



Resolute

Quarterly Activities Report

for the period ended 31 December 2018

29 January 2019

Successful Start-Up of Syama Sublevel Cave

Gold production of 74koz; up 33% on prior quarter

All-in-Sustaining-Cost of A\$1,360/oz (US\$975/oz); down 13% on prior quarter

Key milestone achieved at Syama Underground as sublevel caving commences

Record production from Syama oxide circuit

Further exceptional exploration drilling results at Tabakoroni

Preparations for London Stock Exchange listing underway

FY19 Guidance (to 30 June) of 300koz at AISC of A\$1,280/oz (US\$960/oz) maintained

Highlights

- December 2018 Quarter gold production of 73,691oz at an AISC of A\$1,360/oz (US\$975/oz)
- Average gold price received of A\$1,739/oz (US\$1,246/oz) from total gold sales of 67,211oz
- Major Syama Underground milestone achieved with commencement of sublevel caving on time and on budget
- Development agreement signed for world's largest mine-based solar hybrid power plant at Syama
- Hedge book strengthened taking total hedged position to 115koz
- Syndication of expanded revolving credit facility completed
- Preparations for London Stock Exchange listing underway
- Cash, bullion and listed investments as at 31 December 2018 of A\$117m (US\$88m)
- Gold in circuit inventory as at 31 December 2018 of 74koz worth an additional A\$134m (US\$94m)
- FY19 guidance of 300koz at A\$1,280/oz (US\$960/oz) maintained

Resolute Mining Limited (Resolute or the Company) (ASX: RSG) is pleased to present its Quarterly Activities Report for the period ended 31 December 2018.

Managing Director and CEO, Mr John Welborn, was pleased with the Company's improved operating performance in the December 2018 Quarter and delighted to achieve the significant milestone of the commencement of sublevel caving at Syama:

"The successful commencement of sublevel caving at Syama on time and on budget in December 2018 was the highlight of the quarter and represents a pivotal moment in the long history of Resolute. Syama is a world class, long life, low cost asset that will deliver long term benefits to our shareholders, stakeholders, and local Mali communities for years to come. The team is now focused on the implementation of our fully automated mining system and delivering our full production rate of 2.4Mtpa by June 2019.

"Production and cost performance from Syama for the December 2018 Quarter represented a material improvement on the September 2018 Quarter. The performance of Tabakoroni was particularly pleasing with high grade ore enabling us to achieve record quarterly production from our oxide circuit. We successfully commissioned Project 85 which comprised a series of sulphide processing plant upgrades to enable us to achieve improved recoveries from



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high-grade ore sourced from the new sublevel cave. Importantly, during periods when 100% underground sulphide ore was treated, the Syama processing plant delivered total gold recoveries greater than 85%.

“Resolute has an ambition to be a leader in sustainable and responsible economic growth in Africa. During the quarter we announced plans to build the world’s largest fully integrated hybrid power plant at Syama. The new 40 MW Syama Solar Hybrid Power Plant will deliver an anticipated 40% saving on power costs and is expected to be fully operational by the end of 2020.

“At Ravenswood, we received an extension of the Queensland Government’s support for the project with the extension of Prescribed Project status to November 2020. The prolonged life of Mt Wright, and the collaborative and proactive approach to receiving regulatory approvals for our expansion plans, is allowing further enhancement opportunities to be identified and progressed. A strategic review of the Ravenswood Expansion Project is now underway with a focus on optimisation to maximise value for shareholders.

“Overall, the improved production and cost performance for the December 2018 Quarter was consistent with our operating plan as we progress our transformation journey at Syama and Ravenswood. The current financial year was always expected to consist of improving quarterly production and cost performance as we progress towards nameplate capacity of the Syama Underground Mine. Resolute remains on track to achieve our full year production guidance through to 30 June 2019 of 300,000 ounces of gold at an All-In Sustaining Cost of A\$1,280/oz (US\$960/oz).

“At the corporate level, we have been able to maximise our financial flexibility through an expanded revolving credit facility. I thank Investec, BNP Paribas, Nedbank and Citibank for their strong support and vote of confidence in Resolute as we deliver on our growth agenda. We are also progressing workstreams to enable us to list the Company on the London Stock Exchange in the first half of 2019. The London Stock Exchange is a natural home for large mining companies with African exposure and I am pleased that LSE-focused investors will soon have the opportunity to invest in Resolute.

“I am filled with optimism for 2019 as we ramp-up the Syama Underground to full production, increase our profile in global capital markets through listing on the London Stock Exchange and deliver on our growth agenda”.



Figure 1: Syama Underground Twin Decline

L to R: Issa Diarra (Syama Communications Specialist), John Welborn (Managing Director and CEO), Peter Beilby (Chief Operating Officer)



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Quarterly Summary

December 2018 Quarter Production and Costs (unaudited)

