

ASX ANNOUNCEMENT

01

6 November 2014

RESOLUTE TO RAISE UP TO \$25 MILLION VIA CONVERTIBLE NOTE OFFER

Resolute Mining Limited (ASX: RSG, **Resolute** or the **Company**) is pleased to announce that it proposes to raise up to \$25 million via a convertible note offer.

The offer will comprise the issue of 15,000,000 convertible unsecured notes (**Notes**) with a face value of \$1.00 per Note to raise up to \$15,000,000 before costs, with the ability to accept oversubscriptions of up to \$10,000,000 (**Offer**).

The proceeds will be applied to undertake drilling programs and feasibility studies on the Bibiani, Syama and Buck Reef West projects; advance works on the connection of the Syama project to the main power grid; maintain ongoing operations on current projects; and for general working capital purposes.

The offer provides flexibility for Resolute's current project development opportunities and is also a prudent capital management initiative in light of prevailing market challenges in the gold sector.

The Offer has been underwritten by the Company's long term major shareholder (ICM Limited) for \$15,000,000.

Priority Allocation

The Company's shareholders will be given priority to participate in the Offer at a level to their discretion whilst the general public may also participate in the Offer, to the extent there are Notes available after eligible priority shareholder applications have been processed.

Prospectus

The Offer will be made pursuant to a prospectus which has been lodged with ASIC today and follows this announcement (**Prospectus**). A copy will also be made available to all interested parties at the Company's website. The Notes are intended to be listed on ASX.

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Perth, Western Australia 6000

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Facsimile: + 61 8 9322 7597
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www.rml.com.au

An Appendix 3B is attached showing details of the maximum number of securities to be issued pursuant to the Prospectus.

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Indicative Timetable

The indicative timetable* for the Offer is as follows:

Lodgement of Prospectus with ASIC and ASX	6 November 2014
Notice of Offer sent to shareholders	10 November 2014
Priority Allocation Record Date	13 November 2014
Opening Date of Offer	14 November 2014
Closing Date of Offer	28 November 2014
Notify underwriter of shortfall	1 December 2014
Anticipated date for issue of Notes	4 December 2014

*This timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the Notes.

Key Terms of the Notes

The key terms and conditions of the Notes are set out below.

	SUMMARY
Face Value	A\$1.00 per Note.
Maturity Date:	3 years from date of issue of the first Note.
Interest Rate:	10% per annum accruing daily and payable in arrears quarterly until the Maturity Date.
Security:	Unsecured.
Ranking:	Subordinated to senior lender(s) pursuant to a subordination deed and ranking equally with all other unsecured creditors.
Conversion Rate:	Each Note is convertible into one fully paid ordinary share (Share), unless adjusted in accordance with the terms of the Notes.
Conversion Period:	Noteholders may elect to convert Notes into Shares at any time prior to the Maturity Date.

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A proven gold producer

	SUMMARY
	The Company will issue Shares on conversion of Notes on 31 January, 30 April, 31 July and 31 October.
Listing:	Notes to be listed on ASX.
Transfer:	Notes are transferable.
Redemption on Maturity Date:	Redeemed at Face Value plus outstanding interest on the Maturity Date if not redeemed or converted beforehand.
Early Redemption:	Subject to the terms of the Subordination Deed, redeemable after two years at the election of the Company by paying the Face Value, outstanding interest and an Early Redemption Fee. Early Redemption is subject to at least 20 business days notice. Noteholders may convert their Notes at any time before the nominated Early Redemption Date.
Early Redemption Fee:	Early Redemption Fee is the amount equal to the Face Value multiplied by the Early Redemption Interest Rate.
Early Redemption Interest Rate:	Early Redemption Interest Rate is initially equal to 6% and reduces by 0.5% for every month that passes in the 12 month period leading up to the Maturity Date.
Events of Default:	Events of Default comprise the following: • failure to pay interest when due and payable within 15 business days of its due date; • failure to repay the Notes when due and payable within 15 business days of the Maturity Date; • if the Company fails to comply with any of its obligations under the terms of the Notes or the trust deed relating to the Notes and, where the failure can be remedied, is not remedied within 30 business days after the trustee notifies the Company of the failure and requires it to be remedied; • if an insolvency event occurs in respect of the Company; • if the Company ceases to be listed on the official list of ASX or its Shares are suspended from quotation on ASX for a period of more than 20 consecutive business days; • if a financial indebtedness of the Company exceeding A\$10,000,000 is: - o not paid when due within any originally applicable grace period; or - o declared to be or otherwise becomes due and

	SUMMARY
	payable prior to its specified maturity as a result of an event of default or review event (however described); and any creditor of the Company becomes entitled to declare any financial indebtedness exceeding A\$10,000,000 (on a non-aggregated basis except to the same creditor) (or its equivalent in any other currency or currencies) due and payable prior to its specified maturity as a result of an event of default or review event (however described).

A copy of the Convertible Notes Trust Deed containing the full terms and conditions of the Notes follows this announcement.



