED

Appendix 4E

FOR THE YEAR ENDED 30 JUNE 2011

RESOLUTE MINING LIMITED
APPENDIX 4E: PRELIMINARY FINAL REPORT
For the year ended 30 June 2011

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RESOLUTE MINING LIMITED
APPENDIX 4E: PRELIMINARY FINAL REPORT
For the year ended 30 June 2011

REPORTING PERIOD

The reporting period is the year ended 30 June 2011 with the corresponding reporting period being for the year ended 30 June 2010.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Results	A\$'000			
Revenue from gold sales	up	30%	to	445,055
Profit before tax attributable to members of the parent (Loss in the prior year)	up	n/a	to	76,322
Profit after tax attributable to members of the parent (Loss in the prior year)	up	n/a	to	61,385

Dividends	Amount per security	Franked amount per security
	n/a	n/a
	n/a	n/a
	n/a	

The above results should be read in conjunction with the notes and commentary contained within this report.

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For the year ended 30 June 2011

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the year ended 30-Jun-11 \$'000	For the year ended 30-Jun-10 \$'000
Continuing Operations			
Revenue from gold sales	3(a)	445,055	342,484
Costs of production relating to gold sales	3(b)	<u>(293,499)</u>	<u>(229,007)</u>
Gross profit before depreciation, amortisation and other operating costs		151,556	113,477
Depreciation and amortisation relating to gold sales	3(c)	(62,391)	(43,141)
Other operating costs relating to gold sales	3(d)	<u>(23,276)</u>	<u>(16,565)</u>
Gross profit		65,889	53,771
Other revenue	3(e)	329	294
Other income	3(f)	1,316	10,098
Exploration expenditure		(8,726)	(9,280)
Share of associate's loss		(800)	(258)
Administration and other expenses	3(g)	<u>(9,757)</u>	<u>(7,576)</u>
Profit before treasury, tax and finance costs		48,251	47,049
Finance costs	3(h)	<u>(19,597)</u>	<u>(11,220)</u>
Profit before treasury and tax		28,654	35,829
Treasury - movement on gold forward contracts closed out	5	34,742	-
Treasury - other realised (losses)/gains	3(i)	(4,574)	195
Treasury - unrealised gains/(losses)	3(j)	<u>730</u>	<u>(75,976)</u>
Profit/(loss) before income tax		59,552	(39,952)
Tax expense		(14,937)	(16,619)
Profit/(loss) for the year		44,615	(56,571)
Profit/(loss) attributable to:			
Members of the parent		61,385	(37,173)
Non-controlling interest		<u>(16,770)</u>	<u>(19,398)</u>
		44,615	(56,571)

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

	Note	For the year ended 30-Jun-11 \$'000	For the year ended 30-Jun-10 \$'000
Profit/(loss) for the year (brought forward)		44,615	(56,571)
Other comprehensive (loss)/income			
Exchange differences on translation of foreign operations:			
- Members of the parent		(23,831)	1,538
- Transferred to profit and loss - disposed subsidiaries		-	(1,886)
- Non-controlling interest		1,437	1,607
Cash flow hedges: Transfer to profit and loss, net of tax		-	(5,343)
Changes in the fair value of available for sale financial assets, net of tax		(52)	(200)
Other comprehensive loss for the period, net of tax		(22,446)	(4,284)
Total comprehensive income/(loss) for the period		22,169	(60,855)
Total comprehensive income/(loss) attributable to:			
Members of the parent		37,502	(43,064)
Non-controlling interest		(15,333)	(17,791)
		22,169	(60,855)
Earnings per share for net profit/(loss) attributable to the ordinary equity holders of the parent:			
Basic earnings/(loss) per share	6	13.80	(9.90)
Diluted earnings/(loss) per share	6	11.24	(9.90)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30-Jun-11 \$'000	As at 30-Jun-10 \$'000
Current assets			
Cash		11,213	18,259
Receivables - gold bullion sales		14,465	9,662
Receivables - other		4,033	6,533
Inventories		96,464	85,754
Available for sale financial assets		692	818
Financial derivative assets		11	89
Other		3,270	3,866
Total current assets		130,148	124,981
Non current assets			
Receivables		3,769	4,083
Financial derivative assets		-	901
Exploration and evaluation expenditure		9,045	10,970
Development expenditure		219,329	231,030
Property, plant and equipment		190,878	221,274
Deferred mining costs		20,585	13,504
Investment in associate		5,092	5,892
Total non current assets		448,698	487,654
Total assets		578,846	612,635
Current liabilities			
Payables		47,433	47,652
Interest bearing liabilities		23,539	29,445
Tax liabilities		2,725	3,454
Financial liabilities	5	18,910	92,075
Provisions		12,776	10,933
Total current liabilities		105,383	183,559
Non current liabilities			
Interest bearing liabilities		78,341	93,300
Financial liabilities		-	21,026
Provisions		38,000	28,624
Deferred tax liabilities		1,125	3,049
Other		-	37
Total non current liabilities		117,466	146,036
Total liabilities		222,849	329,595
Net assets		355,997	283,040

