



REPORT ON ACTIVITIES

FOR THE QUARTER TO
31 MARCH 2007

A.C.N 097 088 689 ASX CODE - RSG

OVERVIEW

OPERATIONS

Quarterly Production

- **Gold production for the quarter of 65,584** (59,577) ounces of gold was achieved at a cash cost of **A\$604** per ounce (A\$645).
- Production at **Golden Pride in Tanzania** for the quarter was **38,563** (31,644) ounces of gold at a cash cost of **A\$406** (A\$548) (US\$320: US\$425) per ounce.
- **Gold production at Ravenswood** generated **27,021** (27,933) ounces at a cash cost of **A\$887** (A\$756) per ounce.

DEVELOPMENT

Syama

- The Malian President Amadou Toumani Touré, officiated at a "ground breaking" ceremony for the re-development of Syama.
- Construction activities are accelerating with sub-contracting groups to mobilise shortly.
- Mining fleet equipment ordered with delivery scheduled for the September quarter.
- Agreement to acquire generating sets has been concluded.
- Updated Capital and Operating cost estimates completed.
- Commitments to date on the project total US\$36.3million.

EXPLORATION

Exploration drilling continued at regional prospects near Syama in Mali, Ravenswood in Queensland, Golden Pride in Tanzania, and Weststar in Ghana.

- In Mali results from the extensive reverse circulation drilling programme designed to test the 6km long 'Quartz Vein Hill trend' of mineralisation stretching between 5 and 11km north of Syama continued to return consistently encouraging results including **9m @ 9.2g/t Au**, **6m @ 10.8g/t Au** and **2m @ 314.5g/t Au**.
- Also in Mali, reverse circulation drilling on the Tabakoroni resource south of Syama is returning further significant intercepts that provide more confidence in the continuity of the mineralisation. Best results for the period include: **9m @ 11.2g/t Au**, **13m @ 5.5g/t Au** and **6m @ 14.3g/t Au**.
- In Tanzania, results of the Golden Pride targeting campaign are being applied with the airborne electro-magnetic survey and geochemical footprinting exercise defining a series of high priority drill targets along strike from the mine. Diamond drilling on the Canuck target to the west of Golden Pride returned results up to **5.2m @ 15.4g/t Au**.
- At Ravenswood, underground exploration drilling at the Buck Reef West mine returned vein intercepts of up to **7m @ 44.4g/t Au**.

CORPORATE

- **Group cash and bullion** at the end of the quarter was **A\$121m** (A\$155).
- **Gross cash flow** from operations for the quarter was **A\$7m** (A\$4m).

PR SULLIVAN
Chief Executive Officer
20 April 2007

The information in this report as it relates to ore reserves, mineral resources or mineralisation is reported in accordance with the Aus.IMM "Australian Code for reporting of Identified Mineral Resources and Ore Reserves" and is based on information compiled by DT Cairns and T Brown, competent persons as defined by the Code. DT Cairns and T Brown have consented in writing to the inclusion in this report of the numbers based on the information in the form and context in which it appears. "Significant" drill results refer to results that are indicative of potentially economic mineralisation or that warrant follow-up work.



PRODUCTION SUMMARY

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Plant Availability (%)	Total Production (Oz gold)	Cash Cost A\$/oz	*Total Cost A\$/oz
Golden Pride								
Mar Qtr	614,529	596,574	2.21	91.1	87.1	38,563	406	489
Dec Qtr	636,205	593,298	1.87	88.8	84.4	31,644	548	641
Ravenswood								
Mar Qtr	1,229,253	1,173,741	0.93	77.1	95.7	27,021	887	979
Dec Qtr	1,159,167	1,092,795	1.00	79.5	89.6	27,933	756	855
Total								
Mar Qtr	1,843,782	1,770,315	1.36	84.8	91.4	65,584	604	691
Dec Qtr	1,795,372	1,686,093	1.31	84.2	87.0	59,577	645	742

*Total Cost includes cash costs, depreciation and amortisation, royalties and in-country operational support costs.

