



Resolute

Quarterly Activities Report

for the period ended 30 June 2016

28 July 2016

Resolute transformation accelerates in June quarter

Secured Debt Facility fully repaid and Convertible Notes redeemed

Positive feasibility studies for Syama Underground and Bibiani

Open pit mining to recommence at Ravenswood

A\$102M in cash and bullion

Highlights

- Total quarterly gold production of 83,087 ounces (March 2016: 78,892 ounces) achieved at an All-in-Sustaining Cost of A\$1,107 per ounce (US\$827 per ounce).
- Total annual gold production for FY16 of 315,169 ounces at All-in-Sustaining Cost of A\$1,200 per ounce (US\$874 per ounce) outperforming original guidance of 315,000 ounces at A\$1,280 per ounce.
- Total annual gold sales for FY16 of 340,540 ounces above the guidance of 340,000 ounces.
- Cash and bullion increased to a total of **A\$102 million**.
- Final repayment made on US\$50 million Senior Secured Cash Advance Facility and A\$15 million of Convertible Notes converted and redeemed. Total borrowings reduced by A\$44 million during the June 2016 quarter.
- Syama Underground Project Definitive Feasibility Study confirms a long life, low cost mine which will continue to deliver strong operating margins for Resolute for more than a decade.
- Bibiani Feasibility Study demonstrates a viable development pathway and identifies significant potential upside.
- Ravenswood operation to recommence open pit mining at Nolans East as first stage of mine life extension.
- New organisational structure in place to lead high performance team; senior executives broadened with the number of direct reports to the Chief Executive Officer increasing from three to six.
- Guidance for FY17 forecast to be minimum production of 300,000 ounces at All-in-Sustaining Cost of A\$1,280 per ounce (US\$934 per ounce) which will drive annual gold sales for FY17 in excess of 325,000 ounces.

Resolute Mining Limited (Resolute or the Company) (ASX:RSG) is pleased to present its Quarterly Activities Report for the period ending 30 June 2016. Managing Director & CEO, Mr. John Welborn, commented that the June 2016 quarter had been an exceptionally busy and productive period for Resolute:

"Resolute has achieved a number of crucial milestones on our journey to establishing a long life, low cost future for our business. Operations are performing strongly and this is providing a platform to strengthen the Company's balance sheet. During the quarter we fully repaid the US\$50M Senior Secured Cash Advance Facility and also converted and redeemed A\$15M of outstanding Convertible Notes. We started the financial year with total borrowings of A\$118M, net debt of A\$64M, and we have ended the year with cash and bullion of A\$102M and net cash of A\$75M. This impressive and important turnaround allows us to develop key organic growth projects with funding confidence. Our decision to immediately commence underground development at Syama, based on the successful DFS, will secure our production and cash flow generating base for more than a decade. The recommencement of open pit mining at Ravenswood will assist in maintaining continuity of production as we develop a mine life beyond Mt Wright. FY17 will be exciting for shareholders as we develop the flagship Syama underground mine, deliver the Ravenswood Extension Project study, and continue to work towards a production future for Bibiani."

**Resolute**

Quarterly Activities Report for the period ended 30 June 2016

Quarterly Summary

Operations

Strong performance in the June 2016 quarter has allowed further accelerated debt reduction to strengthen the Company's balance sheet. Total quarterly gold production of 83,087 ounces (oz) (78,892oz) was achieved at an All-in-Sustaining Cost (AISC) of A\$1,107/oz (US\$827/oz).

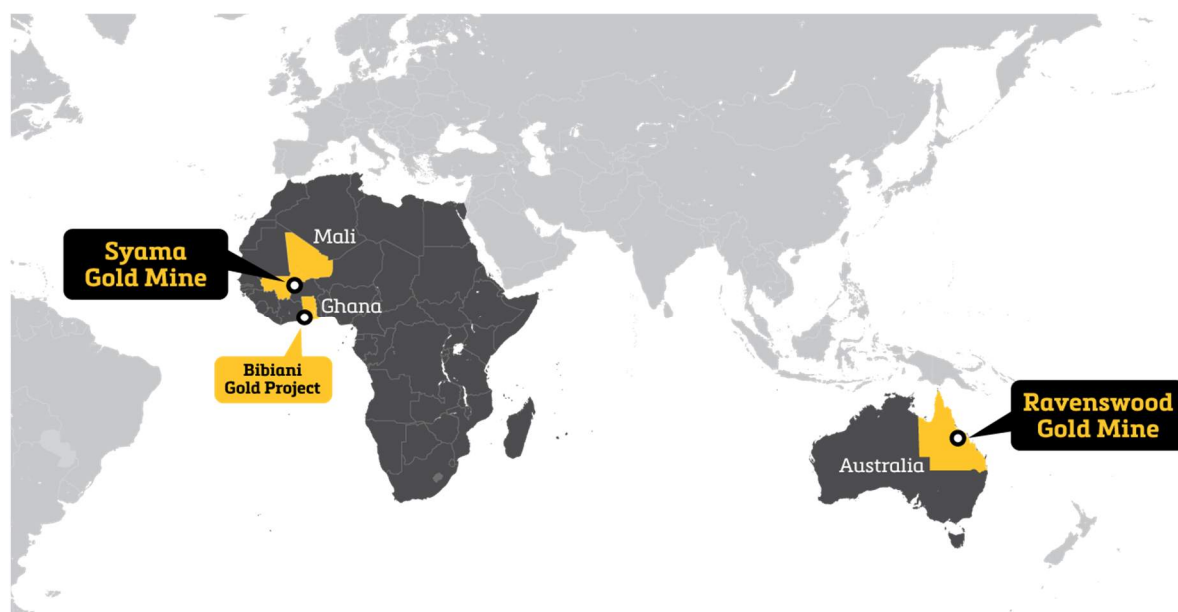


Figure 1: Location map of Resolute's gold mines and major gold projects

		Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	Cash Cost US\$/oz	**AISC A\$/oz	**AISC US\$/oz
Syama										
Full Year	Sulphide	413,038	1,497,103	3.53	76.3	129,585	710	517	917	669
Full Year	Oxide	1,132,468	1,257,948	2.30	86.2	80,032	1,026	747	1,561	1,137
	Total	1,545,506	2,755,051	2.97	79.8	209,617	830	605	1,163	848
Jun Quarter	Sulphide	298,776	480,842	3.65	77.4	43,648	368	277	551	414
	Oxide	185,382	378,416	1.72	85.0	17,811	1,356	1,011	1,926	1,432
	Total	484,158	859,258	2.80	79.4	61,459	655	489	949	709
Mar Quarter	Sulphide	114,262	394,301	3.69	74.6	34,876	744	538	959	695
	Oxide	491,723	309,465	2.40	77.8	18,553	1,251	901	1,592	1,157
	Total	605,985	703,766	3.12	75.7	53,429	920	664	1,179	855
Ravenswood										
Full Year		1,305,585	1,700,386	2.05	94.3	105,552	1,033	752	1,225	892
Jun Quarter		196,838	464,363	1.54	93.9	21,628	1,233	919	1,468	1,095
Mar Quarter		357,582	400,110	2.09	94.5	25,463	1,092	788	1,204	867
Total Resolute Production										
Full Year		2,851,091	4,455,437	2.61	84.1	315,169	898	654	1,200	874
Jun Quarter		680,996	1,323,621	2.36	82.7	83,087	805	601	1,107	827
Mar Quarter		963,567	1,103,876	2.75	80.9	78,892	976	704	1,205	869

Table 1: Production and Cost Summary

** AISC has been calculated in accordance with World Gold Council guidelines.

FY17 gold production is expected to be a minimum of **300,000oz** at an AISC of **A\$1,280/oz** (US\$934/oz).



Resolute

Quarterly Activities Report for the period ended 30 June 2016

Financial Performance/Position

Cash and bullion on hand at the end of the quarter increased to a total of **A\$102M** (Mar 2016: A\$90M). Debt reduction continued with total net cash/bullion/debt at quarter end improving to positive **A\$75M** (Mar 2016: positive A\$19M). **100,000oz** of gold was sold during the quarter at an average price of **A\$1,712/oz** (Mar 2016: 82,000oz for A\$1,638/oz).

Resolute retains **12,632oz** of gold bullion on hand at quarter end with a market value of **A\$22M** (Mar 2016: 31,551oz valued at A\$51M).