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	As at 30-Jun-11 \$'000	As at 30-Jun-10 \$'000
Equity attributable to equity holders of the parent		
Contributed equity	287,125	237,083
Reserves	(447)	22,690
Retained earnings	102,443	41,058
Parent interest	389,121	300,831
Non-controlling interest	(33,124)	(17,791)
Total equity	355,997	283,040

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Ordinary shares	Net unrealised gain/(loss) reserve	Convertible notes equity reserve	Share options equity reserve	Employee equity benefits reserve	Foreign currency translation reserve	Retained earnings	Non-controlling interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2010	237,083	164	14,233	5,987	2,021	285	41,058	(17,791)	283,040
Net profit/(loss) for the year	-	-	-	-	-	-	61,385	(16,770)	44,615
Other comprehensive (loss)/income, net of tax	-	(52)	-	-	-	(23,831)	-	1,437	(22,446)
Total comprehensive (loss)/income for the period, net of tax	-	(52)	-	-	-	(23,831)	61,385	(15,333)	22,169
Transactions with owners									
Shares issued	53,107	-	-	-	-	-	-	-	53,107
Share issue costs	(3,065)	-	-	-	-	-	-	-	(3,065)
Equity portion of compound financial instruments, net of tax and transaction costs	-	-	(469)	-	-	-	-	-	(469)
Share-based payments to employees	-	-	-	-	1,215	-	-	-	1,215
At 30 June 2011	287,125	112	13,764	5,987	3,236	(23,546)	102,443	(33,124)	355,997

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Ordinary shares	Net unrealised gain/(loss) reserve	Hedge reserve forwards gain/(loss)	Convertible notes equity reserve	Share options equity reserve	Employee equity benefits reserve	Foreign currency translation reserve	Retained earnings	Non-controlling interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2009	209,680	364	5,343	3,492	4,064	1,499	633	78,231	-	303,306
Net loss for the year	-	-	-	-	-	-	-	(37,173)	(19,398)	(56,571)
Other comprehensive (loss)/income, net of tax	-	(200)	(5,343)	-	-	-	(348)	-	1,607	(4,284)
Total comprehensive loss for the period, net of tax	-	(200)	(5,343)	-	-	-	(348)	(37,173)	(17,791)	(60,855)
Transactions with owners										
Shares issued	28,446	-	-	-	-	-	-	-	-	28,446
Share issue costs	(1,043)	-	-	-	-	-	-	-	-	(1,043)
Options issued to convertible note holders and shareholders, net of tax	-	-	-	-	1,923	-	-	-	-	1,923
Equity portion of compound financial instruments, net of tax and transaction costs	-	-	-	10,741	-	-	-	-	-	10,741
Share-based payments to employees	-	-	-	-	-	522	-	-	-	522
At 30 June 2010	237,083	164	-	14,233	5,987	2,021	285	41,058	(17,791)	283,040