December 2018 Quarter	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravens-wood	GROUP Total
UG Lateral Development	m	2,439	-	2,439	-	2,439
UG Vertical Development	m	63	-	63	-	63
Total UG Lateral Development	m	2,502	-	2,502	-	2,502
UG Ore Mined	t	167,446	-	167,446	141,166	308,612
UG Grade Mined	g/t	2.66	-	2.66	1.77	2.26
OP Operating Waste	BCM	-	1,525,591	1,525,591	-	1,525,591
OP Ore Mined	BCM	-	248,628	248,628	-	248,628
OP Grade Mined	g/t	-	2.31	2.31	-	2.31
Total Ore Mined	t	167,446	527,111	694,557	141,166	835,723
Total Tonnes Processed	t	511,387	395,316	906,703	552,500	1,459,203
Grade Processed	g/t	1.73	3.74	2.61	1.03	2.01
Recovery	%	71.4	83.9	79.4	92.4	83.0
Gold Recovered	oz	20,291	42,084	62,375	16,977	79,352
Gold in Circuit Drawdown/(Addition)	oz	1,263	(7,431)	(6,168)	507	(5,661)
Gold Produced (Poured)	oz	21,554	34,653	56,207	17,484	73,691
Gold Bullion in Metal Account Movement (Increase)/Decrease	oz	8,481	(16,777)	(8,296)	1,816	(6,480)
Gold Sold	oz	30,035	17,876	47,911	19,300	67,211
Achieved Gold Price	A\$/oz	1,748	1,748	1,748	1,719	1,739
	US\$/oz	1,252	1,252	1,252	1,230	1,246
Cost Summary						
Mining	A\$/oz	(5)	281	172	552	237
Processing	A\$/oz	869	300	518	620	567
Administration	A\$/oz	479	185	298	283	294
Stockpile Adjustments	A\$/oz	182	(98)	9	205	56
Gold in Circuit Movement	A\$/oz	132	(44)	24	47	29
Cash Cost	A\$/oz	1,657	624	1,021	1,707	1,183
	US\$/oz	1,188	448	732	1,224	848
Royalties	A\$/oz	129	64	89	95	93
By-Product Credits	A\$/oz	(1)	-	(1)	(7)	(2)
Sustaining Capital + Others	A\$/oz	36	8	19	22	19
Overhead Costs	A\$/oz	8	46	32	123	44
Administration Costs	A\$/oz	-	-	-	-	23
All-In Sustaining Cost (AISC) AISC is calculated on gold produced (poured)	A\$/oz	1,829	742	1,160	1,940	1,360
	US\$/oz	1,312	532	831	1,390	975
Depreciation and Amortisation	A\$/oz	75	69	71	17	75

Table 1: Production and Cost Summary for the December 2018 Quarter



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December Year-to-Date Production and Costs (unaudited)

December Year-to-Date	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravens-wood	GROUP Total
UG Lateral Development	m	4,609	-	4,609	-	4,609
UG Vertical Development	m	113	-	113	-	113
Total UG Lateral Development	m	4,722	-	4,722	-	4,722
UG Ore Mined	t	256,009	-	256,009	280,407	536,416
UG Grade Mined	g/t	2.71	-	2.71	1.87	2.27
OP Operating Waste	BCM	-	2,457,516	2,457,516	59,894	2,517,410
OP Ore Mined	BCM	-	287,028	287,028	117,802	404,830
OP Grade Mined	g/t	-	2.26	2.26	0.59	1.66
Total Ore Mined	t	256,009	608,519	864,528	615,855	1,480,383
Total Tonnes Processed	t	867,348	720,603	1,587,951	1,178,817	2,766,768
Grade Processed	g/t	1.94	3.36	2.58	1.01	1.91
Recovery	%	70.2	84.1	78.4	92.7	83.4
Gold Recovered	oz	37,935	65,379	103,314	35,594	138,908
Gold in Circuit Drawdown/(Addition)	oz	(679)	(9,326)	(10,005)	296	(9,709)
Gold Produced (Poured)	oz	37,256	56,053	93,309	35,890	129,199
Gold Bullion in Metal Account Movement (Increase)/Decrease	oz	8,280	(13,684)	(5,404)	4,481	(923)
Gold Sold	oz	45,535	42,369	87,904	40,371	128,275
Achieved Gold Price	A\$/oz	1,732	1,732	1,732	1,737	1,734
	US\$/oz	1,252	1,252	1,252	1,257	1,253
Cost Summary						
Mining	A\$/oz	0	154	92	262	219
Processing	A\$/oz	925	360	585	623	615
Administration	A\$/oz	463	208	310	264	297
Stockpile Adjustments	A\$/oz	93	198	156	154	156
Gold in Circuit Movement	A\$/oz	(19)	(64)	(46)	8	(31)
Cash Cost	A\$/oz	1,462	856	1,097	1,675	1,256
	US\$/oz	1,058	619	794	1,213	910
Royalties	A\$/oz	119	84	98	98	101
By-Product Credits	A\$/oz	(1)	(1)	(1)	(10)	(3)
Sustaining Capital + Others	A\$/oz	28	15	19	30	21
Overhead Costs	A\$/oz	25	44	37	58	48
Administration Costs	A\$/oz	-	-	-	-	24
All-In Sustaining Cost (AISC) AISC is calculated on gold produced (poured)	A\$/oz	1,633	998	1,250	1,851	1,447
	US\$/oz	1,182	722	905	1,340	1,048
Depreciation and Amortisation	A\$/oz	109	55	75	17	60

Table 2: Production and Cost Summary for December Year-to-Date



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Health and Safety

The Company's health and safety performance continued to improve in the December 2018 Quarter with the primary measure, the Total Recordable Injury Frequency Rate (TRIFR) declining to 1.75 (from 2.83 in the September 2018 Quarter). The company-wide focus on effective management of sub-contractors will continue during 2019 along with management of key operational risks across the Company's operations.