June 2016 Quarter	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravenswood	GROUP Total
UG lateral development - operating	m	-	-	-	29	29
UG ore mined	t	-	-	-	196,838	196,838
UG grade mined	g/t	-	-	-	2.66	2.66
OP operating waste	BCM	93,181	1,300,426	1,393,607	-	1,393,607
OP ore mined	BCM	108,953	98,679	207,632	-	207,632
OP grade mined	g/t	2.34	2.03	2.19	-	2.19
Total ore mined	t	298,776	185,382	484,158	196,838	680,996
Total tonnes processed	t	480,842	378,416	859,258	464,363	1,323,621
Grade processed	g/t	3.65	1.72	2.80	1.54	2.36
Recovery	%	77.4	85.0	79.4	93.9	82.7
Gold produced	oz	43,648	17,811	61,459	21,628	83,087
Gold in circuit drawdown/(addition)	oz	(96)	(1,272)	(1,368)	(637)	(2,005)
Gold shipped	oz	43,552	16,539	60,091	20,991	81,082
Gold bullion in metal account movement	oz	5,821	3,588	9,409	9,509	18,918
Gold sold	oz	49,373	20,127	69,500	30,500	100,000
Achieved gold price	A\$/oz	1,729	1,729	1,729	1,673	1,712
	US\$/oz	1,280	1,280	1,280	1,260	1,274
Cost Summary						
Mining	A\$/oz	106	824	314	526	370
Processing	A\$/oz	334	507	384	460	404
Administration	A\$/oz	121	149	129	182	143
Stockpile Adjustments	A\$/oz	(160)	176	(63)	64	(30)
Amortisation/(Deferral) of stripping costs	A\$/oz	(22)	(300)	(102)	0	(76)
Transfer of underground development costs to development	A\$/oz	(12)	0	(8)	0	(6)
Cash Cost	A\$/oz	368	1,356	655	1,233	805
	US\$/oz	277	1,011	489	919	601
Royalties	A\$/oz	114	125	117	118	126
By-product credits	A\$/oz	(3)	(4)	(3)	(9)	(5)
Amortisation/(Deferral) of stripping costs	A\$/oz	22	300	102	0	76
Sustaining capital + others	A\$/oz	49	147	77	74	77
Overhead costs	A\$/oz	1	1	1	53	29
All-in Sustaining Cost	A\$/oz	551	1,926	949	1,468	1,107
	US\$/oz	414	1,432	709	1,095	827
Depreciation and amortisation	A\$/oz	46	35	43	286	106

Table 2: Detailed Production and Cost data

**Resolute**

Quarterly Activities Report for the period ended 30 June 2016

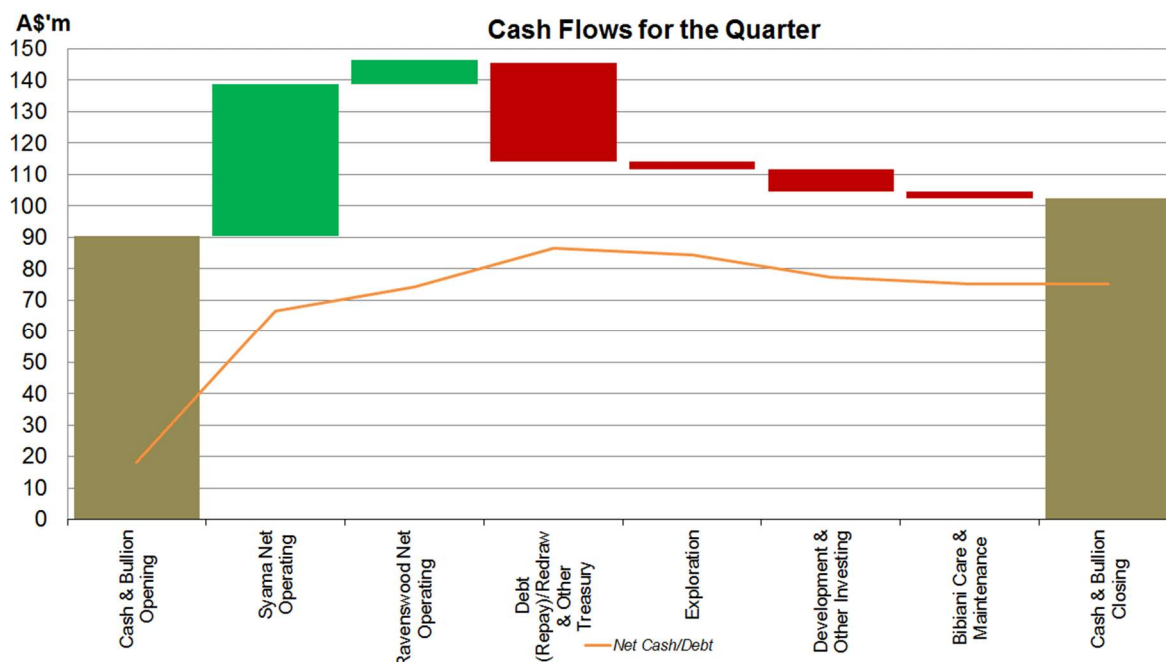


Table 3: Cash flow waterfall for June Quarter

Resolute Quarterly Conference Call

Resolute's Managing Director and CEO John Welborn will host a Conference Call for investors and media at **09h00 AWST / 11h00 AEST today, Thursday 28 July, 2016** to discuss the Company's progress followed by a question and answer session.

Teleconference details:

Toll-free local dial-in number: 1800 123 296

Toll-free international access numbers:

Canada	1855 5616 766	New Zealand	0800 452 782
China	4001 203 085 8008 702 411	Singapore	800 616 2288
Hong Kong	800 908 865	United Kingdom	0808 234 0757
India	1800 3010 6141	United States	1855 293 1544
Japan	0120 477 087		

For other countries use international access number: +61 2 8038 5221

Conference ID: 5635 8876

Please dial in five minutes prior to the conference start time and provide the operator with your name and the Conference ID as shown above.

Alternatively, the Resolute teleconference will be streamed live at: <http://www.openbriefing.com/OB/2228.aspx>

For further information, contact:

John Welborn | *Managing Director and CEO*

Telephone: +61 8 9261 6100 | **Email:** contact@rml.com.au | **Web:** www.rml.com.au



Mali

Operations

Syama, Mali

The Syama Gold Mine (Syama) is located in the south of Mali, West Africa approximately 30km from the Côte d'Ivoire border and 300km southeast of the capital Bamako.



Figure 2: Location map of Resolute's Syama Gold Mine in Mali

The Syama operation comprises two separate processing plants: a 2.1 million tonne per annum (Mtpa) sulphide processing circuit and a 1.3Mtpa oxide processing circuit.

Mining at the main Syama open pit was completed in May 2015 with ore for the sulphide circuit currently being sourced from stockpiled material. Ore for the oxide circuit is provided by current mining activity at the A21 satellite ore body.

A Definitive Feasibility Study (DFS) completed in June 2016 confirmed the opportunity for a new underground operation to extend mine life at Syama beyond 2028.

Sulphide Operations

Gold produced from the sulphide circuit during the quarter was 43,648oz (34,876oz) from 480,842t (394,301t) of milled ore, at a head grade of 3.65g/t (3.69g/t).

The crushing circuit performance continued to improve after completion of previous modifications in the March 2016 quarter with the total crushed tonnage setting a new record. This has also resulted in reducing grinding throughput constraints leading to more consistent performance across the flotation circuit.

The carbon in leach (CIL), carbon elution and gold room circuits also performed well with the continuous improvement process well embedded and reflected in improved recoveries of 77.4% (74.6%). Improvements implemented during



the quarter include automated reagents addition, application of an upgraded data archive and increased focus on key KPIs via the use of electronic visual boards.

Roaster throughput improved to 37,787t (36,696t) with an average roaster throughput of 26tph despite a 10-day maintenance shut. Over the coming year this higher roaster throughput capacity will allow processing of the remaining stockpiled flotation concentrates to complement normal flotation circuit product.

Plant availability improved to 82.5% (79.7%). Industrial action by employees as part of a national strike accounted for the majority of the downtime.

Sulphide stockpile levels at the end of June 2016 totalled approximately 4.6Mt at an overall grade of 1.7g/t. The grade of the remaining stockpiles was positively impacted by a drilling campaign during the quarter which confirmed one major historical stockpile had a higher gold grade than previously allocated. These stockpiles will continue to provide feed material for the sulphide processing circuit as development of the Syama underground (Syama UG) is progressed.