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

RESOLUTE MINING LIMITED
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CONSOLIDATED CASH FLOW STATEMENT

	Consolidated	
	For the	For the
	year ended	year ended
	30-Jun-11	30-Jun-10
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	440,378	325,447
Payments to suppliers, employees and others	(353,202)	(273,080)
Income tax paid	(15,825)	(8,398)
Exploration expenditure	(8,649)	(9,280)
Interest paid	(4,373)	(3,188)
Interest received	329	290
Net cash flows from operating activities	<u>58,658</u>	<u>31,791</u>
Cash flows from investing activities		
Payments for property, plant & equipment	(20,415)	(13,280)
Proceeds from property, plant & equipment	71	48
Payments for development costs	(13,225)	(41,053)
Other	(673)	284
Net cash flows from investing activities	<u>(34,242)</u>	<u>(54,001)</u>
Cash flows from financing activities		
Proceeds from issuing ordinary shares	41,808	18,900
Costs of issuing ordinary shares	(3,065)	(1,038)
Proceeds from issuing convertible notes	-	23,864
Costs of issuing convertible notes	-	(1,332)
Proceeds from issuing options	-	1,322
Costs from issuing options	-	(67)
Payments for close-out of derivatives funded with proceeds from issuing ordinary shares	(30,368)	-
Repayment of borrowings	(44,243)	(11,815)
Repayment of lease liability	(2,705)	(2,561)
Proceeds from finance facility	6,750	-
Net cash flows from financing activities	<u>(31,823)</u>	<u>27,273</u>

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CONSOLIDATED CASH FLOW STATEMENT (continued)

	Consolidated	
	For the	For the
	year ended	year ended
	30-Jun-11	30-Jun-10
	\$'000	\$'000
Net (decrease)/increase in cash and cash equivalents	(7,407)	5,063
Cash and cash equivalents at the beginning of the financial period	11,900	6,880
Exchange rate adjustment	(822)	(43)
Cash and cash equivalents at the end of the period	3,671	11,900
Cash and cash equivalents comprise the following:		
Cash	11,213	18,259
Bank overdraft	(7,542)	(6,359)
	3,671	11,900

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF PRELIMINARY FINAL REPORT

a) Corporate information

The preliminary final report of Resolute Mining Limited and its subsidiaries ("Resolute" or the "Group") for the full year ended 30 June 2011 was authorised for issue in accordance with a resolution of directors.

Resolute Mining Limited ("RML") is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange.

b) Basis of preparation

This report is based on accounts that are in the process of being audited.

This report does not include all notes normally included in an annual financial report. Accordingly this report is to be read in conjunction with the financial report for the year ended 30 June 2010 and any public announcements made by RML during the reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

NOTE 2: ANNUAL GENERAL MEETING

The annual general meeting will be held as follows:

Place:	To be advised
Date:	To be advised
Time:	To be advised
Approximate date the annual report will be available:	Late October 2011

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: PROFIT/(LOSS) FROM CONTINUING OPERATIONS

		Consolidated	
		For the year ended 30-Jun-11 \$'000	For the year ended 30-Jun-10 \$'000
(a)	Revenue from gold sales		
	Gold sales at spot price (i)	462,911	393,936
	Realised loss on gold forward contracts	(17,856)	(59,084)
		<u>445,055</u>	<u>334,852</u>
	Amortisation of the gold forward contract hedge reserve	-	7,632
		<u>445,055</u>	<u>342,484</u>
(i)	Proceeds received on the sale of gold produced at the Syama Project up until 31 December 2009 were capitalised into pre-production costs.		
(b)	Costs of production relating to gold sales		
	Costs of production (excluding gold in circuit inventories movement) (i)	300,342	234,139
	Gold in circuit inventories movement	(6,843)	(5,132)
		<u>293,499</u>	<u>229,007</u>
(i)	Costs incurred on the production of gold at the Syama Project up until 31 December 2009 were capitalised into pre-production costs.		
(c)	Depreciation and amortisation relating to gold sales		
	Amortisation of evaluation, development & rehabilitation costs	27,491	18,445
	Depreciation of mine site properties, plant & equipment	34,900	24,696
		<u>62,391</u>	<u>43,141</u>
(d)	Other operating costs relating to gold sales		
	Royalty expense	19,541	13,232
	Operational support costs	3,735	3,333
		<u>23,276</u>	<u>16,565</u>
(e)	Other revenue		
	Interest income - other persons/corporations	329	294
		<u>329</u>	<u>294</u>

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: PROFIT/(LOSS) FROM CONTINUING OPERATIONS (continued)