OPERATIONS

Golden Pride, Tanzania (Resolute 100%)

The Project had one lost time injury for the quarter. The twelve-month moving average Lost Time Injury Frequency Rate at the end of the quarter is 3.6 (3.3).

Golden Pride produced 38,563 (31,644) ounces of gold from 596,574 (593,298) tonnes of ore at a head grade of 2.21 (1.87) grams per tonne at a cash cost of US\$320 (US\$425) for the quarter.

Mining rates continue to be adversely affected by the low availability of the mining contractor's mining and grade control equipment, although ore production was maintained over the quarter.

Mining was evenly split between the base of the main pit (for ore supply) and the cutback on the north wall of the central pit area (for pit development). All material from the main area of the pit was fresh and mining in this area will deepen the base of the pit through the high grade western ore shoot. In-pit dumping of waste continued during the quarter.

Gold recovery continued to improve during the quarter and is now achieving expected levels. The recovery rate should remain at current levels until the new pre-leach tanks are commissioned in the September quarter.

Mill throughput rates still remain lower than expected due to the hardness of the primary ores, limited supply of grinding media and continued poor performance of the mining contractor feeding the crusher. Plant availability improved this quarter to give a slight increase in the tonnage compared

to the previous quarter. This improvement was mainly due to Tanzanian power supply running at normal capacity. Improvements are expected in plant availability and throughput in the coming quarter.

During the quarter the re-optimisation of the resources at Golden Pride, which will see the mine life extended out to at least six years, was completed.

The additional mine life and material movements will allow an orderly renewal of the mining fleet and rectify the performance issues currently experienced.

Implementation of the earlier expansion had been delayed due to equipment difficulties at the site and the increasing cost profile of mining. This caused a review of the risk/reward attached to that expansion option and resulted in a decision to move to a smaller initial pit design with a lower strip ratio and less contained ounces.

A total of 670,000 ounces is contained in this new pit at an average production cash cost of approximately US\$375 per ounce. In addition, the pit contains 110,000 ounces of inferred resources that are not included in this figure. Considerably more resource exists outside this pit design but based on the current gold price and cost profile at Golden Pride is of marginal economic value. The re-optimised pit can easily be expanded to incorporate these resources should the economics change.

Ravenswood, Australia (Resolute 100%)

The Ravenswood Operation had no lost time injuries during the quarter. The twelve-month



moving average Lost Time Injury Frequency Rate at the end of the quarter reduced to 2.8 (4.8).

Gold produced during the quarter was 27,021 (27,933) ounces from 1,173,741 (1,092,795) tonnes at a head grade of 0.93 (1.00) grams per tonne. Gold recovery was 77.1 (79.5) percent. Cash cost per ounce of gold was A\$887 (A\$756). The increased cost per ounce is attributable to the impact of reduced head grade and recovery on gold production for the quarter.

The lower than expected head grade is a result of processing low grade stockpiles due to very limited mining activity following the flooding from heavy rains in January and early February. Recovery was impacted by the reduced residence time caused by the tank sanding issues and lower head grade.

Gold production continues to be significantly impacted by reduced throughput associated with poor agitator efficiency. A major shut down is planned during the June Quarter to install the new agitators and carry out other modifications that are expected to significantly reduce future plant disruptions.

The low-grade beneficiation circuit performed well during the quarter producing 160,537 tonnes of mill feed at 1.14 grams per tonne from 345,842 tonnes of low-grade at 0.55 grams per tonne representing an upgrade factor of 2.07. Trials using different feed grades were commenced during the quarter to find the most economic configuration of the processing circuit.

Mining activities in the Sarsfield open pit were extensively disrupted during February and March due to flooding associated with heavy rains. Production ore was limited to the Keel and Area 4 zones along the east cutback, and feed grades were lower than expected due to lower grade surface stockpiles being used to supplement mill feed. With the near completion of the poorly performing Area 5 zone, grades are expected to improve in the coming quarter.

Additional in-pit and below pit resource drilling was commenced during the quarter to confirm existing pit resources and identify further potential resources below the pit.