Figure 2: Syama Underground workers at the Syama Underground tag board



Figure 3: John Welborn addresses the Syama team in December, following commencement of sublevel caving



Syama Gold Mine, Mali

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. Syama is a large-scale operation which comprises two separate processing plants: a sulphide processing circuit and an 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 low grade stockpiled material, sulphide ore from the northern satellite orebodies, remnant ore from the Syama main pit, and underground ore. Ore for the oxide circuit is provided by open pit mining of a series of satellite orebodies. An updated definitive feasibility study (see ASX Announcement dated 3 July 2018) outlined an updated plan for the new underground operation at Syama (Syama Underground Mine) which will extend the mine life at Syama beyond 2032 at a life of mine AISC of US\$746/oz based on an underground Ore Reserve of 3.0Moz. Sublevel caving at the Syama Underground Mine commenced in December 2018. Full automation and ramp-up will occur in the first half 2019 with the mine to reach the targeted production rate of 200,000 tonnes per month in June 2019. Once the Syama Underground Mine is commissioned, Syama will be capable of producing over 300,000oz of gold annually.

Operations Update

Gold production at Syama during the December 2018 Quarter totalled 56,207oz at an AISC of A\$1,160/oz (US\$831/oz). Syama quarterly production was up more than 50% on the September 2018 Quarter comprising 34,653oz from Syama Oxide operations and 21,554oz from Syama Sulphide operations. The operations performance for Syama for the December 2018 Quarter is set out in Table 3 below.

Period	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Gold Production (oz)	Cash Cost (A\$/oz)	AISC (A\$/oz)
Sep Quarter	169,971	681,248	2.55	73.9	37,102	1,213	1,390
Dec Quarter	694,557	906,703	2.61	79.4	56,207	1,021	1,160
Year-to-Date	864,528	1,587,951	2.58	78.4	93,309	1,097	1,250

Table 3: Syama Operations Performance

Commencement of Sublevel Caving: First Sulphide Cave Ore Delivered to Mill

Development of the Syama Underground Mine began in October 2016 with first development ore being delivered during the March 2017 Quarter and first long-hole stoping ore being produced during the September 2018 Quarter. In December 2018, the Company achieved a major milestone with the extraction of first ore from the southern end of the 1105 level of the sublevel cave which marked the commencement of the main sublevel caving operation.

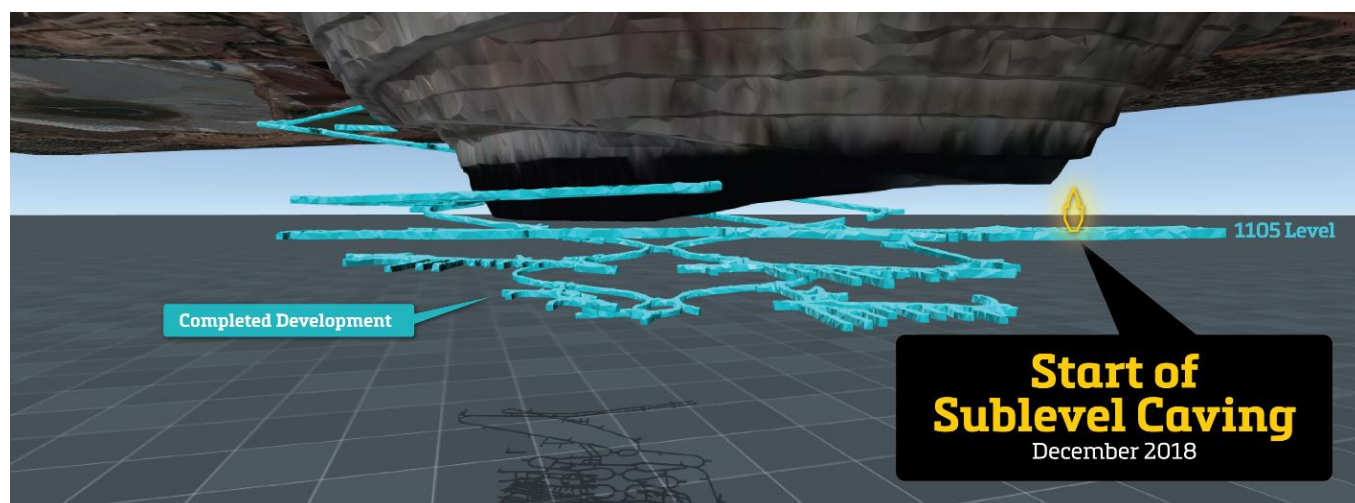


Figure 4: 3D model of Syama Sublevel Cave showing location of first blast on level 1105



Sulphide Operations

First ore from the sublevel cave, along with long hole stoping production, resulted in a doubling of ore mined from the Syama Underground Mine in the December 2018 Quarter when compared to the September 2018 Quarter (167kt v 89kt). Gold recovery year-to-date was in line with expectations as the Company continues to treat mixed ore sources and blend underground ore and low-grade ore stockpiles which have a direct impact on the recovery. Sulphide gold production was up 37% from the September 2018 Quarter and will continue to increase as mining tonnage and recoveries improve. The AISC is forecast to decline as higher grade material from the Syama Underground replaces low grade stockpile feed through the mill.

