

ASX ANNOUNCEMENT

01

24 December 2013

Competent Person Statement Update

Please find attached the Syama Development Update released to the ASX on 19 December 2013 with an updated Competent Persons Statement.



GREG FITZGERALD
Company Secretary

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19 December 2013

01

SYAMA DEVELOPMENT UPDATE

HIGHLIGHTS

- Significant capital expenditure savings confirmed as part of previously announced modified Syama Expansion Project
- US\$28M reduction in capital expenditure as no requirement to relocate sulphide crushing circuit
- Expansion Project well progressed with total forecast capital spend reduced to US\$235M (US\$266M) and FY2015 deferred spend lowered to US\$82M (US\$113M)
- Parallel oxide circuit remains on schedule for January 2015 commissioning
- Further Syama open pit mine plan refinement delivers 13Mt reduction in material handling and improved economics with minimal ounces lost
- Prefeasibility study progressing for Syama underground operation with positive geotechnical investigations confirming underground cavability
- Deep infill diamond drilling to commence immediately to upgrade resources below Syama pit

SYAMA EXPANSION PROJECT	Budget US\$M	Forecast Cost at Completion US\$M
OXIDE	132.0	126.5
SULPHIDE	58.7	30.2
INFRASTRUCTURE	26.4	29.8
HV GRID CONNECTION	48.9	48.9
TOTAL	266.0	235.4

Table 1. SEP Budget vs Forecast at Completion

Resolute Mining Limited (ASX: RSG, "Resolute" or the "Company") is pleased to announce additional operational and development capital management improvements for Syama.

SYAMA CAPITAL REDUCTION

Following the previously announced Syama open pit mine plan changes that removed the Stage 3 cutback, Resolute has continued to optimise mining and

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treatment capital costs of the delineated oxide-sulphide reserve inventory to further strengthen future cash flow for Resolute.

Two concurrent studies have been completed since September 2013 including:

- Sulphide crusher analysis; and
- Updated two stage open pit plan.

Sulphide crusher analysis

Originally the planned sulphide pit three-stage expansion required the replacement and relocation of the existing crushing circuit. With removal of the Stage 3 cutback, this is no longer necessary. A recent analysis of the circuit performance over the past 12 months has concluded that the current plant, with some upgrade, is capable of maintaining forecast production. The primary crusher, which is nearing the end of its economic life, will be removed and the recently purchased replacement crusher would be installed in due course as part of a planned major maintenance shutdown in late 2014.

SULPHIDE AREA	Budget US\$M	Forecast at Completion US\$M
SULPHIDE CRUSHING	35.8	11.4
MINING	12.4	12.6
EPCM/OWNERS COSTS	7.2	6.2
CONTINGENCY	3.3	0.0
TOTAL	58.7	30.2

Table 2. Sulphide Capital Costs

Currently, US\$30.2M has been committed to the Sulphide Area (Table 2), to be spent on; EPCM/owners costs, crushing equipment purchase and mining contractor mobilisation/site setup. No further activity will be undertaken on the Sulphide Area of the Syama Expansion Project ("SEP") and as a result, a capital saving of US\$28.5M will be realised.

Updated two stage open pit plan

Further design and scheduling work has been undertaken to optimise the two stage open pit design for Syama. Recent design refinements have resulted in modifications to the south-west sector of the pit that will reduce the waste stripping requirement by up to 13Mt of material and further enhance the overall strip ratio from 4.5 to 3.7. This 19% reduction in total material handling will be met with just 1% decrease in ounces and improved economics.

Commenting on the outcomes of the recent studies Resolute Chief Executive Officer, Peter Sullivan, said: "These results mean significant cash flow and capital efficiency benefits to the Company and ensure that Resolute can maintain solid positive cash flows during this period of weaker commodity prices."

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SYAMA CONSTRUCTION UPDATE

The oxide circuit has reached 53.7% completion with commissioning of the circuit on schedule for January 2015 and project handover at full production in March 2015.

Earthworks and concreting have been completed, with the CIL, oxide crushing and emergency stockpile areas finished. Erection of CIL tanks is ongoing and due for completion in the March 2014 quarter.