Underground development at Mount Wright had progressed to a total advance of 2,084 metres by the end of the quarter. Decline mining remained on schedule, however sub-level ore development lagged slightly behind forecast while results from underground resource drilling were collated and modelled, and initial production areas identified. Drilling to date through the upper ore zone has

demonstrated higher than expected mineable ore tonnes at grades similar to the feasibility study predictions. Initial stope production is expected in the June Quarter.

DEVELOPMENT

Syama, Mali (Resolute 80%)

Work continued on the re-development of the 6 million ounce Syama gold mine in Mali. Completion is scheduled for the second half of 2008.

Principal project activities during the quarter included:

Presidential Visit

The President Amadou Toumani Touré, Minister of Mines Hamed Diane Semega, General Kafougouna Koné, Minister of Territorial Administration (from Forou), the Governor of Sikasso plus many dignitaries attended Syama for a "ground breaking" ceremony.

Re-development Activities

- The civil contractor is onsite erecting the screening plant and concrete batching plant.
- Mill and crusher motors have been transported to ABB Abidjan for rebuild.
- The structural, mechanical, piping and platework contract has been awarded to Group5. They are mobilising to site in late April.
- The Tailings Storage Facility construction has been awarded to PW Mali. Work will commence in late April, following contractor mobilisation.
- Construction of the security camp, workshop, chop kitchen and electrical refurbishment of buildings is well underway.
- Village refurbishment work is behind schedule due to delayed transit of electrical goods, which has been affected by a Malian Customs strike.
- Recruitment of key project and operational personnel continues.

Commitments to date on the project total US\$36.3m and this includes the power station purchase.

Updated Capital Estimate

During the quarter the Company announced the revised capital estimate for the Project of US\$118 million following completion of the detailed design. As a result of changes in scope for the project and a shift in materials and labour costs there has



been an increase in the overall capital of 22% (US\$22 million). Of this increase, 65% relates to scope changes and 35% relates to cost escalation since the estimate completed in February 2006.

The largest area of movement has been in the electrical cost estimate as a result of the need for more cabling than previously anticipated.

Table 1 summarises the Capital by area and compares it with the February 2006 estimate.

Table 1: Revised Capital Estimate Comparison

Area Description	2007 Total US\$ Millions	2006 Total US\$ Millions	% Change
Site Establishment & Construction Costs	3.6	3.1	18%
Treatment Plant	54.0	45.9	18%
Infrastructure and Services	17.5	10.8	63%
Mining	5.3	5.6	-6%
EPCM	18.5	15.9	16%
Owners Costs	19.4	15.3	27%
Total	\$118.3	\$96.6	22%

Updated Operating Cost Estimates

Operating costs have been re-estimated and have increased approximately 9% since the last review in February 2006 with the comparison summarised in Table 2 below.

The increase in mining costs is higher relative to the other areas and reflects latest unit rates with current fuel costs.

Table 2: Comparison of Operating Costs

Area Description	2007 Total US\$/t	2006 Total US\$/t	% Change
Mining	\$14.36	\$12.26	17%
Processing	\$17.86	\$17.09	4%
Admin	\$4.11	\$4.09	1%
Total	\$36.33	\$33.44	9%

Updated Project Economics

The various changes outlined above have been incorporated into a revised financial model of the project.

The reserve cut-off grade has also been increased from 1.75g/t to 2g/t Au to reflect the recent increases in operating costs. The new pit

contains 11,726,399 tonnes at 4.10g/t Au for 1,546,610 ounces of gold and has a strip ratio of 5:1.

The increases in costs have been matched by an increase in the gold price to show a project with a return above the required hurdle rate.

Table 3 provides a comparison between the 2006 economics and the current project economics.

Table 3: Comparison of the Project Economics

Study Version	Gold Price US\$ per oz	Capex US\$ Million	Op. Costs US\$ per tonne Milled	NPV US\$ Million	IRR %	Cash Cost per oz
Feb-06	\$550	\$96.6	\$33.44	\$85.50	25.6%	\$336
Feb-07	\$600	\$118.3	\$36.33	\$69.99	22.4%	\$370

Considerable upside to the project exists beyond that included in the financial model. There are underground resources immediately below the pit which combined with the continuing exploration success in the Quartz Vein Hill area to the north of the pit, provide confidence that a project of a much longer term can eventuate.