The cash cost was significantly lower this quarter at US\$277/oz (US\$538/oz). A 25% increase in gold production due to much improved throughput was a key driver of this result. Furthermore, June 2016 quarter costs were favourably affected by the higher proportion of stockpiles processed that had been written down to a nil accounting value in prior years, and also the build-up of an additional ~300,000t of new sulphide material from the A21 pit (more than 2.5 times the March 2016 quarter's sulphide stockpile additions). The AISC for the sulphide operation was also similarly affected by these factors resulting in AISC of US\$414/oz (US\$695/oz).

Oxide Operations

Gold produced from the oxide circuit was 17,811oz (18,553oz) resulting from a record quarterly throughput of 378,416t (309,465t) of ore milled. Recoveries also improved with improved blending of transitional ore to 85.0% (77.8%). This was offset by the lower head grade as forecast last quarter of 1.72g/t (2.40g/t).

SAG mill throughput improved with improved water availability allowing a 1.5Mtpa throughput rate to be achieved. Water availability improved through consistent and enhanced operation of the tails thickener and associated water distribution circuit.

Mining advanced at the A21 South satellite pit with some benches in the northern section now down to the main ore zone. Waste stripping and surface preparation is underway in the southern section. Drill and blast activity commenced in lower benches in the north where transitional material has started to present. Overall production was above expectations due to less rainfall received than predicted. As the pit was mostly in a waste stripping sequence, waste to ore strip ratio increased this period which resulted in lower ore production this quarter with 484,158t (605,985t) being mined.

Ore mined continues to be separated into high and low grades and hauled directly to the oxide ROM pad at the Syama plant to meet processing requirements

Cash costs per ounce for the oxide operation increased to US\$1,011/oz (US\$901/oz), due mainly to lower gold production from the lower head grade. The AISC for the quarter was further impacted by an increased waste stripping programme as mining of the A21 South pit commenced resulting in an AISC of US\$1,432/oz (US\$1,157/oz).

Underground Development

During the quarter the Resolute Board approved the immediate development of the Syama underground (refer to ASX announcement dated 30 June 2016.)

The Syama Underground Development Contract with Rock Underground SARL (Rock Underground), the Mali subsidiary of Byrnes Pty Ltd was completed and signed by both parties on 21 June 2016.

Rock Underground has commenced the process of mobilisation with major works programmed to commence mid-September 2016.



Resolute

Quarterly Activities Report for the period ended 30 June 2016

Health and Safety

The Syama operation had no lost time injuries (LTI) during the quarter. The 12 month moving average LTI Frequency Rate remained at 0.0 (0.0).

On 17 June 2016 the site achieved a record two years without a LTI.

Security awareness remains a key focus with Resolute making greater investment and refining operational protocols to ensure the safety of all our personnel. Syama is located in Southern Mali close to the Côte d'Ivoire border. The majority of expatriate personnel continue to fly to site directly from Accra, Ghana. Resolute continues to work closely with the Mali Government with an increased army and Gendarme presence remaining in the Sikasso region. Significant local community support has also assisted the Company's security operations.

Continuous Improvement

The planned transition of Syama to an underground mining operation has provided an opportunity to fundamentally review all aspects of the Syama operation. All key areas of the operation have begun realising value from implementation of ideas generated to date. Dedicated continuous improvement personnel will commence in the next quarter to continue to assist operational teams to drive performance and cost objectives.

Outlook

Sulphide stockpiles are being managed to provide a consistent feed to the sulphide plant until the underground is developed and reaches full production. Sulphide gold production will be lower next quarter in line with the planned reduction in head grade as higher grade stockpiles are depleted. A 4-day roaster shut for routine maintenance work is also scheduled during the September quarter.

A key project underway over the first half of FY17 is to increase throughput in the sulphide circuit to an annualised 2.2Mtpa rate with work to achieve this having commenced.

Oxide gold production will be higher next quarter in line with improved head grades.

Mobilisation of the underground mining contractor will be largely completed during the September 2016 quarter.

Development

Syama Underground – Definitive Feasibility Study completed

During the June 2016 quarter the Company completed the Syama Underground Definitive Feasibility Study (UG DFS) which confirmed a positive outcome. The Syama UG will be a long life and low cost mine that will deliver a strong operating margin over the next decade. On 30 June 2016 the Resolute Board of Directors approved the immediate development of Syama UG with excavation of the decline due to commence in the September 2016 quarter following the mobilisation of a mining contractor to site. The first development ore is expected to be delivered in December 2016, with stoping commencing in December 2017. During this period there will be continuous production from Syama through current stockpiled sulphide material and ongoing satellite open pit deposits.

Exploitation of the underground orebody will be supported by the well-established Syama plant that has been processing sulphide ore from the open pit operation for seven years. The Company has been conducting metallurgical testwork seeking improvements to the process flowsheet and increases in gold recovery. During the quarter engineering and metallurgical work was completed to support process upgrades in the plant for the planned underground ore supply. The process upgrades will consist of the following units:

1. Flotation Tails CIL: the current calcine CIL circuit will be repurposed to treat the flotation tails
2. New Calcine CIL: a new dedicated calcine CIL circuit will be designed and installed
3. Re grind: the coarse calcine product will undergo further grinding prior to CIL
4. Upgrade to flotation circuit: minor upgrades to the flotation circuit to improve operational performance.



These enhancements are expected to be commissioned by October 2017. In addition, minor modifications to the crushing and grinding circuits will lift mill capacity to 2.4Mtpa.

Drilling of infill holes from within the Syama open pit and into the upper part of the underground orebody continued during the quarter. Drilling contractor AUMS will complete a program of holes targeting the upper levels of the underground mine to provide further data on the ore distribution and to optimize mine planning of early underground ore. Results for recent drilling were awaited at the end of the quarter due to throughput delays at the assay laboratory. Geological logging of diamond cores indicates the drilling will support the existing interpretation but this will be confirmed on the receipt of assays and updating of the detailed block model.

Key outcomes from the Syama UG DFS are summarized below.

Underground Development	Units	Value
Decline development	m	8,594
Vertical development	m	3,554
Level Development	m	62,717
Total development	m	74,865
Ore production		
Development ore	kt	4,195
Stoping ore	kt	20,954
Total ore	kt	25,150
Metal grade (ROM)	g/t	2.81
Metal contained (ROM)	koz	2,271
Metal recovery		
Processing recovery	%	89.4%
Metal (recovered)	koz	2,030
Operating unit cost (including pre-production)		
Mining	US\$/t	25.2
Processing	US\$/t	25.0
G&A	US\$/t	4.9
Royalty, refining costs & silver credits	US\$/t	5.8
Ore		
Mine life (incl. pre-production)	years	13.0
Costs		
Pre-production capital	US\$M	95
Pre-production operating	US\$M	13
Sustaining capital	US\$M	270
Operating cost (including royalties)	US\$M	1,519
All-in-Sustaining Costs	US\$/oz	881

Table 4: UG DFS Summary Outputs

Mining Method

Sub Level Caving (SLC) was the selected mining method. SLC suits the large Syama orebody footprint and provides sufficient productivity yield to replace the open pit operations without significant modification to the process plant.



The Company's operating history at the owner operated sub-level cave at Mt Wright has provided significant learnings and in-house expertise which provided important inputs to the Study process.