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost (A\$/oz)	AISC (A\$/oz)
Sep Quarter	88,563	355,961	2.24	69.2	15,702	1,187	1,358
Dec Quarter	167,446	511,387	1.73	71.4	21,554	1,657	1,829
Year-to-Date	256,009	867,348	1.94	70.2	37,256	1,462	1,633

Table 4: Syama Sulphide Production and Cost Summary

All elements of Resolute's sulphide processing improvement project, Project 85, have been commissioned and are operating effectively. Significantly, during periods when 100% underground sulphide ore has been treated, the Syama processing plant has delivered recoveries greater than 85% and provides confidence in our ability to achieve targeted recoveries from Syama. The proportion of underground ore through the mill will increase over the first half of 2019 which will reduce the level of blending of underground ore with low grade stockpiles. In the September 2018 Quarter approximately 25% of sulphide circuit throughput was sourced from underground ore. In the December 2018 Quarter this improved to approximately 33%. The ramp-up of the Syama Underground will enable an increasing proportion of mill feed to be higher grade underground ore which will drive greater gold production. From June 2019 onwards, underground sulphide ore will be treated exclusively through the sulphide plant.

Oxide Operations

Quarterly gold production of 34,653oz was a record for the Syama oxide circuit. Mining activities accelerated at Tabakoroni as significant quantities of ore became available. Haulage of ore to Syama began in November with processing of Tabakoroni ore through the oxide plant also commencing. Milling characteristics of ore from Tabakoroni were better than anticipated with larger quantities of fully oxidised ore resulting in higher throughput, while improved grades contributed to higher processing recoveries. Gold produced (poured) improved markedly with the introduction of higher grade oxide material from Tabakoroni. Commissioning of the gravity gold circuit was also successfully completed in conjunction with the commencement of treatment of the Tabakoroni material with an immediate positive impact.

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	AISC A\$/oz
Sep Quarter	81,408	325,287	2.88	77.9	21,400	1,229	1,407
Dec Quarter	527,111	395,316	3.74	83.9	34,653	624	742
Year-to-Date	608,519	720,603	3.36	84.1	56,053	856	998

Table 5: Syama Oxide Production and Cost Summary



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Figure 5: Namakan Open Pit at Tabakoroni

Ongoing Development at Syama Underground

Having commenced production from the sublevel cave, work will now focus on commissioning of the new automated fleet. When fully commissioned the autonomous mining operation will comprise:

- Automated long hole production drilling;
- Automated loading; and
- Automated haulage from underground loading station to above ground ROM pad.

In addition to lowering costs, automation will increase safety and productivity at Syama and create numerous highly skilled jobs in Mali for the life of the mine.



Figure 6: Autonomous primary loader hauling ore from the 1105 level

Delivery of the underground equipment that will form the automated fleet is well underway and on schedule with commissioning of this equipment progressing smoothly. Construction and implementation of the associated automation infrastructure including the automated control room is well advanced, with commissioning to take place progressively over the first half of 2019.



Solar Hybrid Power Plant Development Plan

In November 2018, Resolute announced the signing of a Joint Development Agreement (JDA) with Ignite Energy Projects Pty Ltd (Ignite Energy), a leading financier, developer and operator of power projects in Africa, for the development of a new greater than 40 megawatt (MW) independent solar hybrid power plant at Syama.

The Syama Solar Hybrid Power Plant will combine solar, battery, and heavy fuel oil (HFO) technologies. The innovative project is expected, when constructed, to be the world's largest fully integrated hybrid power plant for a standalone mining operation. The new power plant will replace the existing historic 28MW diesel fired power station at Syama and is expected to be fully operational by the end of 2020.

The new Syama power solution will be funded and constructed under an Independent Power Producer (IPP) model whereby Ignite Energy, under the terms of an exclusive Power Purchase Agreement, will be responsible for the design, construction, ownership, funding, and operation of the new Solar Hybrid Power Facility on an exclusive basis and will supply power to Resolute on a guaranteed basis subject to a maximum tariff over a term of between 12 and 20 years.

The new solar hybrid power solution is expected to generate savings of up to 40% on the current operating costs of power at Syama. In addition to higher efficiencies of the solar hybrid solution, the replacement of Resolute's existing diesel generated power plant will reduce reliance on, and exposure to, diesel prices. The new power facility will also provide significant environmental benefits including lower carbon emissions as a result of solar power generation and the greater efficiencies of integrated battery storage hybrid technology and improved engine technologies.



Figure 7: Proposed location of the new Syama Solar Hybrid Power Plant

Outlook

Implementation of the fully autonomous fleet and achievement of the full production rate of 2.4Mtpa remains the highest priority for Resolute. During the March 2019 Quarter, work at the Syama Underground Mine will comprise:

- Long hole open stoping on the 1200 levels;
- Ore development on the 1130, 1105 and 1080 sub level cave production levels
- Continuing establishment of the 1055 haulage level;
- Installation of additional dewatering infrastructure; and
- Completion of the establishment of primary underground infrastructure.



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Figure 8: Timeline through to Full Automation of the Syama Underground Mine

Underground ore will provide an increasing contribution to sulphide processing resulting in higher mill feed grades expected. The higher grades and sulphide content from this underground ore which will be processed through our optimised circuit following Project 85 commissioning will result in improved overall recoveries and operational performance from the sulphide circuit as the new underground mine ramp-up continues.

The contribution of the Tabakoroni satellite operation is expected to further increase during the March 2019 Quarter and will provide the large majority of ore feed for the oxide plant feed. As a result, the excellent throughput and recoveries achieved in the December 2018 Quarter are expected to continue.