Mining Contract

A letter of Intent has been provided to PW International for the Syama Bulk Mining Phase. This is the "cutback" phase of the mine where an estimated 22 million bcm of material are to be mined in the first three years of the Project.

SOMISY SA (an 80% owned subsidiary of Resolute) and PW International have entered into an agreement with J.A. Delmas Export S.A.S for a fleet of trucks, diggers and support equipment for the bulk-mining (cutback) phase of the project. The schedule indicates phased delivery of the mining fleet to Syama in the September quarter.

Power Plant

In order to secure a timely supply of power Resolute has acquired eleven 1.4MW second hand, low life, Caterpillar power generating sets. These sets are currently undergoing functionality testing.

This cost of US\$5.5m is not included in the capital estimate and is to be included in the "over the fence" power supply contract when concluded.

It is planned to also install two low speed, generating sets to provide an additional 9.4MW of capacity. The total installed capacity is expected to be 25MW.



EXPLORATION

Exploration drilling continued at regional prospects near Syama in Mali, Ravenswood in Queensland, Golden Pride in Tanzania, and Weststar in Ghana.

MALI

Syama Regional Exploration (Resolute 80%)

A detailed campaign of re-logging, mapping and modelling of the Syama deposit and its immediate hinterland was conducted during the quarter. The programme included construction of a 3D model of geology, geophysics and structural information.

The mineralising fluid system has been modelled using petrologic sampling, multi-element geochemistry and PIMA spectral analysis. The programme was designed to provide a better understanding of the Syama mineralising system in order to provide predictive tools for exploration both around the deposit itself and in the regional environment.

Outcomes of the campaign included:

- High priority targets that may represent extensions of the current Syama mineralisation at both shallow (open pit) and deeper (underground) levels. It was noted that very limited drilling exists outside the centre of the deposit, in particular to the south, which leaves ample room for significant additional resources to be identified.
- Definition of a consistent 'mine sequence' showing association of high grade ore with changes of orientation of specific lithological units.
- Definition of ore shoot plunges associated with structural intersections & lithological contacts.
- Definition of an extensive and characteristic alteration pattern including 'indicator' elements around Syama, Tabakoroni and the Quartz Vein Hill areas.
- Definition of a series of high priority regional targets for evaluation.

Quartz Vein Hill / A21 Area (Resolute 80%)

Drilling on the A21 North target continued into January from the previous quarter. The recent programme included forty three reverse circulation

and four reverse circulation/diamond drill holes and has closed in the drill spacing to approximately 25m spaced holes on sections 50m apart over a strike extent of more than 1.3km.

Assay results for drill holes QVC-093 to QVC-139 were returned during the period with numerous significant intercepts (Table 3 & Figure 1) including:

6m @ 10.8g/t Au from 66m in QVC-093
15m @ 3.4g/t Au from 28m in QVC-102
9m @ 9.2g/t Au from 58m in QVC-112
15m @ 3.9g/t Au from 8m in QVC-113
5m @ 6.6g/t Au from 38m in QVC-115
5m @ 5.9g/t Au from 20m in QVC-120
2m @ 314.5g/t Au from 23m in QVCD-139

The results indicate that gold mineralisation is continuous over approximately 1,000m from the northern end of the A21 Pit. The next stage of exploration will be planned to try and establish a resource model for A21 North. Should this mineralisation be advanced to a source of oxide material for the Syama plant, it could impact materially the project returns.

In addition to the reverse circulation/diamond infill drill programme some nineteen reconnaissance air core drill holes were drilled over a new geophysical anomaly to the north west of A21 for a total of 791m. The air core drilling was designed to test a resistivity high feature identified in an induced polarity survey in 2006. Preliminary results include: 4m @ 4.6g/t Au from 0m in QVA-157 and 8m @ 1.0g/t Au from 0m in QVA-169.