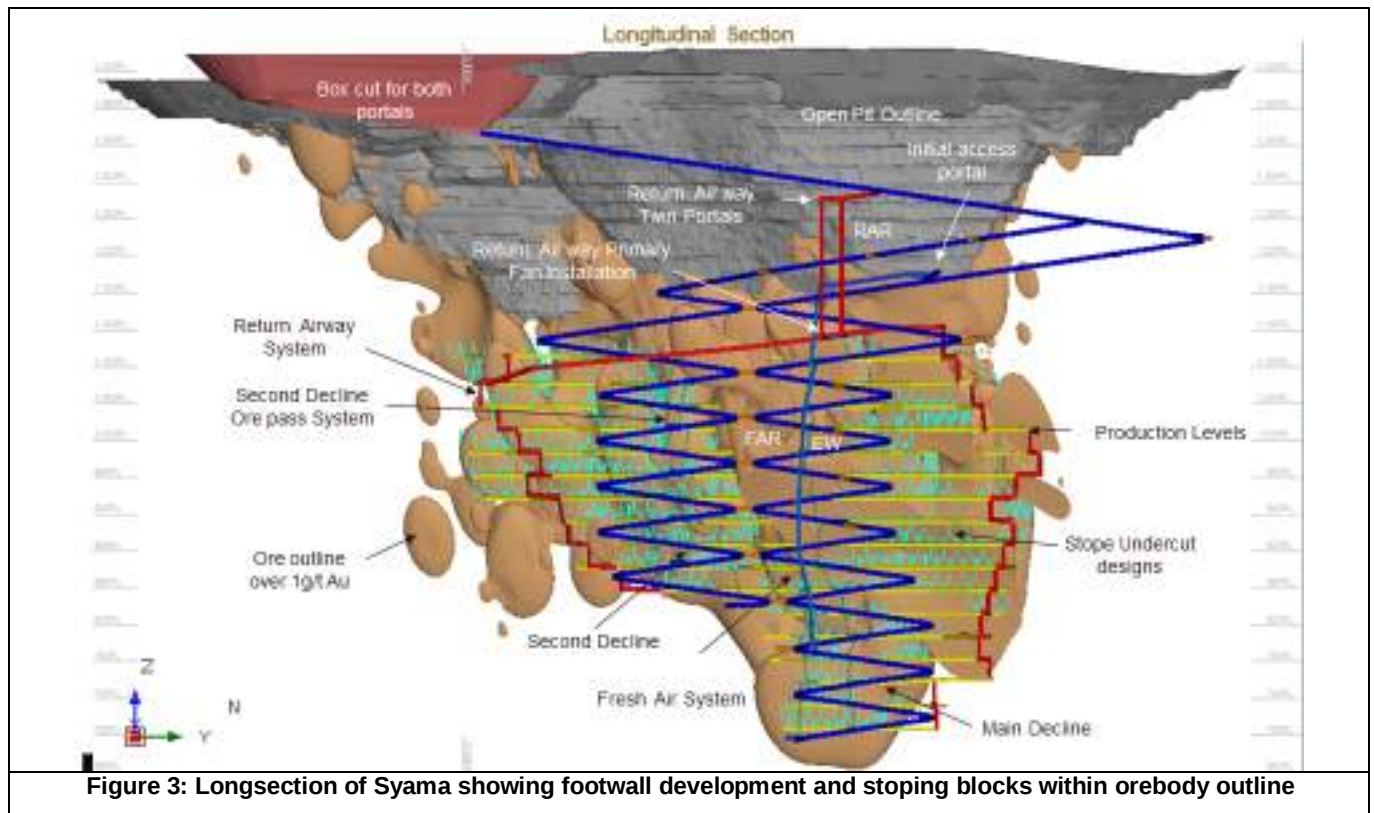


Figure 3: Longsection of Syama showing footwall development and stoping blocks within orebody outline

With a targeted ore production rate of 2.4Mtpa plus additional waste the mine haulage system was an important consideration for the project and crucial for sustaining projected cash flows. The incorporation of a second decline provides distinct advantages for efficient trucking with separation of equipment minimising congestion, allowing improved spatial layout for ore passes, better ventilation and a second means of egress.

While this study has been based on a twin decline truck option, there is sufficient flexibility in the design and timing to more comprehensively assess the option to include conveyor haulage as an alternative to trucks. The twin access also allows Resolute to consider expansions in mine production rates in the future.



The proposed access locations for the fresh air and return airway portals have been located inside the pit which has schedule and cost advantages over shafts external to the pit which must be advanced through the surface oxide profile.

The production rates from Syama UG are well within the capabilities of the deposit. Syama enjoys significantly higher tonnes and ounces per vertical metre than the Mt Wright operation, and will therefore be advanced at a slower vertical rate.



Sulphide Operations – Continuous Improvement Projects

Project 85

The Company has been conducting metallurgical testwork seeking improvements to the process flowsheet that drive increases in gold recovery through the circuit. The detailed engineering design work for Project 85 started in April 2016. All the required testwork has been completed and is being supported by site personnel conducting daily testwork over a two-month period to assist with the confirmation of laboratory results completed in Perth. Project 85 is targeting a 7% increase in gold recovery in the sulphide treatment plant based on the typical feed grade of underground ore at around 3g/t Au.

A design review (80%) has been completed and a Hazard and Operability Study is planned to be held at Syama in early July. The progress on deliverables is as follows:

Deliverable	Progress
Process Design Criteria	90%
Process Flow Diagrams	90%
Piping and Instrumentation Drawings	75%
General Arrangement Drawings	70%
Procurement strategy document	90%
Capital Budget Estimate	100%

Table 5: P85 Design Deliverable Status

Project Reprise

Project Reprise involves reclaiming deslime tailings from the dedicated storage facility and processing this through the roaster and the sulphide treatment plant. Preliminary laboratory testwork conducted by Outotec considered agglomeration of the tailings material to produce a dry product which could be incorporated into feed for the roaster. Outotec's Stage 1 report on a 50mm laboratory scale roaster confirms that an agglomerated product can be produced and roasted to achieve acceptable CIL gold recoveries. A two tonne sample of material was shipped to Outotec for the pilot plant testwork program on a 200mm roaster which ran for five days. The pilot plant testwork conducted in Frankfurt was witnessed by Resolute personnel and initial results were extremely promising. The calcine produced will be sent for leach testwork to confirm the predicted gold recovery from the calcine CIL. The final testwork report will be completed and issued by Outotec in September 2016. Organic carbon is the major cause for gold losses in the current Syama Sulphide circuit and this new work, being developed in conjunction with Outotec to develop a Low Carbon Roaster (LCR), will significantly improve the removal of the organic carbon and thereby increase the overall gold recovery over the sulphide circuit.

Deliverable	Progress
Process Design Criteria	Conceptual
Process Flow Diagrams	Conceptual
Piping and Instrumentation Drawings	-
General Arrangement Drawings	-
Procurement strategy document	-
Capital Budget Estimate	Preliminary

Table 6: Project Reprise Design Deliverable Status



Oxide Operations

Project A21 Pipeline

The current main water storage for the Syama treatment complex is the Beta pit and that is currently scheduled to be mined in July 2017. Accordingly, water will then be stored in the A21 North pit, where mining was completed in May 2016. The diversion water line to the A21 North pit from Beta pit has been incorporated into the FY17 budget and the tender for the supply and installation of the pipeline was issued in early May with an order to be placed on the successful tenderer in the first week of July, to ensure project completion by 31 December 2016. The A21 pit will be filled with water from January 2017 and it is anticipated that the Beta pit will be emptied 1 month prior to mining commencing in July 2017.

Deliverable	Progress
Process Design Criteria	100%
Piping and Instrumentation Drawings	100%
General Arrangement Drawings	70%
Procurement strategy document	100%
RFQ Documentation	100%
Capital Budget Estimate	100%

Table 7: A21 Design Deliverable Status

Syama Grid Connection Project

During the quarter a comprehensive review of the Syama Grid Connection Project (SGCP) was undertaken. Increased efficiency from the Company's existing power station, combined with current low diesel prices, has reduced the immediate urgency for development of the SGCP. Consequently, full capital funding for the execution of the project has not been included in the budget for the 2017 financial year. However, funding for the final detailed design has been approved which will allow a rapid start up once an acceptable offtake tariff arrangement has been reached with the Mali Government. Negotiations with the Mali Government on offtake tariff arrangements and on the funding arrangements for the SGCP are expected to recommence in FY17.

Satellite Deposit Resource Evaluation

Additional resource drilling has been completed at the Alpha, Beta and BA01 satellite open pits located immediately to the north of the Syama process plant. The drilling was designed to improve ore definition ahead of planned mining operations. During mining at the A21 pit it was noted that additional resource holes were required in the near surface areas and particularly in the supergene zone. Preliminary assay results received during the quarter will be incorporated into an updated block model prior to mining operations to clarify the distribution and tenor of early ore.

At the Tabakoroni satellite deposit a program of detailed infill grade control drilling was completed in a selected strike zone of the planned open pit. The program was designed to provide greater detail on the gold grade distribution and in particular near to the surface where earlier resource drilling had been generally sparse. Results received from the drilling were in line with expectation and will be incorporated into the next model run with mine planning to be completed in the next quarter.



Resolute

Quarterly Activities Report for the period ended 30 June 2016

Australia

Operations



Figure 5: Location map of Resolute's Ravenswood Gold Mine in Queensland, Australia

Ravenswood, Australia

The Ravenswood Gold Mine (Ravenswood) is located approximately 95km south-west of Townsville and 65km east of Charters Towers in north-east Queensland, Australia.

Ore for the Ravenswood operation is primarily sourced from the Mt Wright Underground mine (Mt Wright) using the Sub-Level Shrinkage with Continuous Fill (SLS) mining method which has been successfully pioneered by the Resolute team. The current process plant configurations allow processing of 1.5Mtpa of underground ore using two stage crushing, SAG and ball milling and CIP processing with a gravity circuit for recovery of free gold.