		Consolidated	
		For the year ended 30-Jun-11 \$'000	For the year ended 30-Jun-10 \$'000
(f)	Other income		
	Rehabilitation provision adjustment from non operating mine sites	1,073	726
	Profit on sale of subsidiaries (i)	-	7,208
	Profit on sale of property, plant and equipment	139	1,934
	Other	104	230
		<u>1,316</u>	<u>10,098</u>
(i)	On 7 May 2010, Resolute disposed of a number of Australian and Ghanaian subsidiaries to Viking Ashanti Limited. Proceeds received comprised of 23 million shares in Viking Ashanti Limited and a cash component. As a result of this transaction, Resolute holds 33.25% of the ordinary shares of Viking Ashanti Limited.		
(g)	Administration and other expenses		
	Other management and administration expenses	4,248	4,297
	Non mine site insurance costs	714	737
	Operating lease expenses	770	512
	Loss on sale of available for sale financial assets	-	28
	Share based payments expense	1,215	522
	Depreciation of non mine site assets	250	271
	Impairment of accounts receivable	1,361	-
	Other	1,199	1,209
		<u>9,757</u>	<u>7,576</u>
(h)	Finance costs		
	Interest and fees paid/payable to other entities (i)	18,612	10,701
	Rehabilitation provision discount adjustment	985	519
		<u>19,597</u>	<u>11,220</u>
(i)	Interest and fees paid/payable to other entities relating to financing of the Syama redevelopment and pre-production costs up until 31 December 2009 were capitalised into pre-production costs.		

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NOTE 3: PROFIT/(LOSS) FROM CONTINUING OPERATIONS (continued)

		Consolidated	
		For the year ended	For the year ended
		30-Jun-11	30-Jun-10
		\$'000	\$'000
(i)	Treasury - other realised (losses)/gains		
	Realised gain on gold call options	-	1,522
	Realised loss on gold put options	(3,909)	-
	Realised foreign exchange loss	(665)	(1,327)
		<u>(4,574)</u>	<u>195</u>
(j)	Treasury - unrealised gains/(losses)		
	Unrealised gain on gold forward contracts	-	2,077
	Unrealised gain/(loss) on gold put options	2,930	(5,467)
	Unrealised loss on gold call options	-	(1,393)
	Unrealised foreign exchange gain	7,991	3,351
	Unrealised foreign exchange loss on loans with subsidiaries	(10,191)	(74,544)
		<u>730</u>	<u>(75,976)</u>

NOTE 4: DIVIDENDS PAID OR PROVIDED FOR

There were no dividends paid or provided for during the year and up to the date of this report.

FRANKING CREDITS

The amount of franking credits available for subsequent financial years is as follows. The amount has been determined using a tax rate of 30%.

<u>7,417</u>	<u>7,417</u>
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NOTE 5: FINANCIAL LIABILITIES

- a) In October 2010, the Group completed the close out of its hedge book. Funding for the gold purchases to achieve this comprised approximately A\$30.368m from an equity raising in October and A\$47.991m of credit from the hedging counterparties, Barclays and Investec. The credit was scheduled to be repaid in monthly instalments between February and September 2011. The remaining balance owing as at 30 June 2011 is A\$18.910m and is scheduled to be fully repaid by September 2011.
- b) The financing arrangement to fund the gold purchases has the same securities in place as the senior debt facility provided by Barclays Bank Plc, and Investec Bank (Australia) Limited, the environmental bond facility, and the deferred put option premium facility.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: FINANCIAL LIABILITIES (continued)

Those securities are as follows:

- (i) Cross Guarantee and Indemnity given by Resolute Mining Limited, Carpentaria Gold Pty Ltd, Resolute (Tanzania) Limited, Mabangu Mining Limited, Resolute Pty Ltd, Resolute (Treasury) Pty Ltd and Resolute (Somisy) Limited;
- (ii) fixed and floating charge over all the current and future assets of Resolute (Tanzania) Limited including onshore and offshore bank accounts and shares of Mabangu Mining Ltd;
- (iii) fixed and floating charge over all the current and future assets of Mabangu Mining Limited including onshore and offshore bank accounts;
- (iv) mortgage over mining lease ML 19/97 of the Resolute (Tanzania) Limited group of companies;
- (v) mortgage over prospecting licences PL 1461/2000, PL 1462/2000, PL 1732/2001, PL 347/95, PL 1833/2001, PL 1890/2002, PL 1891/2002 and PL 1892/2002 of Resolute (Tanzania) Limited;
- (vi) share Mortgage by Resolute Pty Ltd over all of its shares in Resolute (Tanzania) Limited and including an assignment of Tanzanian general and political risks insurance policies with the Security Trustee being named as the loss payee;
- (vii) share Mortgage by the Borrower over all of its shares in Carpentaria Gold Pty Ltd;
- (viii) share Mortgage by the Borrower over all of its shares in Resolute (Somisy) Limited and including an assignment of rights under Malian general and political risks insurance policies with the Security Trustee being named as the loss payee;
- (ix) fixed and floating charge over all the current and future assets of Resolute (Treasury) Pty Ltd including bank accounts and an assignment of all Hedging Contracts;
- (x) fixed and floating charges over all the current and future assets of Carpentaria Gold Pty Ltd including bank accounts and an assignment of all Hedging Contracts;
- (xi) mortgage over key Carpentaria Gold Pty Ltd mining tenements, and
- (xii) mortgage over the loan receivable from Societe des Mines de Syama SA.

RESOLUTE MINING LIMITED
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For the year ended 30 June 2011

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6: EARNINGS PER SHARE

	Consolidated	
	2011	2010
Basic earnings per share		
Profit/(loss) used in calculation of basic earnings per share (\$'000)	61,385	(37,173)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	444,809,350	375,297,701
Basic EPS (cents per share)	13.80	(9.90)
Diluted earnings per share		
Profit/(loss) used in calculation of basic earnings per share (\$'000)	61,385	(37,173)
Tax effected interest on convertible notes (\$'000)	8,305	6,363
Net profit/(loss) attributable to ordinary equity holders of the parent adjusted for the effect of convertible notes (\$'000)	69,690	(30,810)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	444,809,350	375,297,701
Weighted average number of notional shares used in determining diluted EPS	175,133,158	n/a
Weighted average number of ordinary shares outstanding during the period used in the calculation of diluted EPS	619,942,508	375,297,701
Number of potential ordinary shares that are not dilutive and hence not included in calculation of diluted EPS	1,873,000	200,669,184
Diluted EPS (cents per share)	11.24	(9.90)

Dilutive securities are not included in the calculation of diluted earnings per share for the year ended 30 June 2010 because the result was a loss.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: ISSUED & CONTRIBUTED EQUITY

	Total Number	Number Quoted	Issue Price Per Security	Amount Paid Up Per Security
Ordinary securities				
As at 30 June 2011	467,638,948	467,638,948		
<u>Changes during current period</u>				
Increases through exercise of unlisted options	55,000	55,000	\$1.12	\$1.12
Increases through exercise of unlisted options	65,000	65,000	\$1.09	\$1.09
Increases through exercise of unlisted options	359,001	359,001	\$0.42	\$0.42
Increases through exercise of listed options	44,917,993	44,917,993	\$0.60	\$0.60
Increases through placement of shares to sophisticated investors	11,762,463	11,762,463	\$1.24	\$1.24
Increases through conversion of convertible notes	14,289,793	14,289,793	\$0.50	\$0.50
Increases through issue of shares to convertible note holders for interest owing	3,603,264	3,603,264	\$1.24	\$1.24
	Total Number	Number Quoted	Exercise Price	Expiry Date
Options on issue				
As at 30 June 2011	125,000	-	\$1.32	24/10/2011
	213,000	-	\$2.12	22/05/2013
	51,000	-	\$1.62	29/08/2013
	1,250,000	-	\$1.63	1/10/2011
	680,667	-	\$0.42	31/01/2014
	51,056,723	51,056,723	\$0.60	31/12/2011
	500,000	-	\$1.00	31/03/2012
	500,000	-	\$0.74	30/06/2012
	3,000,000	-	\$0.72	24/10/2012
	739,000	-	\$1.09	14/02/2015
	99,000	-	\$1.21	15/07/2015
	135,000	-	\$1.43	15/11/2015
	2,000,000	-	\$1.36	4/01/2016
	1,163,000	-	\$1.43	24/01/2016
	130,000	-	\$1.18	15/07/2016

RESOLUTE MINING LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: ISSUED & CONTRIBUTED EQUITY (continued)