Finkolo-Etruscan Resources JV (Resolute 60%)

Results have now been received for the sixty hole reverse circulation drill programme completed over the Tabakoroni prospect during last quarter.

Numerous encouraging intercepts continue to be reported (Table 4) including:

9m @ 11.2g/t Au from 63m in TAC-165
15m @ 3.2g/t Au from 79m in TAC-171
13m @ 5.5g/t Au from 9m in TAC-174 plus
17m @ 3.6g/t Au from 81m in TAC-174
6m @ 14.3g/t Au from 100m in TAC-182

Follow-up drilling is planned to infill the resource with 25m spaced holes on 50m spaced sections down to a vertical depth of approximately 100m to 120m. Some sixty seven reverse circulation and reverse circulation/diamond drill holes for approximately 6,470m of reverse circulation and 1,730m of diamond core are planned in the next quarter.



Air core drilling was completed on Tabakoroni and Porphyry Zone extensions during January. The total programme consisted of one hundred and seventeen drill holes for 6,157m. Results show areas of anomalism both to the north and south of Tabakoroni with several intercepts in excess of 1g/t Au which justify follow up reverse circulation drilling.

Etruscan Resources were notified in February that Resolute has expended the necessary funds to earn an additional 10% interest in the Finkolo Joint Venture, which brings Resolute's interest in the project to 60%. These additional earn-in expenditures are currently being audited in accordance with the joint venture agreement. Under the terms of the joint venture agreement Resolute will continue to fund all costs of the joint venture until production of a feasibility study and Etruscan will reimburse Resolute from its share of future project cash flow.

TANZANIA

Field work activity in Tanzania was considerably reduced as a result of the "wet season"

Golden Pride (Resolute 100%)

Golden Pride ML

Results of wide spaced reconnaissance air core drilling on the strike extents of the Golden Pride shear zone were received. A number of wide intersections of low grade mineralisation were encountered.

The 'VTEM' electro-magnetic survey covering approximately 50km strike extent of the Golden Pride Shear Zone was delayed during the period due to continuing wet weather conditions. Initial data received for the area west of Golden Pride clearly defines the Golden pride shear with associated splays, offsets and cross structures in far greater detail than previous magnetic surveys. Combined with the regional air core drilling, which is defining some significant hydrothermal system footprints, some high priority drill targets are emerging for testing in the upcoming field season.

At Kilabili, east of Golden Pride, an induced polarity survey programme is planned over a gold-in-soil anomaly near the interpreted extension of the Golden Pride Shear. The anomaly is associated with demagnetisation in airborne magnetic imagery. Induced polarity surveys are underway over the Kavarondian hill area ("Kavsav" target) north-east of Golden Pride where an extensive gold-in-soil target identified by previous explorers has previously been followed up by trenching.

Golden Pride Regional

Results were received from fourteen reverse circulation/diamond drill holes at the Old Canuck Gold Mine west of Golden Pride (Table 1). Three drill holes returned significant assays and four drill holes returned anomalous results. Best results included:

5.2m @ 15.36g/t Au from 219m in CSR0043D
5.9m @ 2.21g/t Au from 144m in CSR0040D
3.8m @ 3.89g/t Au from 206.4m in CSR0046D

Results show that mineralization at Canuck is mostly low grade with only occasional and generally narrow high grade intersections restricted to siliceous veining. The mineralisation appears relatively continuous over about 300m strike length, and becomes narrower to the north and south. The mineralised zone appears to be open to the south.

Consolidation of tenure in the Nzega greenstone belt surrounding Golden Pride continued during the period with two new joint ventures completed with Tanzanian parties.

Infill soil and auger sampling was completed on the Ngogwa PL (northwest of Barrick's Buzwagi Project) where >10ppb Au in soil anomaly, with a width >100m, has been defined for over 2.5km along a granite greenstone contact.