Mt Wright to close in 2017 – underground production reducing

Gold produced from Mt Wright during the quarter was 21,628oz (25,463oz) from 464,363t (400,110t) milled at a head grade of 1.54g/t (2.09g/t). Throughput was substantially up following both mills being relined during the previous quarter and the ongoing processing of low grade stocks in addition to the Mt Wright mine production. Mill capacity was increased earlier in the financial year with the installation of a secondary crusher. Head grade was down due to the increased percentage of low grade feed. Gold recovery was also lower at 93.9% (94.5%) due to the increased low grade feed.

Cash cost per ounce of gold increased to A\$1,233 (A\$1,092) which was primarily attributable to the lower gold production resulting from reduced high grade feed from Mt Wright.

Ore production from Mt Wright was 196,838t @ 2.66g/t for 16,816 contained ounces (357,582t @ 2.24g/t for 25,704 contained ounces). Production was lower due to a reduced number of draw-points being available on the lower levels of the mine. The number of available draw-points will vary during the last year of underground mining at Mt Wright and production is planned to be lower than previous years. Mined grade was up as expected from the current production areas.

Total development for the Mt Wright underground operation for the quarter was 29m (547m). This consisted of 0m (0m) of capital development and 29m (547m) of operating development. Capital development is complete but there will be minor amounts of operating ore development required from time to time.



Resolute

Quarterly Activities Report for the period ended 30 June 2016

Production from Mt Wright is expected to cease in the March 2017 quarter.

Health & Safety

The Ravenswood operation had one lost time injury during the quarter. This resulted in the 12 month moving average LTI rate increasing to 8.11 (4.63).

Outlook

Mine production from Mt Wright is expected to be higher in the September 2016 quarter but will continue to fluctuate somewhat depending on the number of available draw-points during the period. Mill throughput is expected to be similar resulting in marginally increased gold production.

Preparation is well underway for the re-commencement of open pit mining operations at the Nolans East open pit. Initial mining will be from the Nolans East cutback following the mobilisation of a mining contractor to site. The Nolans process plant will be upgraded to 2.8Mtpa capacity by the addition of tertiary crushing and various minor changes in the milling circuit. Mining is expected to commence during the first quarter of FY17 with the process plant upgrade completed during the second quarter of FY17.

Development

Ravenswood Extension Project

During the June 2016 quarter the Company continued to refine the Ravenswood Expansion Project (REP) with the Resolute Board of Directors approving the development of the Nolans East deposit.

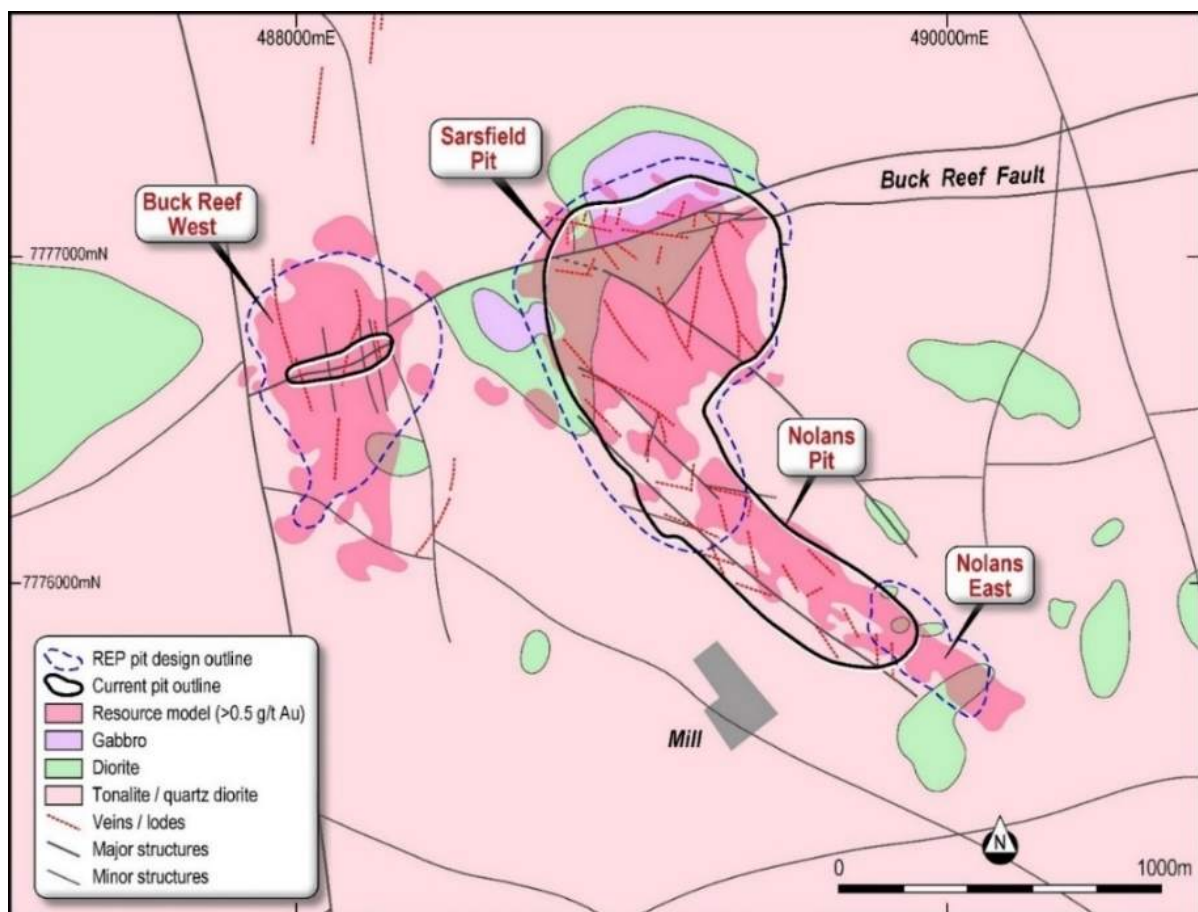


Figure 6: Ravenswood geology and open pits



Modelling and engineering of the Stage 1 Crushing and Screening expansion to 2.8Mtpa to treat Nolans East ore was approved and the associated construction activities are scheduled to begin in the next quarter. No changes to the existing circuit are envisaged.

A design and construct brief for the Stage 2 (5Mtpa) Crushing, Screening and Beneficiation circuit was issued to local contractors during the quarter. Modelling has confirmed that the 3 existing mills at Ravenswood can accommodate the proposed tonnage with minor modifications to the milling circuit. Optimisation of the proposed dry stacked tailings system continues through additional testwork and design, while consideration is being given to potential beneficial use of the treated water that will be extracted from the Sarsfield pit as part of the REP.

Work continued during the quarter on finalising the Environmental Application (EA) amendment for the Sarsfield Expansion Project. The EA amendment is scheduled to be submitted in the next quarter.

Nolans East – open pit mining to recommence

Resolute's announcement of open pit mining to recommence at Nolans East (refer to ASX announcement dated 22 June 2016), is an important first step in the anticipated redevelopment of a long life large scale open pit mining operation at Ravenswood.

Nolans East represents an extension of the historic Sarsfield-Nolans pit which was mined by Resolute until 2009 prior to the commissioning of the underground mine at Mt Wright. Resolute's current underground operations at Mt Wright are due to be completed in 2017.

The new mining operations at Nolans East will comprise:

- Extraction of 2.7Mt @ 0.8g/t;
- Production of approximately 66,000oz of gold;
- An average waste to ore ratio of 1.6:1;
- Mining over a 15-month period, finishing in October 2017;
- Processing at the adjacent Nolans processing plant, which will be reconfigured from its current 1.5Mtpa capacity to 2.8Mtpa;
- Modest additional upfront capital requirement of only A\$5M; and
- All required approvals and permits are in place.

Nolans East forms a small part of the 1.2Moz open pit Ore Reserve at the Sarsfield-Nolans pit. The recommencement of open pit mining at Nolans East will assist in maintaining continuity of production as the Mt Wright underground mine prepares for closure in 2017. Mining at Nolans East is expected to be the first stage of the REP with a feasibility study nearing completion. This feasibility study is examining the potential for a large open pit development with mining of the Sarsfield and Buck Reef West deposits expected to follow completion of operations at Nolans East.

The REP will utilise a number of innovative approaches to mine scheduling, tailings management, waste water treatment and open pit blasting practices in order to minimise initial capital costs and ensure best practice environmental and community outcomes are achieved. The Company is working closely with the Queensland Government and the Ravenswood community in developing its plans for the REP.