Exploration Update

Tabakoroni

In December 2018, Resolute announced further exceptional drilling results from the ongoing exploration program at Tabakoroni. This followed an extensive diamond drilling campaign which commenced in early 2018 to define the potential for sulphide mineralisation at modest depths that would support an underground operation. The potential for high grade sulphide mineralisation was initially identified during the resource drill out of Resolute's existing Reserves of surface oxide mineralisation at Tabakoroni. Drilling undertaken during 2018 returned wide zones of gold mineralisation at grades suitable for underground mining operations (see ASX Announcements dated 25 May 2018, 5 July 2018 and 18 December 2018 for results).

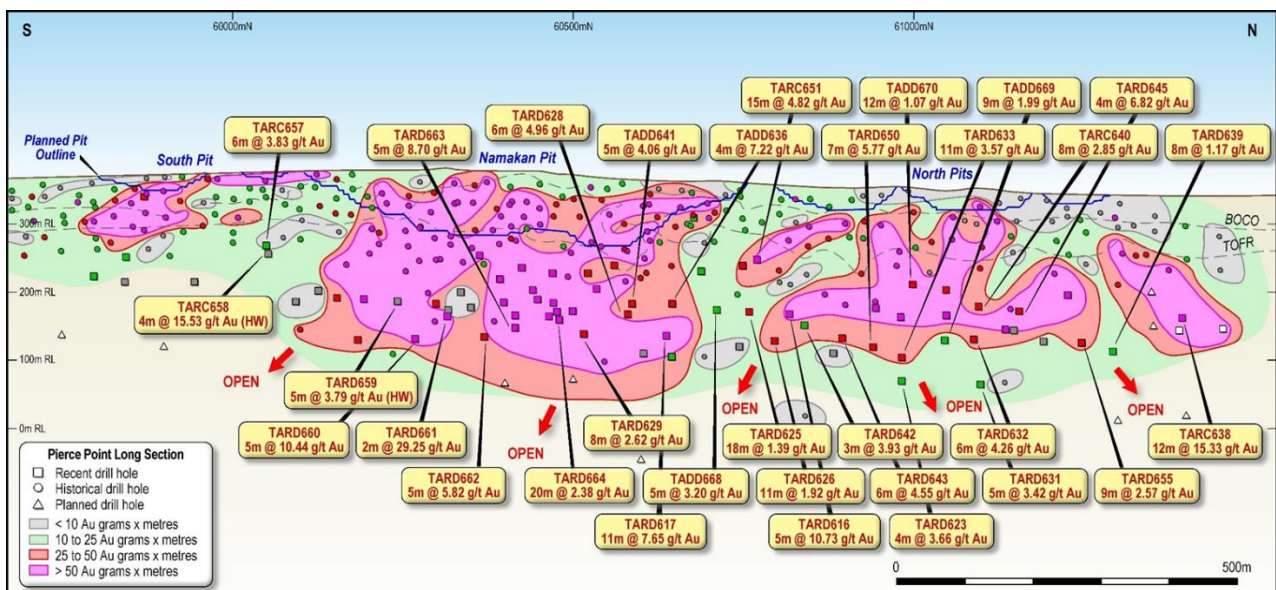


Figure 9: Tabakoroni Main Zone Long Section



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High grade gold mineralisation has now been intersected at Tabakoroni over a strike length of more than 1.5 kilometres. A longitudinal projection of the Tabakoroni Main Zone is presented in Figure 9. Mineralisation remains open at depth and along strike to the north. Drilling to date has outlined two zones of coherent high-grade mineralisation each with a strike length of 500m with widths averaging 10 metres.

The combination of a strike length of over 1.5km and the fact that drilling to date has only tested the mineralised system to a depth of 250m below surface leads Resolute to see excellent upside at Tabakoroni. Exploration drilling at Tabakoroni will continue throughout 2019 to fully define the resource envelope. Resource estimation work will be undertaken early in 2019 with the expectation a maiden Underground Resource at Tabakoroni will be defined and announced in the March 2019 Quarter. The maiden resource will then form the basis for initial studies of a future underground mine.



Figure 10: Syama Exploration Team members



Ravenswood Gold Mine, Australia

Ravenswood is located approximately 95km south-west of Townsville and 65km east of Charters Towers in north-east Queensland, Australia. Ore sources for the Ravenswood operation are currently the Mt Wright underground mine and stockpiles. The Mt Wright underground mine uses the sublevel shrinkage with continuous fill (SLS) mining method which has been successfully pioneered by the Resolute team. In 2016, as part of the Ravenswood Expansion Project (REP), the Nolans processing plant was re-configured to increase throughput capacity from 1.5Mtpa to 2.8Mtpa in association with the re-commencement of open pit mining and now consists of triple stage crushing, SAG and ball mill grinding, and CIP processing with a gravity circuit for recovery of free gold.

Operations Update

The operations performance for Ravenswood for the December Quarter is set out in Table 6 below.

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	AISC A\$/oz
Sep Quarter	474,689	626,317	0.99	93.3	18,406	1,645	1,757
Dec Quarter	141,166	552,500	1.03	92.4	17,484	1,707	1,940
Year-to-Date	615,855	1,178,817	1.01	92.7	35,890	1,675	1,851

Table 6: Ravenswood Production and Cost Summary

Production for the December 2018 Quarter was consistent with full year guidance. The extraction of remaining reserves at the Mt Wright underground mine, supplemented by processing stockpiled ore from the Nolans East open pit (where mining concluded in the September 2018 Quarter) and low-grade stockpiles will continue in CY19.