Figure 1. Completed Oxide crusher structure - October 2013

Plate work and mechanical installation has been awarded to ATC, a local Bamako based company and electrical installation awarded to French company ERAI.



Figure 2. Oxide CIL tank erection October 2013

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A new workshop and cyanide storage shed have been completed, while design work on a new control room and shift operations building has commenced. This is expected to be completed in the June 2014 quarter.

The revised budget for the Oxide Area is US\$126.5M and forecast to come in under the original budget of US\$132M (Table 3). The additional nine months of fixed expenses associated with the Owners Team and EPCM (\$9.9M) is due to the extended time schedule announced 28 June 2013. This cost has been offset through the reduction of pre-strip mining that is no longer planned following a significant reserve upgrade at the A21 Deposit announced on 27 August 2013.

OXIDE AREA	Budget US\$M	Forecast at Completion US\$M
TREATMENT	64.0	64.2
PRE-STRIP MINING COSTS	23.4	14.9
OWNERS COSTS/ EPCM	38.4	41.2
CONTINGENCY	6.2	6.2
TOTAL	132.0	126.5

Table 3. Revised Oxide Circuit Capital Costs

The infrastructure spend (Table 4) has increased marginally due to a scope change associated with the addition of integrated water storages at the "Alpha" and "Beta" open pits on the Syama Mining Permit. The associated 5.5 kilometre pipeline extension represents a US\$4.6M change in scope to the infrastructure program, but is necessary to ensure that long term water supply demands can be met. Site infrastructure expenditure is now 77% complete.

INFRASTRUCTURE AREA	Budget US\$M	Forecast Cost at Completion US\$M
SITE INFRASTRUCTURE	26.4	29.8
HV POWERLINE	48.9	48.9
TOTAL	75.3	78.7

Table 4. Revised Infrastructure Capital Costs

Total capital costs for the SEP are now forecast at US\$235.4M (US\$266M). As announced on 28 June 2013 the SEP expenditure for FY2014 is currently US\$61M, with the new deferred amount of US\$82.4M (US\$113M) to be spent in FY2015. Approximately half of this expenditure is related to the 72 kilometre high voltage grid connection from the town of Sikasso to the Syama Mine. While the project construction schedule is 12 months, its commencement depends on concluding several agreements with various Mali authorities in FY2014.

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SYAMA UNDERGROUND STUDIES

Independent technical adviser Snowden Mining Consultants (“Snowden”) has recently commenced work on a Prefeasibility Study (PFS) for the underground development of the 3Moz resource below the Stage 2 pit base (70mRL).

The characterisation of all geotechnical information (drill hole logs, structural mapping, laboratory strength testing) and review by Snowden, further supports the cavability of the Syama underground. Work will continue on selecting the optimal stoping method, mine layout and likely production rates from the current resource inventory. The PFS is expected to be completed in the March 2014 quarter.

This review has also highlighted that the block model poorly represents tonnage, grade and metal content beneath 0mRL (70m below the pit base). On review of the block model, this trend is a reflection of the lower drill densities below this depth. Resolute has decided to immediately commence a first phase 5000 metre infill diamond core drill program from within the Syama pit to assist in upgrading the resource model so that this section of the ore body can be included in a revised underground reserve inventory. This information will not be available for the PFS however results from the drilling program are expected to be available in the June 2014 quarter.



PETER SULLIVAN
Chief Executive Officer

About Resolute:

Resolute is an unhedged gold miner with three operating mines in Africa and Australia. The Company is one of the largest gold producers by volume listed on the ASX. Resolute’s flagship Syama project in Mali is on track for an increase in production to 270,000oz of gold a year following an approved expansion to be undertaken through FY2016. At its Ravenswood mine in Queensland, Resolute is investigating a number of opportunities to add value by increasing gold production and lowering operating costs. The Company controls an extensive footprint along the highly prospective Syama Shear and Greenstone Belts in Mali and Cote d’Ivoire. Resolute has also identified a number of highly promising exploration targets at its Ravenswood operations and holds a number of exploration projects in Tanzania surrounding its Golden Pride mine.

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 Australian 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 2004 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 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 first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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