Nolans East – Hedging contracts in place 36koz @ A\$1,800

The decision to commence production from Nolans East has allowed the Company to implement a disciplined hedging program to manage gold price risk during the transition from underground to large scale open pit operations. Resolute has sold forward 36,000oz of gold at an average price of A\$1,800/oz. These forward gold sales of 3,000oz per month cover the period from November 2016 to October 2017 to match approximately 50% of the production from Nolans East.



Resolute

Quarterly Activities Report for the period ended 30 June 2016



Figure 7: Sarsfield and Nolans pit looking South East with Buck Reef West deposit at bottom right

Ghana

Development

Bibiani Gold Project

Bibiani is situated in the western region of Ghana, a West African country, approximately 600km north of the Equator on the Gulf of Guinea. It is bordered by Burkina Faso to the north, the Ivory Coast to the west and Togo to the east.



Figure 8: Resolute's Bibiani project location map



Positive Feasibility Study confirms viable development pathway

During the quarter Resolute completed a positive Feasibility Study (Study) for its 90% owned Bibiani project (refer to ASX announcement dated 23 June 2016). The Study was lodged with the Government of Ghana, which owns a 10% free carried interest in Bibiani. Delivery of the Study to the Ghanaian Minerals Commission was a key commitment made by Resolute as part of the government's approval of the Company's acquisition of the asset in 2014.

Resolute is seeking to re-establish a successful underground mine at Bibiani. The Study contemplates production of up to 1.2Mtpa from Long Hole Open Stope underground mining. Processing of the ore will occur at the existing Bibiani processing plant. The majority of the US\$72M of upfront capital is allocated to the refurbishment of the plant. The Project has a short lead time to production of only 9 months from commencement.

An initial Ore Reserve has been established of 5.4Mt @ 3.7g/t containing 640,000oz. Gold production is expected to be maintained at approximately 100,000oz per annum which will sustain a 5-year mine life on the initial Ore Reserve. AISC are expected to be US\$851/oz for Life of Mine production of 561,000oz of gold.



Figure 9: Duncan Fairlie, Managing Director of Resolute's Ghanaian subsidiary, presenting the Bibiani Feasibility Study to the Minerals Commission of Ghana in Accra in June 2016

Bibiani Feasibility Study

The scope of Resolute's Study for Bibiani included:

- assessment of the feasibility of underground mining operations;
- determination of the work required to re-establish the processing plant into a configuration suitable for efficient production and acceptable recoveries;
- identification of the support services required to sustain production, such as people, power, water and waste disposal;
- assessment of permitting and approvals required;
- identification of the risk to establishing a sustainable and viable operation; and
- identification of opportunities to improve the viability of a sustainable operation.

Study Outcomes

The Study contemplates mining from underground using Long Hole Open Stopping at a mining rate of 100,000t of ore per month with commensurate waste giving a total rock movement of 125,000t per month. The stope is commenced via a slot raise at one end of the ore drive and then mined by progressively firing the drill rings and retreating along strike.



The level designs assumed:

- Main level access excavated 5.5m wide and 5.5m high with an arched profile;
- Footwall drives excavated 5.5m wide and 5.5m high;
- Cross cuts and ore drives designed to fit long hole drills and loaders;
- Stockpiles for storing stope ore ready for truck loading placed every 150m along the footwall drive; and
- A sump placed in the Main Level access and linked to the lower Levels via a drain hole.

Testwork to date identifies that the gold is predominantly fine and occurs along edges or cracks in pyrite and arsenopyrite sulphide minerals. The process design produces a sulphide concentrate by flotation which is reground prior to cyanidation. The flotation tails are also cyanide leached. Gold recovery is via CIL.

Estimates of costs include all capital and operating expenditure and royalties over the current life of mine. Ore mined comprises 100% Probable Reserves. Pre-production capital of US\$72M includes US\$29M for purchase of a mining fleet. Options remain for some or all of the mining to be undertaken by a contractor, which would diminish the capital requirement.

Key Study outcomes are summarised below.

	Units	Value
Underground development		
Ore development	m	9,841
Waste development	m	16,389
Vertical development	m	1,280
Total development	m	27,510
Ore production		
Development ore	kt	609
Stoping ore	kt	4,748
Total ore	kt	5,357
Metal grade (ROM)	g/t	3.7
Metal contained (ROM)	koz	644.5
Metal recovery		
Processing recovery	%	87%
Metal (recovered)	koz	560.7
Operating unit cost (including pre-production)		
Mining	US\$/t	34.3
Processing	US\$/t	21.3
G&A	US\$/t	11.2
Royalties and refining costs	US\$/t	8.0
Ore		
Mine life (incl. pre-production)	years	6.25
Costs		
Pre-production capital	US\$M	71.5
Pre-production operating	US\$M	10.7
Sustaining capital	US\$M	89.6
Operating cost	US\$M	391.7
All-in-Sustaining Costs	US\$/oz	\$858

Table 8: Bibiani Feasibility Study outcomes



Resolute

Quarterly Activities Report for the period ended 30 June 2016

Next steps

Resolute is encouraged by the results of the Bibiani Feasibility Study which confirmed a viable pathway to a low cost operation that is capable of producing in excess of 100,000oz of gold per year. The Company intends to conduct further drilling campaigns with the intention of extending the mine life beyond the current five years and identifying further opportunities to reduce expected operating costs.

The Feasibility Study results will be reviewed and a decision on development will be considered based on ongoing exploration results, mine life extension potential, and the Company's funding capacity.

Exploration

Resolute reports its exploration activities and results in accordance with the JORC 2012 guidelines.

Exploration results that are considered material to the Company are announced to the ASX separately to the Quarterly Report on Activities.

Any activities below that do not refer to a separate ASX announcement are not considered material to the Company.

Mali

Finkolo Project (Resolute 85%)

The first phase of RC drilling was completed at the Zekere prospect this quarter with a total of 16 holes for 1,829m drilled. The main objective of the campaign is to build the oxide resource inventory. Weathering is particularly deep at Zekere with the base of oxidation around 100m.

Results from this RC program were encouraging and the prospect remains a high priority for oxide resources. The currently low drilling density on the 2.5 kilometre strike length of the Zekere anomaly allows for significant potential to add oxide resources at this prospect.

Pitangoma East JV (Resolute earning 70%)

An initial program of predominantly 400 x 100m spaced aircore drilling was completed over the Misseni volcanic stratigraphy in May. In total 110 aircore holes for 4,689m were completed on seven east-west lines. Drilling intersected the expected intermediate volcanic package, intercalated with fine to medium grained sediments. Some ankerite/sericite/silica alteration was noted at the bottom of several holes and significant quartz veining was relatively common throughout.

This aircore drilling has defined a low grade gold anomalous envelope 200m wide within the Misseni volcanics over a 3km strike length. The identified anomaly is coincident with an IP resistivity low which is bounded by shear zones.

This gold anomaly will be followed up by RC drilling after the conclusion of the wet season.

Borokoba (Resolute 100%)

Exploration recommenced on the Borokoba project during the quarter. The Borokoba permit covers a poorly explored greenstone belt parallel to and 30km east of the Syama Formation.

An aircore program was undertaken with 38 holes for 1,994m completed. Results were of low order and the project remains a low priority in the portfolio.