Ore production from Mt Wright for the December 2018 Quarter was 141,166t at 1.77g/t Au (September 2018 Quarter: 139,241t at 1.96g/t Au). Production from Mt Wright was steady, with the majority of ore provided by overdraw from earlier stoping. The continued success of the overdraw indicates the contribution from Mt Wright underground will continue into the second half of CY19.

Processed tonnage was down in the December 2018 Quarter due to a routine mill reline, maintenance on Mill No 2 gearbox and lower availability of the crusher affecting available mill feed. The beneficiation plant which was commissioned in the September 2018 Quarter is successfully upgrading lower grade stockpile feed and continued to be optimised during the December 2018 Quarter. The reduced throughput and lower gold production along with stockpile inventory movements resulted in a higher than normal AISC for the December 2018 Quarter.

During the December 2018 Quarter, the Queensland Government extended the Prescribed Project status of the REP to 30 November 2020. The assistance provided by the streamlined administrative process provided by Prescribed Project status has been essential in ensuring Resolute has received the regulatory approvals required for the REP and in providing opportunity for further project enhancements. Under relevant Queensland state legislation, a Prescribed Project declaration is designed to facilitate the approval process for projects deemed to be of particular economic or social significance to Queensland or a region within the state. This is achieved by empowering the Coordinator General to actively assist in the planning, delivery and coordination of all required government and regulatory approvals to ensure there are no unnecessary delays, while ensuring the project's environmental impacts are properly managed. The extension of the Prescribed Project status will assist the Company in finalising a small number of additional regulatory approvals that will be requested to allow project works on an enhanced REP program to commence.

Following the end of the December 2018 Quarter, the Company announced that it had agreement with the Queensland Department of Education whereby it will fund the relocation and construction of a new State School at Ravenswood. The cost to Resolute is slightly less than the capital budget allocated within the REP Study. The



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agreement represents a key milestone in enabling the Company to progress development activities at Buck Reef West as part of the REP which will extend mining at the Ravenswood Gold Mine to at least 2032.



Figure 11: Nolans Processing Plant and Sarsfield Open Pit

Outlook

Mined ore tonnes from Mt Wright are expected to continue at similar levels through CY19. Overdraw from higher level drawpoints will continue to provide tonnages exceeding initial expectations, thereby further extending Mt Wright operations. Additional ore feed will continue to be sourced from Nolans East and Sarsfield stockpiles. Improved throughput and crusher availability are expected to result in higher gold production and lower AISC in the March 2018 Quarter.

All key approvals are now in place for the REP with mining and processing of the Buck Reef West open pit and an associated upgrade to processing capacity planned to commence in 2020.

Following the end of the December Quarter, Resolute announced that it has commenced a strategic review of the REP. The initial focus of the review is to enhance project economics by pursuing reductions in capital and operating costs. The review will also assess the potential for further growth through processing expansions, mine life extensions, and increased production capacity. Ongoing work at Ravenswood has identified new exploration targets along with opportunities for plant expansions and improved environmental outcomes. Resolute intends for the strategic review to capture these enhancements and incorporate them into an updated Life-of-Mine plan expected to be finalised during 2019.

Bibiani Gold Mine, Ghana

Bibiani is situated in the western region of Ghana in West Africa. It is bordered by Burkina Faso to the north, the Ivory Coast to the west and Togo to the east. Since assuming ownership in 2014 Resolute embarked on two surface and underground resource drilling programs to re-assess the underground mine potential and in June 2018 released an update to its June 2016 feasibility study.

Work in the December quarter focused on Project Execution Planning and further refinement of the mining and processing strategies.



Corporate

Cash, Bullion and Listed Investments

Description	December 2018 Quarter (A\$m)	September 2018 Quarter (A\$m)
Cash	38.7	49.0
Bullion	39.5	27.2
Cash and Bullion Sub-Total	78.2	76.2
Listed Investments	38.4	38.9
Total Cash, Bullion and Listed Investments	116.6	115.1

Table 7: Total Cash, Bullion and Listed Investments

The principal movements in the market value of cash and bullion balances during the December 2018 Quarter are summarised in Table 8 and also set out in Figure 12. Cash outflows included A\$77.6m in development expenditures principally associated with the development of the Syama Underground Mine and the payment of A\$15.2m in dividends.

	December 2018 Quarter (A\$m)	September 2018 Quarter (A\$m)
Operating Cash Flows		
Gross Operating Cash Flows from Syama and Ravenswood	43.3	28.4
Royalty Payments	(6.4)	(6.1)
VAT Offsets	4.5	4.1
Overheads and Operational Support Costs	(6.5)	(6.3)
Exploration Expenditure	(2.7)	(2.9)
Interest Expense/Income Net Cash Flows	(3.4)	(1.5)
Working Capital Movements	(5.3)	(14.6)
Investing Cash Flows		
Development Expenditure, incl. Syama Underground Mine Development, Feasibility Studies, Resource Development and Other Projects	(77.6)	(100.4)
Operational Sustaining Capital Expenditure	(1.9)	(1.2)
Bibiani Project Care and Maintenance	(3.0)	(2.2)
Other Investing Activities	0.2	(0.3)
Financing Cash Flows		
Loans Advanced & Repayments	1.5	-
Dividend Payments	(15.2)	-
Existing Debt Facility Inflows/(Outflows)	74.3	96.7
Foreign Exchange Fluctuations and Market Value Changes of Bullion on Hand	0.2	2.8
Net Cash Inflows	2.0	(3.5)
Opening Cash and Bullion	76.2	79.6
Closing Cash and Bullion	78.2	76.1