PETER SULLIVAN
Chief Executive Officer

About Resolute:

Resolute is an unhedged gold miner with two operating mines in Africa and Australia. The Company is one of the largest gold producers by volume listed on the ASX. Resolute's flagship Syama project in Mali is on track for an increase in production to 270,000oz of gold a year following an approved expansion to be undertaken through FY2016. At its Ravenswood mine in Queensland Resolute is investigating a number of opportunities to add value by increasing gold production and lowering operating costs. In Ghana, the Company is now the owner and operator of the advanced Bibiani gold project where work is being undertaken on an underground feasibility study including a 20,000m drill program. The Company controls an extensive footprint along the highly prospective Syama Shear and Greenstone Belts in Mali and Cote d'Ivoire. Resolute has also identified a number of highly promising exploration targets at its Ravenswood operations and holds a number of exploration projects in Tanzania surrounding its now completed Golden Pride mine.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Resolute Mining Limited

ABN

39 097 088 689

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Convertible Unsecured Notes |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 25,000,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The Convertible Unsecured Notes will be listed, have a face value of \$1.00, an interest rate of 10% payable quarterly in arrears, convert into one share at the election of the holder and be for a three year term. Upon conversion into Shares, they will rank equally with existing Shares. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	The Convertible Unsecured Notes, if converted to Shares, will rank equally with the Shares currently on issue. Prior to conversion into Shares, the Convertible Unsecured Notes do not carry voting rights or entitlements to dividends.
5	Issue price or consideration	\$1.00 per Convertible Unsecured Note
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To raise funds for the Company's growth projects and for general working capital purposes.
6a	Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	

⁺ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)							
6f	Number of securities issued under an exception in rule 7.2							
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.							
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements							
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements							
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	The Convertible Unsecured Notes will be issued on or about 4 December 2014 and holding statements or a share registry advice will be dispatched on or about 4 December 2014.						
8	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> <tr> <td>641,189,223</td> <td>Shares</td> </tr> <tr> <td>Up to 25,000,000</td> <td>Convertible Unsecured Notes</td> </tr> </table>	Number	+Class	641,189,223	Shares	Up to 25,000,000	Convertible Unsecured Notes
Number	+Class							
641,189,223	Shares							
Up to 25,000,000	Convertible Unsecured Notes							

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	*Class
9	Number and *class of all	
	*securities not quoted on ASX	
	(including the securities in section	
	2 if applicable)	
	444,000	Options with an exercise price of \$1.09 and expiry of 14 February 2015.
	33,000	Options with an exercise price of \$1.21 and expiry of 15 July 2015.
	90,000	Options with an exercise price of \$1.43 and expiry of 15 November 2015.
	2,000,000	Options with an exercise price of \$1.36 and expiry of 4 January 2016.
	794,333	Options with an exercise price of \$1.43 and expiry of 24 January 2016.
	130,000	Options with an exercise price of \$1.18 and expiry of 15 July 2016.
	671,400	Options with an exercise price of \$1.85 and expiry of 26 January 2017.
	1,586,978	Performance Rights (Level 1) with a vesting period ending on 30 June 2015.
	3,585,228	Performance Rights (Level 1) with a vesting period ending on 30 June 2016.
	1,544,023	Performance Rights (Level 2) with a vesting period ending on 30 June 2016.
	3,088,428*	Performance Rights (Level 1) with a vesting period ending on 30 June 2017.

*This includes 1,053,891 Performance Rights issued to Mr Peter Sullivan (Director) subject to shareholder approval to be sought at the shareholders' meeting on 25 November 2014.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Directors may from time to time determine dividends to be distributed to members according to their rights and interests.
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	n/a
13	Ratio in which the *securities will be offered	n/a

+ See chapter 19 for defined terms.

14	+Class of +securities to which the offer relates	n/a
15	+Record date to determine entitlements	n/a
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	n/a
17	Policy for deciding entitlements in relation to fractions	n/a
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	n/a
19	Closing date for receipt of acceptances or renunciations	n/a
20	Names of any underwriters	n/a
21	Amount of any underwriting fee or commission	n/a
22	Names of any brokers to the issue	n/a
23	Fee or commission payable to the broker to the issue	n/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	n/a
25	If the issue is contingent on +security holders' approval, the date of the meeting	n/a
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	n/a

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	n/a
28	Date rights trading will begin (if applicable)	n/a
29	Date rights trading will end (if applicable)	n/a
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	n/a
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	n/a
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	n/a
33	⁺ Despatch date	n/a

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(~~Director~~/Company secretary)

Date: 6/11/14

Print name: Greg Fitzgerald

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	640,994,224
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period Note: • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	
“A”	640,994,224

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15
Multiply “A” by 0.15	96,149,134
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	Up to 25,000,000 shares to be issued pursuant to the Convertible Note offer announced on 6 November 2014
“C”	25,000,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	96,149,134
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	25,000,000
Total [“A” x 0.15] – “C”	71,149,134 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	
“E”	

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.