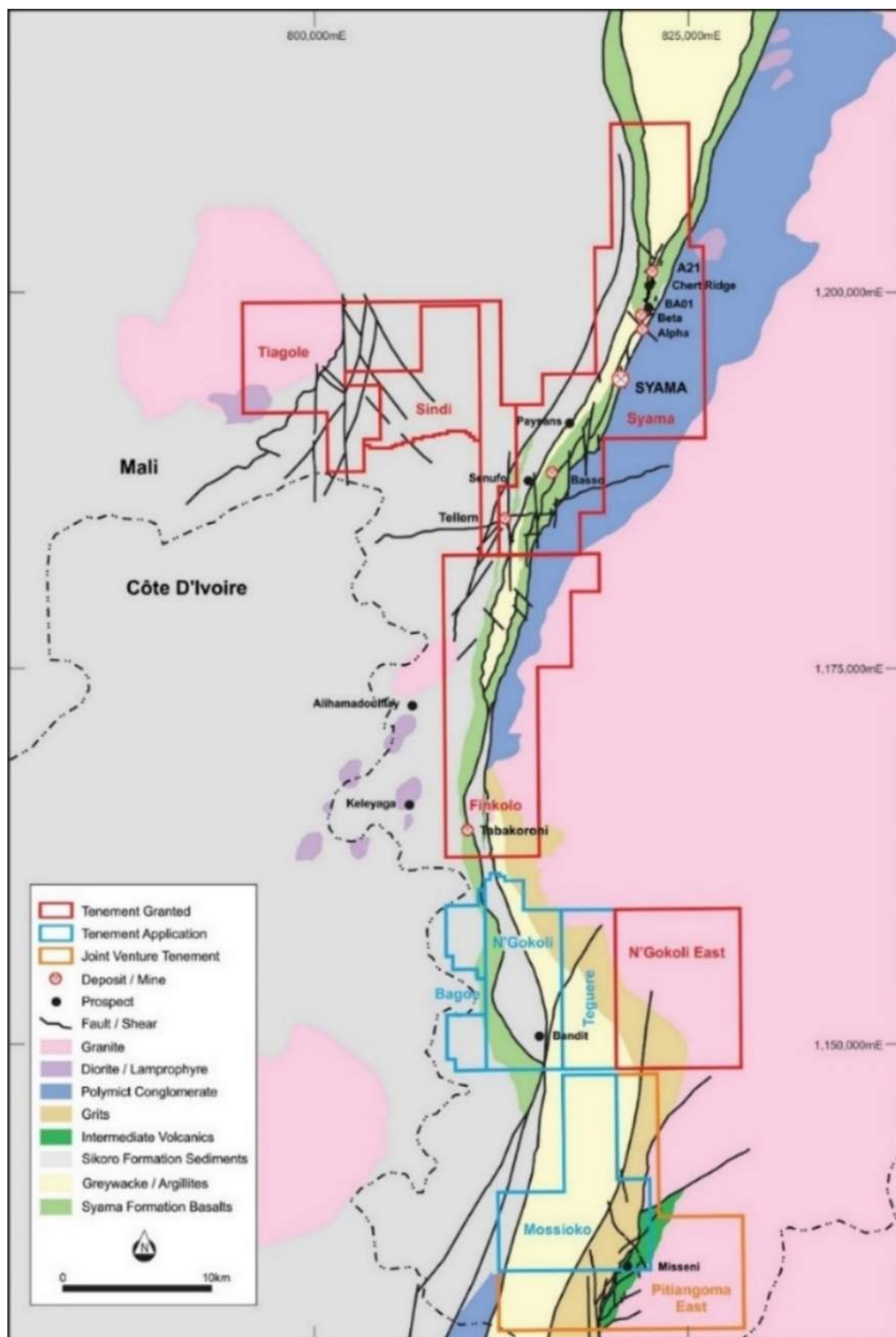


Figure 10: Location map of Resolute's tenement holdings and projects in Mali



Côte d'Ivoire

Resolute holds interests in a number of exploration tenements in Côte d'Ivoire which include:

- **Takikro** (Resolute 100%): located approximately 85km north east of Yamoussoukro, the capital of Côte d'Ivoire. Yamoussoukro is located 240km NW of the major coastal city of Abidjan.
- **Tiebissou** (Taruga Joint Venture Resolute earning 75%): located approximately 62km north east of Yamoussoukro.
- **Nielle** (Taruga Joint Venture Resolute earning 75%): located approximately 392km north of Yamoussoukro.

Taruga Joint Venture (Resolute earning 75%)

Nielle

The results from the rock chip and stream sediment sampling program on the Nielle permit undertaken last quarter were received this period. Results from the stream sediment sampling show a cluster of weakly anomalous values in the SE corner of the permit, spatially related to the outcropping gabbro intrusive and an ultramafic package.

The soil sampling has defined a low level NE trending gold anomaly on the south east side of the permit coinciding with the interpreted contact between the ultramafic package and the granite.

Follow up infill sampling has been planned and completed over the three anomalies identified by regional soil and stream sediments sampling. Results are expected in the September 2016 quarter.

New Projects (Resolute 100%)

The Pongala research permit application has been granted by the Cote d'Ivoire government on 29 June 2016. Pongala is one of the three contiguous applications over the northern extensions of the greenstone belt which hosts the Randgold Tongon operation. It is anticipated to take a further one to two months to obtain the decree to enable work to commence.

A total of eight Research Permit applications are awaiting granting by the Department of Industry and Mining.

Australia

Ravenswood Project

Sarsfield

Resource RC drilling around the northern and western perimeter of the Sarsfield pit was completed during the month, with 28 RC holes completed for 4,134m.

A number of encouraging gold intersections were returned which may produce a minor but positive uplift in the current resource.

As the holes are either within or immediately adjacent to the planned pit design, results should have a modest positive influence on the overall resource inventory. Data will be exported in preparation for resource modelling in the next few weeks.

Three Sisters

Surface mapping and geochemical sampling during the calendar year have highlighted widespread gold mineralisation at the Igloo prospect located 30km SSW of Ravenswood. Work over the past few months has built an interesting picture of high grade gold (up to 116g/t) in numerous rock chip samples from brecciated and veined sediments and volcanics.



An IP survey was completed over the prospect in April. The results show a distinct resistivity low coincident with outcropping veined and brecciated fine grained sediments. The resistivity low is very similar to that observed at Mt Wright and could represent a buried breccia pipe with interconnected sulphides in the matrix, and a halo of disseminated pyrite responsible for the annular chargeability response.

A drill program to test both the resistivity anomaly and the chargeability anomaly associated with the best outcropping mineralisation is planned to commence next quarter.

Buck Reef West

The 3D geological model of the Buck Reef West deposit area created last quarter highlighted the underground potential and in particular identified high grade drill results which are open along strike and down dip.

Diamond drill testing to expand the underground potential of the Buck Reef Fault is planned to commence in early July in the new financial year. As part of the evaluation of Buck Reef West as an underground operation a revised resource calculation of the currently identified deep mineralisation is underway.