Table 8: Movements in Cash and Bullion Balances

Borrowings

Syndication of Expanded US\$150 million Revolving Credit Facility

In July 2018 Resolute established a revolving credit facility (Facility)(See ASX Announcement dated 13 July 2018). The Facility was underwritten by Investec Australia Limited (Investec) to a limit of US\$100 million. Resolute has now successfully syndicated the Facility with Investec, BNP Paribas, Nedbank and Citibank which has enabled an expansion of the revolving credit limit to US\$150 million. The Facility has an initial three year term, with rates, fees



and terms which are extremely flexible and highly competitive. Resolute can draw on the Facility as required for any corporate funding purposes and both the credit limit and tenor remains capable of further extension. The new Facility provides Resolute with flexible access to low cost funding for new growth initiatives.

The Company's other borrowing facilities consist of an unsecured bank overdraft held by Resolute's Malian subsidiary, Société des Mines de Syama S.A. with the Bank of Mali. This in-country Bank of Mali facility has been operational since the commencement of the Syama mine and is used for managing local Mali liquidity requirements.

As at 31 December 2018, total borrowings were A\$173m comprising US\$100m drawdown on the Facility and the net balance of the Company's unsecured overdraft facility with the Bank of Mali and in-country receivables.

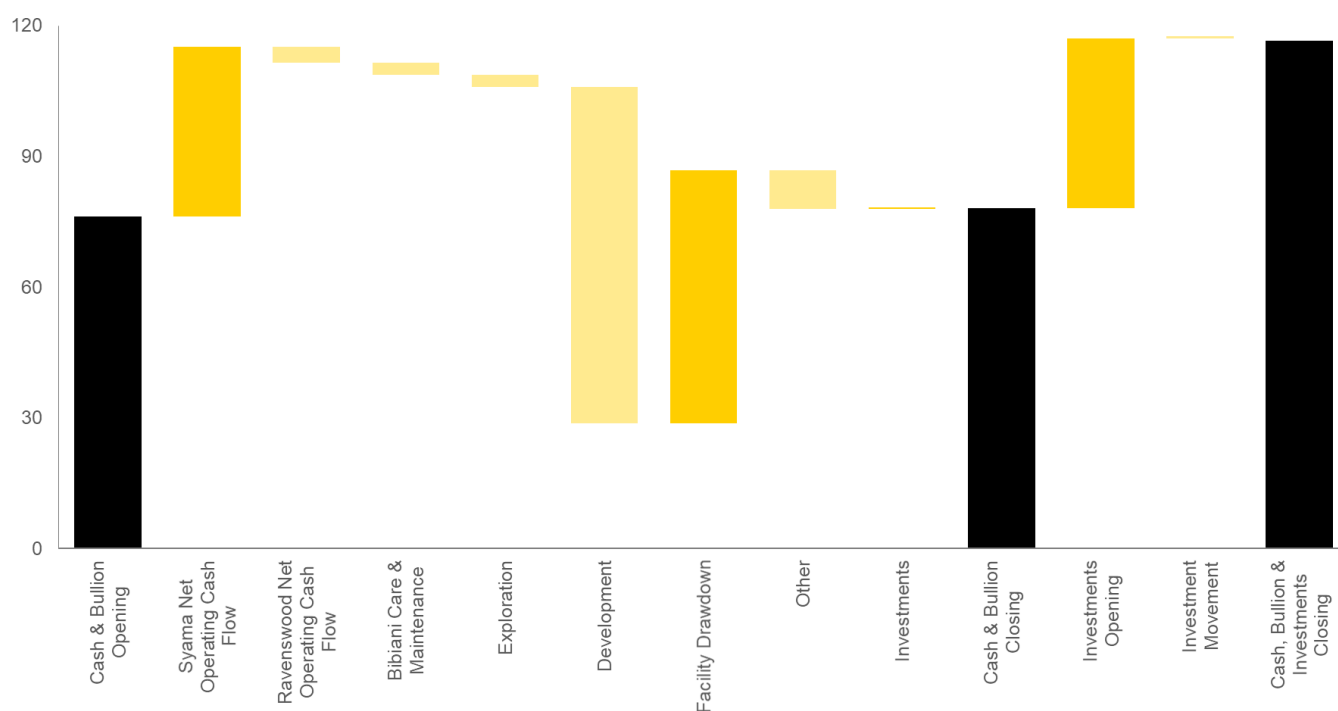


Figure 12: Quarterly Cash Reconciliation

Hedging

Resolute maintains a policy of undertaking short-dated hedging to take advantage of periods of elevated gold prices.

Resolute continued to actively manage its gold sales and undertake hedging above its budgeted gold price to take advantage of gold price volatility, maximise revenues and protect the Company's balance sheet and cash flows in 2019. During the December 2018 Quarter, the Company hedged 30,000oz at an average price of A\$1,783/oz, 35,000oz at an average price of A\$1,728/oz and 30,000oz at an average price of US\$1,250/oz.

Resolute's remaining hedge deliveries are summarised below.