Kahama (Sub Sahara JV) (Resolute earning up to 70%)

A reconnaissance programme of reverse circulation and diamond drilling completed over the Igusule artisanal workings west of Golden Pride did not return significant results. An induced polarity survey is planned over the area and is aimed at identifying chargeable and resistive units which may lead to determination of the source of the extensive gold-in-soil anomaly.

Nyakafuru (Iamgold JV) (Resolute 66%)

A report on Nyakafuru Reefs umpire sampling work has now been completed. This report includes the statistical comparison of original assay results with results from pulp and coarse reject samples as well as analysis of previous umpire sampling carried out by Spinifex Gold. Both umpire sample tests demonstrate that a high level of confidence can be placed in the assay values contained within the Nyakafuru Reefs dataset.

MTL Consultants have been engaged to prepare a complete environmental impact assessment (EIS) of a 4km x 4km area, centred over Nyakafuru



Reefs resource area. A final report is due by the end of April.

A pole-dipole line directly across the Nyakafuru Reefs has generated a valuable orientation dataset, which shows in vertical profile, the resistivity (high) and chargeability (high) signature of both reefs. Two pole-dipole lines 400m and 800m south of the orientation line, and beyond the area that has been drilled, contain similar, but less intense features.

Results from infill soil and hand auger sampling collected during the quarter east of the 'Grange' target suggest that the Grange Reef structure is likely to extend for an additional 2.5km beyond the limits of current drilling. Gradient array induced polarity surveys were completed during the period that demonstrated several resistivity and chargeability features coinciding with the anomalous soil and auger results and provide targets for follow up drilling.

Minor infill soil sampling was completed over untested soil anomalies at the western edge of the Mwagi Magi workings.

Gradient array induced polarity surveys over the Nyakasaluma target has highlighted a 2.5km long coincident resistivity and chargeability anomaly, which is directly related to anomalous hand auger results. The chargeability is more 'pod-like' and intermittent along the anomaly, and is expected to be highlighting the presence of sulphides. A reverse circulation drilling proposal will target these chargeability features.

GHANA

Akoase (Resolute 100%)

During the quarter a ground induced polarity geophysical survey over two target areas, which lie north and south along strike of the Kadewaso mineralised trend was completed. Interpretation of the data is currently in progress with a view to preparation of a drilling programme to test extensions of the Kadewaso mineralised trend.

Weststar / Blue River (Resolute 100%)

Final results for of the recent reconnaissance reverse circulation drilling were received and are summarised below and in Table 2.

27m @ 0.74g/t Au from 4m in BRC023
10m @ 1.71g/t Au from 0m in BRC025
8m @ 2.28g/t Au from 28m in BRC055 plus
12m @ 1.61g/t Au from 39m in BRC055

Mineralisation is hosted in smoky blue quartz veins within graphite shear zones. Based on the results to date, the areas of best mineralisation appear to be pods of 250-300m strike length and extend over a total of 1.6km strike length.

A detailed induced polarity survey is currently in progress over the Blue River targets with the view of focussing future drilling on structural 'jog's in the shear zones that appear to be a focus for the mineralisation.

AUSTRALIA

Ravenswood (Resolute 100%)

Ravenswood Regional

Results for soil sampling over the Union line prospect returned fifteen samples greater than 100ppb Au up to a maximum value of 1.94g/t Au. The results have defined three significant soil anomalies for follow up drilling.

Two further reverse circulation drill holes were completed at the Erin's Hope Prospect during the quarter. Both drill holes intersected zones of sericite alteration and quartz veining in locations consistent with the north dipping shear/vein model. Results for all five reverse circulation drill holes have now been returned and only one significant result of 3m @ 2.49g/t Au from 90m at the end of hole DBR030 immediately adjacent to an old stope was achieved.

Mapping and rock chip sampling for spectrographic analysis and multi-element analysis was carried out over targets at 8 mile Creek and Erin's Hope. Seven Costeans were excavated for a total of 375m over the Milnes Reward prospect. Only a few significant quartz-sulphide veins were detected, with best results being 4m @ 1.91g/t Au in MTR001 and 6m @ 1.36g/t Au in MRT002.