	Total Number	Number Quoted	Exercise Price	Expiry Date
<u>Changes during current period</u>				
Exercise of unlisted options	55,000	-	\$1.12	23/03/2011
Lapsing of unlisted options	130,000	-	\$1.32	24/10/2011
Lapsing of unlisted options	24,000	-	\$2.12	22/05/2013
Lapsing of unlisted options	24,000	-	\$1.62	29/08/2013
Lapsing of unlisted options	133,334	-	\$0.42	31/01/2014
Exercise of unlisted options	359,001	-	\$0.42	31/01/2014
Exercise of listed options	44,917,993	44,917,993	\$0.60	31/12/2011
Lapsing of unlisted options	260,000	-	\$1.09	14/02/2015
Exercise of unlisted options	65,000	-	\$1.09	14/02/2015
Issue of unlisted options	(179,000)	-	\$1.21	15/07/2015
Issue of unlisted options	(135,000)	-	\$1.43	15/11/2015
Issue of unlisted options	(2,000,000)	-	\$1.36	4/01/2016
Issue of unlisted options	(1,366,000)	-	\$1.43	24/01/2016
Lapsing of unlisted options	203,000	-	\$1.43	24/01/2016
	Total Number	Number Quoted	Exercise Price	Expiry Date
Convertible notes on issue				
As at 30 June 2011	136,862,475	136,862,475	\$0.50	31/12/2012
<u>Changes during current period</u>				
Conversion of convertible notes	(14,289,793)	(14,289,793)	\$0.50	31/12/2012

RESOLUTE MINING LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 8: OPERATING SEGMENTS

<u>2011</u>	RAVENSWOOD (AUSTRALIA) \$'000	GOLDEN PRIDE (TANZANIA) \$'000	SYAMA (MALI) \$'000	UNALLOCATED		TOTAL \$'000
				CORP/OTHER \$'000 (c)	TREASURY \$'000 (c)	
Revenue						
Gold sales at spot to external customers (a)	170,036	176,745	116,130	-	-	462,911
Total segment gold sales revenue	170,036	176,745	116,130	-	-	462,911
Cash costs	(109,435)	(87,710)	(103,197)	-	-	(300,342)
Depreciation and amortisation	(24,791)	(6,502)	(31,098)	-	-	(62,391)
Other operating costs (b)	(5,672)	(9,383)	(4,175)	(682)	-	(19,912)
Other corporate/admin costs (b)	(64)	-	-	(4,585)	-	(4,649)
Segment operating result before treasury, other income/(expenses) and tax	30,074	73,150	(22,340)	(5,267)	-	75,617
Other income	-	-	-	1,073	572	1,645
Exploration expenditure	(2,374)	(1,950)	(2,933)	(1,469)	-	(8,726)
Finance costs	-	-	-	-	(19,597)	(19,597)
Realised loss on gold forward contracts delivered into with production	-	-	-	-	(17,856)	(17,856)
Other	-	-	-	(2,429)	-	(2,429)
Segment operating result before treasury and tax	27,700	71,200	(25,273)	(8,092)	(36,881)	28,654
Treasury - movement on gold forward contracts closed out	-	-	-	-	34,742	34,742
Treasury - other realised losses	-	-	-	-	(4,574)	(4,574)
Treasury - other unrealised losses	-	-	-	-	730	730
Income tax expense	-	(14,629)	-	(308)	-	(14,937)
Net profit/(loss) after tax	27,700	56,571	(25,273)	(8,400)	(5,983)	44,615

RESOLUTE MINING LIMITED
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For the year ended 30 June 2011

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8: OPERATING SEGMENTS (continued)

<u>2011</u>	RAVENSWOOD (AUSTRALIA) \$'000	GOLDEN PRIDE (TANZANIA) \$'000	SYAMA (MALI) \$'000	UNALLOCATED		TOTAL \$'000
				CORP/OTHER \$'000	TREASURY \$'000	
				(c)	(c)	
Reconciliation of total segment revenue to statement of comprehensive income:						
Total segment gold sales revenue to external customers						462,911
Realised loss on gold forward contracts						(17,856)
Total revenue per statement of comprehensive income						445,055
Cash flow by segment, including receivables - gold bullion sales	23,541	60,409	(29,779)	(3,193)	(53,221)	(2,243)
Reconciliation of cash flow by segment to the cash flow statement:						
Movement in receivables - gold bullion sales						(4,803)
Movement in bank overdraft						(1,183)
Exchange rate adjustment						822
Movement in cash and cash equivalents per cash flow statement						(7,407)
Capital expenditure	12,545	1,021	6,704	217	-	20,487
Segment assets	130,130	65,500	354,333	28,872	11	578,846
Segment liabilities	39,257	22,712	37,064	10,557	113,259	222,849