Quarter	AUD Forward Sales		US Dollar Forward Sales	
	Forward price A\$/oz	Delivery (oz)	Forward price US\$/oz	Delivery (oz)
March 2019	1,715	8,000	1,250	15,000
June 2019	1,719	17,000	1,250	15,000
September 2019	1,756	30,000	-	-
December 2019	1,756	30,000	-	-
Total	1,744	85,000	1,250	30,000

Table 9: Current Committed Hedging Forward Sales in A\$ and US\$



Gold in Circuit

As at 31 December 2018, Resolute had an estimated recoverable gold in circuit inventory of 73,835oz with a market value of approximately A\$134m (US\$94m). The majority of the circuit stocks comprise carbon enriched concentrates stockpiled at Syama.

Listing on London Stock Exchange

Resolute has commenced preparatory work for an application for admission of its ordinary shares to the standard listing segment of the London Stock Exchange (LSE) for trading on its main market for listed securities. Subject to the required regulatory approvals from both the UK Financial Conduct Authority and the LSE, Resolute intends to seek admission during the first half of 2019.

Change to Financial Year End

As part of the process of seeking a listing on the LSE, and to synchronise the consolidation of its Resolute's African subsidiary companies accounts, Resolute has decided to change from a 30 June year end to the more conventional calendar reporting period for LSE companies of a 31 December year end for financial reporting purposes.

Resolute will make the change to its financial year end in accordance with section 323D(2A) of the *Corporations Act 2001* (Cth) and confirmed during the December 2018 Quarter that:

- The Company's previous financial year ended on 30 June 2018;
- The Australian Tax Office has approved the change of year end to 31 December for income tax purposes;
- The Company will have a 6-month transitional financial report for the period which began on 1 July 2018 and ended on 31 December 2018; and
- The Company has commenced a 12-month financial year commencing on 1 January 2019 and ending on 31 December 2019.

The change to the financial year end and the transitional financial report for the 6 months to 31 December 2018, will result in:

- The lodgement no later than by 28 February 2019 of the transitional financial report for the period to 31 December 2018; and
- The holding of an Annual General Meeting for the period to 31 December 2018 no later than 31 May 2019.

It is also intended that Resolute will issue new production and cost guidance for the Company's new financial year to 31 December 2019 (CY19) during the current quarter. The new CY19 Guidance will be incremental and additional to the Company's existing FY19 Guidance (see below).

Outlook – FY19 Production Guidance Maintained

Resolute is pleased to reaffirm the Company's guidance for the year to 30 June 2019 of 300,000oz at an AISC at A\$1,280/oz (US\$960/oz). As stated above, Resolute will issue new production and cost guidance for the Company's new financial year to 31 December 2019 during the March 2019 Quarter.

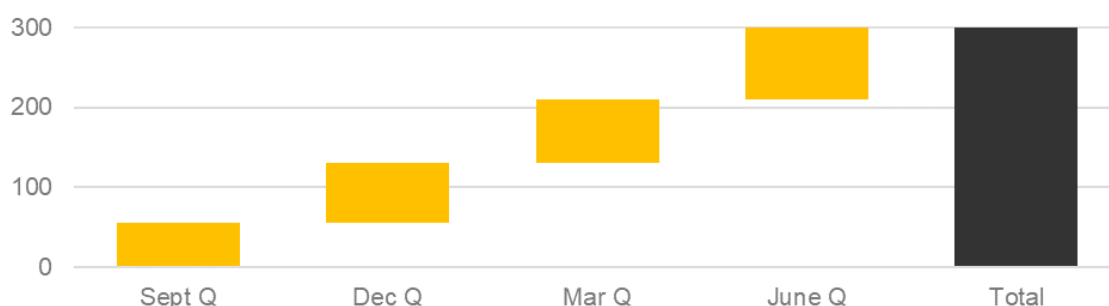


Figure 13: Quarterly Production through FY19 (to 30 June)

**Resolute****Quarterly Activities Report** for the period ended 31 December 2018

Conference Call Details

Resolute advises that Managing Director and CEO, Mr John Welborn, will host a Conference Call for investors, analysts and media today, Tuesday 29 January 2019 at 7:30am (AWST, Perth) / 10:30am (AEDT, Sydney), to discuss the Company's Quarterly Activities Report for the period ending 31 December 2018. The call will conclude with a question and answer session.

Teleconference Details

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

Conference ID: 2287976

Toll-free international access numbers:

Canada	1855 5616 766	New Zealand	0800 452 782
China	4001 203 085	Singapore	800 616 2288
Hong Kong	800 908 865	United Kingdom	0808 234 0757
India	1800 2666 836	United States	1855 293 1544
Japan	0120 994 669		

For all other countries, please use international access toll number: +61 2 8038 5221

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. To ask a question, please dial “*1” (star, 1) on your telephone keypad.

The Conference Call will be streamed live at <http://www.openbriefing.com/OB/3239.aspx>.

For further information, contact:

John Welborn

Managing Director & CEO

Jeremy Meynert

General Manager – Business Development & Investor Relations

ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 757,512,088

Current Share Price:

A\$1.14, 25 January 2019

Market Capitalisation:

A\$864m

FY19 Guidance:

300,000oz @ AISC US\$960/oz (A\$1,280/oz)

Board of Directors

Mr Martin Botha *Non-Executive Chairman*

Mr John Welborn *Managing Director & CEO*

Ms Yasmin Broughton *Non-Executive Director*

Mr Mark Potts *Non-Executive Director*

Ms Sabina Shugg *Non-Executive Director*

Mr Peter Sullivan *Non-Executive Director*

Contact

John Welborn *Managing Director & CEO*

Jeremy Meynert *GM – BD & IR*

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