Two exploration permit applications ("EPMA's") at Mt Success and Mt Chev were lodged during the period. Proposed exploration within the EPMA's is designed to locate and develop Au-Cu mineralisation associated with quartz veining and chlorite breccias within granitoids (e.g. Ravenswood style deposits) and Au mineralisation associated with rhyolite intrusive units (e.g. Mt Wright deposit). Some high priority targets have already been identified within the applications.

Luana / Buck Reef West

Further Assay results for underground diamond drilling testing for extensions of the Buck Reef West mineralisation were received during the period. Results for BRD209 and the upper 100m



of BRD210 have been received. Significant intersections are detailed in table 5.

Results for the Buck Reef breccia style mineralisation intercepted in BRD209 were disappointing with only 13m @ 1.86 g/t Au from 166m beneath the existing underground stopes and 4m @ 1.09g/t Au from 289m in the projected 'Buckuana' zone. The best vein style intercept in BRD209 was **7m @ 44.4g/t Au** from 48m (including 1m @ 277.0 g/t Au from 48m). This is a zone of 3 moderate SE dipping polymetallic sulphide-quartz tension veins within a zone of strong sericite alteration. The economic potential of such narrow high-grade veins intercepted in this area needs to be properly evaluated given the historic extraction of up to 500,000 ounces from the Sunset Vein.

Mt Wright

Two shallow reverse circulation drill holes and one deep diamond drill hole were completed at the 'Horseshoe' prospect near Mt Wright. The reverse circulation drill holes were testing an outcropping sulphidic rhyolite dyke but failed to return significant intercepts. The diamond drill hole, totalling 721m, was designed to test a significant chargeable geophysical anomaly of similar magnitude to Mt Wright at 400-700m below surface. The drill hole intersected strongly chlorite altered leucogranite with several massive sulfide veins but no Mt Wright style rhyolite breccia. Assay results from the core are awaited.

Soil sampling and reconnaissance mapping and rock chip sampling continued in the Horseshoe/Mt Wright area during the period.

CORPORATE

Cash Balances and Movements

As at 31 March 2007, the Resolute Group had A\$121.0m in cash (December 2006: A\$155.3m).

In addition to the cash balances, Resolute held bullion of A\$2.4m (December 2006 – A\$0.1m) and listed investments with a market value of A\$19.4m at month end. The majority of this balance relates to Resolute's investments in Uranium Equities Limited and Liontown Resources Limited.

The principal movements in the cash balance during the quarter were attributable to:

Operating Cash flows

- gross cash inflows from operations of A\$7.1m

- cash outflows for royalty payments, capital expenditure, rehabilitation, insurance, overhead and operational support costs of A\$5.0m
- cash outflows from movements in working capital of A\$3.6m

Investing Cash flows

- exploration expenditure of A\$4.0m
- Mt Wright - purchase of mining equipment and development expenditure of \$4.6m
- project evaluation and development expenditure relating to Syama of \$20.4m (including deposits on mining and power station equipment) and other development expenditure of \$0.9m

Financing Cash flows

- repayment of debt of A\$0.5m
- unrealised foreign exchange losses on cash balances of A\$1.7m, predominantly related to the strengthening Australian dollar against the United States dollar
- interest income of A\$1.6m

Borrowings

At 31 March 2007, Resolute's total borrowings were A\$7.6m (compared to A\$8.1m at 31 December 2006) and comprised 3,395 ounces of gold (equivalent to A\$2.8m) owing on the Ravenswood credit facilities and hire purchase/finance leases totaling A\$4.8m.