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 8: OPERATING SEGMENTS (continued)

<u>2010</u>	RAVENSWOOD (AUSTRALIA) \$'000	GOLDEN PRIDE (TANZANIA) \$'000	SYAMA (MALI) \$'000	UNALLOCATED		TOTAL \$'000
				CORP/OTHER \$'000 (c)	TREASURY \$'000 (c)	
Revenue						
Gold sales at spot to external customers (a)	158,456	181,446	54,034	-	-	393,936
Total segment gold sales revenue	158,456	181,446	54,034	-	-	393,936
Cash costs	(101,081)	(86,617)	(46,441)	-	-	(234,139)
Depreciation and amortisation	(21,034)	(6,155)	(15,952)	-	-	(43,141)
Other operating costs (b)	(6,112)	(6,990)	(291)	(388)	-	(13,781)
Other corporate/admin costs (b)	(53)	-	-	(4,353)	-	(4,406)
Segment operating result before treasury, other income/(expenses) and tax	30,176	81,684	(8,650)	(4,741)	-	98,469
Other income	38	9	-	10,023	294	10,364
Exploration expenditure	(1,586)	(2,415)	(2,995)	(2,284)	-	(9,280)
Finance costs	-	-	-	-	(11,220)	(11,220)
Realised loss on gold forward contracts delivered into with production	-	-	-	-	(51,452)	(51,452)
Other	-	-	-	(1,052)	-	(1,052)
Segment operating result before unrealised treasury, other income/(expenses) and tax	28,628	79,278	(11,645)	1,946	(62,378)	35,829
Treasury - other realised losses	-	-	-	-	195	195
Treasury - other unrealised losses	-	-	-	-	(75,976)	(75,976)
Income tax (expense)/benefit	(2,290)	(15,555)	-	1,226	-	(16,619)
Net profit/(loss) after tax	26,338	63,723	(11,645)	3,172	(138,159)	(56,571)

RESOLUTE MINING LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 8: OPERATING SEGMENTS (continued)

2010	RAVENSWOOD (AUSTRALIA) \$'000	GOLDEN PRIDE (TANZANIA) \$'000	SYAMA (MALI) \$'000	UNALLOCATED CORP/OTHER \$'000 (c)	TREASURY \$'000 (c)	TOTAL \$'000
Reconciliation of total segment revenue to statement of comprehensive income:						
Total segment gold sales revenue to external customers						393,936
Realised loss on gold forward contracts						(59,084)
Amortisation of gold hedge reserve						7,632
Total revenue per statement of comprehensive income						342,484
Cash flow by segment, including receivables - gold bullion sales	30,292	73,726	(49,711)	(5,898)	(33,360)	15,049
Reconciliation of cash flow by segment to the cash flow statement:						
Movement in receivables - gold bullion sales						(9,405)
Movement in bank overdraft						(538)
Exchange rate adjustment						(43)
Movement in cash and cash equivalents per cash flow statement						5,063
Capital expenditure	18,160	3,407	67,303	8,936	-	97,806
Segment assets	121,117	79,131	380,726	31,572	89	612,635
Segment liabilities	26,983	24,685	40,929	6,373	230,625	329,595

(a) Revenue from external sales for each reportable segment is derived from several customers. The customers each make up greater than 10% of the respective segments' sales revenue.

(b) Includes inter-segment revenue and expenditure.

(c) 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 Makers, and forms part of the reconciliation of the results and positions of the operating segments to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 9: NET TANGIBLE ASSETS

	As at 30-Jun-11 \$'000	As at 30-Jun-10 \$'000
Net tangible assets per share (\$)	0.76	0.72

Signed in accordance with a resolution of directors.



P.R. Sullivan
Director
Perth, Western Australia
30 August 2011