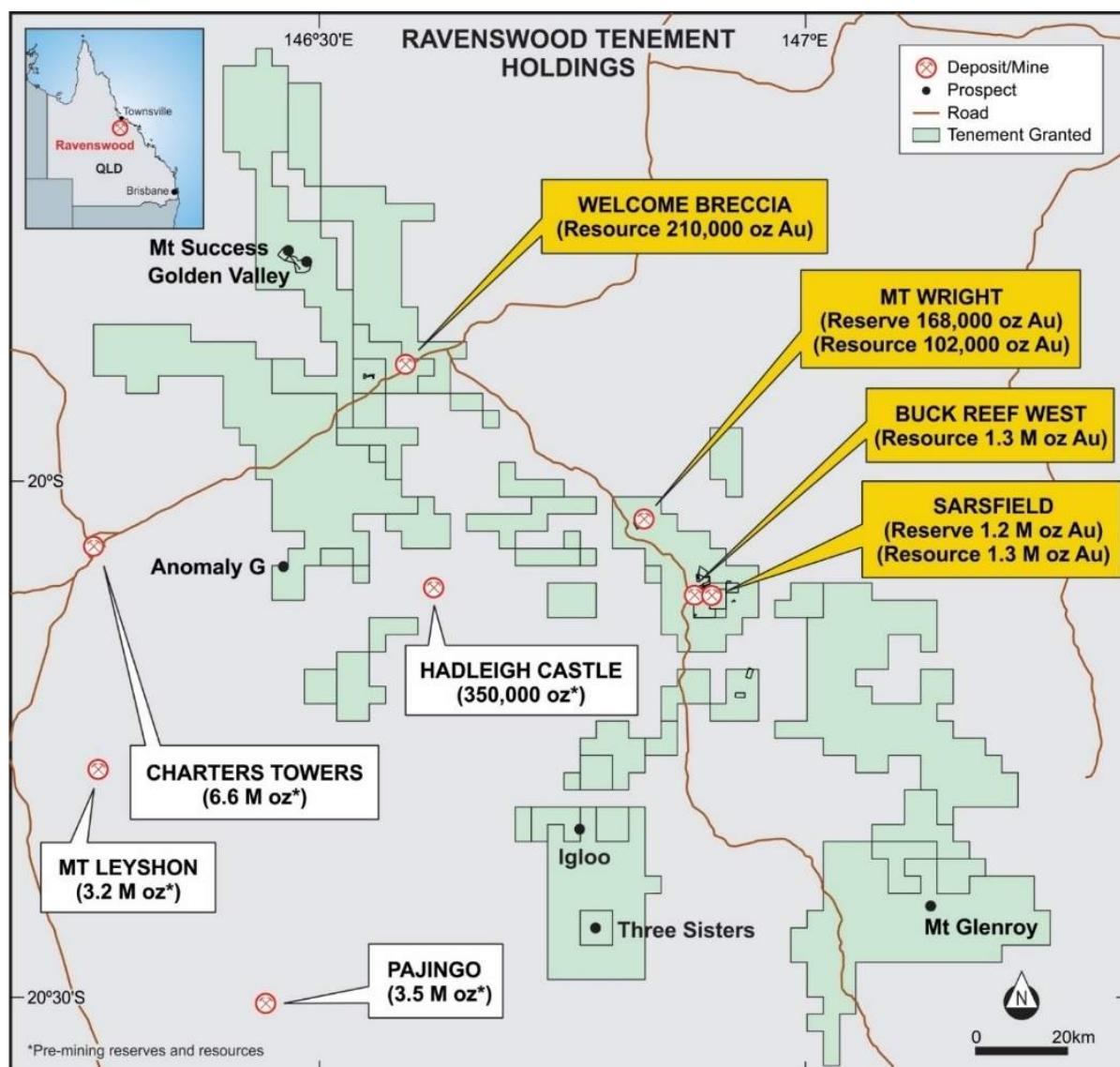


Figure 11: Location map of Resolute's tenement holdings and projects at Ravenswood, Queensland, Australia



Corporate

Cash and Bullion

As at 30 June 2016, Resolute had cash and bullion on hand of A\$102M (A\$90M). Included in the quarter end balance was 12,632oz (31,551oz) of gold bullion on hand, with a market value of A\$22M (A\$51M). This valuation at quarter end used the period end AUD spot gold price of A\$1,781/oz.

The principal movements in the market value of cash and bullion balances during the quarter were attributable to:

Operating Cash Flows

- Gross operating cash flow at Syama and Ravenswood totalled A\$66.1M (A\$62.4M). Gold shipments for the quarter were 81,082oz compared to 84,363oz in the previous quarter.
- Cash outflows for royalty payments of A\$8.6M.
- Overheads and operational support costs of A\$0.9M.
- Exploration expenditure of A\$2.3M.
- Net outflow of interest expense/income of A\$1.3M.
- Working capital inflows of A\$0.8M comprising mainly of trade creditor movements.

Investing Cash Flows

- Development expenditure of A\$6.6M, including Syama UG development, feasibility studies, and resource development and other projects.
- Operational sustaining capital expenditure of A\$2.0M.
- Bibiani project care and maintenance payments of A\$2.1M.
- Other investing activity outflows were A\$0.8M.

Financing Cash Flows

- Net repayments of A\$31.1M on existing debt facilities.
- Foreign exchange fluctuations and market value of bullion on hand inflows of A\$1.0M.

Corporate and Secured Debt Fully Repaid

During the quarter Resolute completed the repayment of its senior and secured debt facilities. Cash generation from operations was used to repay the remaining US\$20M of the Cash Advance Facility during the quarter.

In June 2016, Resolute completed the early redemption of the A\$15 million of Convertible Notes (Notes) previously listed on the Australian Securities Exchange (ASX) under the ticker code RSGG. Prior to the Early Redemption Date of 23 June 2016 the Company received Conversion Notices from the holders of 14,050,000 of the Notes. These Notes have been converted to ordinary shares in Resolute at the issue price of A\$1.00. The 950,000 Notes remaining on issue have been redeemed for payment of \$1.06 per Note made up of the \$1.00 issue price and an early redemption fee of \$0.06 per Note. The total cash payment made on 23 June 2016 to complete the early redemption was \$1,007,000.

At 30 June 2016, Resolute's net cash balance, after bullion and debt, had improved significantly to positive A\$75M compared with positive A\$19M at the start of the quarter and negative A\$64M at the start of this current financial year.

Total borrowings at quarter end were A\$27M compared with A\$71M at 31 March 2016 with the only remaining borrowings relating to a Malian bank overdraft. The weighted average interest rate payable on the borrowings at



quarter end was 8.0% (6.9% at 31 March 2016). The decrease in borrowings is due to the above mentioned US\$20M of secured debt repayments and conversion/redemption of the A\$15M of Convertible Notes.

Gold Sales and Forward Sales Contracts

Total gold sold during the quarter was 100,000oz (82,000oz) at an average cash price received of A\$1,712/oz (A\$1,638/oz).

The average cash price received on the 340,540oz of gold sold during the year was A\$1,624/oz.

During the quarter, Resolute entered into 36,000oz of forward sales contracts at an average price of A\$1,800/oz for delivery between November 2016 and October 2017 to protect approximately 50% of the Nolans East ounces of gold to be mined over that period.

New Management Structure

In April 2016, Resolute announced a new organisational model and a restructure of its senior executive team. The changes created a number of new roles within six core business functions designed to drive innovation, growth, improved communication and value for our shareholders.

The senior executive team was broadened with the number of direct reports to the Chief Executive Officer increasing from three to six with the division of responsibilities, personnel and core functions as follows:

- Mr Peter Beilby, Chief Operations Officer;
- Mr Greg Fitzgerald, Chief Financial Officer;
- Mr Bruce Mowat, General Manager - Exploration;
- Mr Paul Henharen, General Manager - Project Delivery;
- Mr David Kelly, General Manager - Corporate Strategy; and
- Ms Vanessa Hughes, General Manager - People, Culture and Information.

The Company welcomes Mr Henharen, Mr Kelly and Ms Hughes as part of the reinvigorated Resolute senior executive team. The unique skillsets of these executives contribute to the ongoing organisational transformation which is driven by a new commitment to deliver greater value for shareholders from the Company's operating experience and success.

The management structure will continue to evolve to allow Resolute to be a more agile organisation that can deliver growth and profitability. This will be achieved by applying the best possible skillsets in roles that are clearly defined and aligned to best enable Resolute to achieve its principal purpose: rewarding its shareholders.

Outlook – FY17 Production and Expenditure Guidance

- Gold production for FY17 forecast to be a minimum of 300,000oz.
- Gold sales forecast to be 325,000oz as increased processing efficiency continues to allow a reduction of gold in circuit inventory.
- All-In-Sustaining-Costs forecast to be A\$1,280/oz (US\$934/oz).
- Capital expenditure for major growth projects expected to be A\$170M (US\$124M), fully funded from existing cash reserves and operating cash flows.
- Exploration budget increased to A\$19M (US\$14M) focused on resource and reserve expansion at Syama, Ravenswood and Bibiani.

For further information, contact:

John Welborn | *Managing Director and CEO*

Telephone: +61 8 9261 6100 | Email: contact@rml.com.au | Web: www.rml.com.au



Resolute

ASX Announcement

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 FY17 guidance of 300,000 ounces of gold production at All-in-Sustaining-Costs of A\$1,280/oz (US\$934/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 will continue the asset's history of strong cash generation and extend the mine life to out beyond 2028. The Ravenswood Gold Mine in Queensland, Australia demonstrates Resolute's significant underground expertise in the ongoing success in mining the Mt Wright ore body. In Ghana, the Company has completed a feasibility study on the Bibiani Gold Project focused on the development of an underground operation requiring modest 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.

Competent Persons Statement

The information in this report that relates to the Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr Richard Bray who is a Registered Professional Geologist with the Australian Institute of Geoscientists and Mr Andrew Goode, a member of The Australasian Institute of Mining and Metallurgy. Mr Richard Bray and Mr Andrew Goode both have more than 5 years' experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Richard Bray and Mr Andrew Goode are full time employees of Resolute Mining Limited Group and each hold equity securities in the Company. They have consented to the inclusion of the matters in this report based on their information in the form and context in which it appears. This information was prepared and disclosed under the JORC code 2012 except where otherwise noted. Particular Reserves and Resources remain 2004 JORC compliant and not updated to JORC code 2012 on the basis that information has not materially changed since it was last reported.

ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 655,632,994
Current Share Price: A\$1.45 as at 27 July, 2016
Market Capitalisation: A\$951M
FY17 Guidance: 300,000oz @AISC A\$1,280/oz

Board of Directors

Mr Peter Huston *Non-Executive Chairman*
Mr John Welborn *Managing Director & CEO*
Mr Peter Sullivan *Non-Executive Director*
Mr Martin Botha *Non-Executive Director*
Mr Bill Price *Non-Executive Director*

Contact

John Welborn *Managing Director & CEO*
4th Floor, BGC Centre | 28 The Esplanade
Perth, Western Australia 6000
T: +61 8 9261 6100 | F: +61 8 9322 7597
E: contact@rml.com.au