



**Resolute**

# ASX Announcement

**22 February 2018**

## Half Year Profit Result - Investing for growth

**Net profit of A\$38M from strong gold sale revenue of A\$203M**

**~A\$200M in cash, bullion and listed investments**

**Ongoing investment in growth and mine life**

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- Revenue from gold and silver sales of A\$203 million
  - Gross profit from operations of A\$30 million
  - Net profit after tax of A\$38 million
  - Gold Production of 142,748 ounces
  - All-In Sustaining Costs of A\$1,395 per ounce (US\$1,092 per ounce)
  - Gold sales of 121,480 ounces at an average gold price received of A\$1,678 per ounce
  - Gold bullion on hand increased by 21,268 ounces during the half year
  - Cash, bullion and listed investments at 31 December 2017 of A\$196 million
  - Gold in circuit inventory at 31 December 2017 of 94,462 ounces valued at A\$157 million (US\$120 million)
  - Investing cash flows of A\$93 million
  - Strong balance sheet maintained with cash, bullion and listed investments of A\$196 million, and cash and bullion net of debt of A\$150 million
  - FY18 gold production and cost guidance maintained at 300,000 ounces at an All-In Sustaining Cost of A\$1,280 per ounce (US\$960 per ounce)
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Resolute Mining Limited (Resolute or the Company) (ASX:RSG) has today reported a half-year net profit after tax of A\$38 million for the six months ended 31 December 2017. Revenue for the period was A\$203 million, up 20% from the previous half year. The total half year gold production of 142,748 ounces (oz) was achieved at an All-In Sustaining Cost of A\$1,395/oz (US\$1,092/oz). Gold production and cost guidance for the full financial year has been maintained at 300,000oz at an All-In Sustaining Cost of A\$1,280/oz (US\$960/oz).

Managing Director and CEO, Mr John Welborn, was pleased with the profit result which demonstrated Resolute is in a strong position as the Company continues an investment phase designed to deliver long life, low cost mines:

“Resolute is a profitable gold miner with a strong balance sheet and exceptional growth prospects. During the first half of the current financial year we have continued to invest in future growth. We continue to generate strong operating cash flows and are proud to be paying a regular full-year dividend to our shareholders. Today’s results are in line with our expectations as we successfully navigate a challenging short-term period of declining stockpile grades at Syama and lower production from Mt Wright at Ravenswood.

“Underground mine development at the Syama Gold Mine in Mali is progressing on schedule with completion of the sublevel cave development expected in December 2018. Total underground Mineral Resources at the Syama Underground mine increased by 39% to 5.7 million ounces at 3.2 grams per tonne of gold. This significant upgrade,



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in addition to our investigations of the advantages of autonomous trucking and bogging, has identified further opportunities to enhance our development plans at Syama and contemplate future expansion of production rates.

“At our Ravenswood Gold Mine in Queensland we continue to successfully transition from underground mining to the large scale open pit operations envisaged in the Ravenswood Expansion Project. Progress with required approvals has allowed an optimised feasibility study to commence aimed at modifying mining schedules and tailings disposal strategies to maximise project returns.

“At the Bibiani Gold Mine in Ghana we announced a 40% increase in resources to 2.5 million ounces at 3.6 grams per tonne of gold. An updated feasibility study for Bibiani will be completed in the current quarter.

“We anticipate improving production and unit costs in the second half of the current financial year as we process higher grades at both Syama and Ravenswood. Resolute remains on track to meet our guidance of 300,000 ounces of gold production at an All-In Sustaining Cost of A\$1,280 per ounce (US / US\$960 per ounce) for the financial year.”

### Half-Year Financial Results Conference Call

Mr John Welborn will host a Conference Call for investors and media today at 11:00AM AWST / 2:00PM ADST to discuss the half year results and Company’s progress, followed by a question and answer session.

Teleconference details:

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

**Conference ID:** 2155927

**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 3010 6141 | United States  | 1855 293 1544 |
| Japan     | 0120 477 087   |                |               |

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.

For further information, contact:

**John Welborn** | *Managing Director and CEO*

**Telephone:** +61 8 9261 6100

**Email:** [contact@rml.com.au](mailto:contact@rml.com.au)

**Web:** [www.rml.com.au](http://www.rml.com.au)

#### ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 741,477,595

**Current Share Price:**

A\$1.09, 21 February, 2018

**Market Capitalisation:**

A\$805 million

**FY18 Guidance:**

300,000oz @ AISC A\$1,280/oz

#### Board of Directors

Mr Martin Botha *Non-Executive Chairman*

Mr John Welborn *Managing Director & CEO*

Mr Peter Sullivan *Non-Executive Director*

Mr Mark Potts *Non-Executive Director*

Mr Bill Price *Non-Executive Director*

Ms Yasmin Broughton *Non-Executive Director*

#### Contact

**John Welborn** *Managing Director & CEO*

Level 2, Australia Place | 15-17 William St  
Perth, Western Australia 6000

T: +61 8 9261 6100 | F: +61 8 9322 7597

E: [contact@rml.com.au](mailto:contact@rml.com.au)



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### 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 8 million ounces of gold. Resolute 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 FY18 guidance of 300,000 ounces of gold production at All-In Sustaining Costs of A\$1,280/oz (US\$960/oz).

Resolute's flagship Syama Gold Mine in Mali is a robust long life asset comprising parallel sulphide and oxide processing plants. The move to underground mining is expected to extend the mine life beyond 2028.

The Ravenswood Gold Mine in Queensland demonstrates Resolute's significant underground expertise in successfully mining the Mt Wright ore body, where operations are expected to cease in FY18. The Company's next stage of development in Queensland is the return to large scale open pit mining at the Ravenswood Expansion Project, which will extend the Company's local operations for a further 13 years to at least 2029.

In Ghana, the Company has completed a feasibility study on the Bibiani Gold Mine focused on the development of an underground operation requiring modest capital and using existing plant infrastructure. Resolute is also exploring over 6,600km<sup>2</sup> of potential world class tenure in West Africa and Australia with active drilling programs in Mali, Ghana, Cote d'Ivoire and Queensland, Australia. The Company is focused on growth through exploration and development and is active in reviewing new opportunities to build shareholder value.