Group Hedging Profile at 31 March 2007

Gold Hedging	Forward Sales		Put Options Bought	
	Ounces	\$	Ounces	\$
<u>AUD's</u>				
Y/E 30/6/07	10,069	692	40,000	612
Y/E 30/6/08	129,333	696	160,000	645
Y/E 30/6/09	84,333	697	55,000	673
Y/E 30/6/10	88,334	699	-	-
	312,069	697	255,000	646
<u>USD's</u>				
Y/E 30/6/07	74,454	476	5,000	430
Y/E 30/6/08	53,000	483	105,000	443
Y/E 30/6/09	69,750	540	30,000	446
	197,204	501	140,000	443
Total	509,273		395,000	



Call Options	Call Options Sold	
	Ounces	\$
<u>AUD's</u> Y/E 30/6/07	-	-
<u>USD's</u> Y/E 30/6/07	10,033	555
Total	10,033	

Using the 31 March 2007 USD spot gold price of US\$662/oz and the USD/AUD foreign exchange rate of 0.8107, the mark to market of the Resolute hedge book at period end was a negative amount of approximately A\$104m (December 2006 : A\$108m).

The quantity of hedging commitments has continued to decrease and was reduced by approximately 37,000 ounces during the quarter and at 31 March 2007 approximately 20% of Resolute's gold reserves are committed to hedging contracts. Resolute remains well placed to benefit from any rallies in the gold price.

The average cash price received per ounce of gold sold during the quarter was A\$688/oz. Approximately one third of the Golden Pride and 95% of the Ravenswood gold shipped during the quarter were delivered into existing forward sales contracts and the balance sold into the spot market.

The average accounting revenue price achieved during the quarter ended 31 March was A\$712 per oz of gold shipped. The average accounting revenue prices reported above include the cash received on the sale of gold plus the recognition of deferred income.

Resolute continues to amortise its hedge positions and, at this stage, does not propose to increase its committed gold hedging positions.

Paladin Resources Indemnity

As reported in prior announcements, Resolute Mining has entered into a Deed of Indemnity with Paladin to indemnify Paladin for any loss it suffers as a result of a material breach of the Isa Uranium Joint Venture Agreement due to disclosure of information concerning the Joint Venture to persons not party to the Joint Venture. Under this indemnity, Resolute Mining's liability is capped at a maximum of A\$75m.

Summit Resources (Australia) Pty Ltd, a participant in the Isa Uranium Joint Venture, has

commenced proceedings in the Supreme Court of Western Australia in relation to disclosures made by the Resolute group, allegedly in breach of the Isa Uranium Joint Venture Agreement, in connection with the successful takeover of Valhalla by Paladin.

Resolute Mining is confident that at all times the disclosure obligations under the Isa Uranium Joint Venture Agreement have been complied with.

The Supreme Court has listed the case for hearing in September 2007.

The continuance of this action could be affected by the outcome of the takeover offer for Summit Resources by Paladin announced during the quarter.



Table 1: Canuck Prospect: Significant Diamond Drill results – First Quarter 2007

Hole_ID	Coordinates		Dip (°)	Azi (°)	Intercept (m)		Intercept width (m)	Grade (g/t Au)
	m North*	m East*			From	To		
CSR0038D	489034	9568491	-50	270	124.5	128.1	3.6	2.73
CSR0040D	488937	9567997	-50	270	144.0	149.9	5.9	2.21
CSR0043D	489062	9568279	-50	270	219.0	224.2	5.2	15.36[#]
CSR0045D	489134	9568803	-50	270	135.8	138.8	3.0	2.19
CSR0046D	489069	9568397	-50	270	206.4	210.2	3.8	3.89
CSR0046D	489069	9568397	-50	270	219.9	223.2	3.3	1.62

*UTM ARC60 Zone 36S Intercepts > 50gm (grams x metres) are highlighted in bold.

includes 1.1m @ 53.8 g/t Au

Table 2: Blue River/Weststar Project: Summary of significant RC drill results – First Quarter 2007

Hole_ID	Coordinates		Dip (°)	Azi* (°)	Intercept (m)		Intercept width (m)	Grade (g/t Au)
	m North*	m East*			From	To		
BRC017	584920	560750	-50	96	36	40	4	1.08
BRC017	584920	560750	-50	96	52	54	2	1.50
BRC023	584894	560848	-50	275	4	31	27	0.74
BRC025	584700	559700	-50	96	0	10	10	1.71
BRC033	584760	560000	-50	96	32	42	10	0.53
BRC049	584960	562200	-50	96	0	10	10	0.52
BRC049	584960	562200	-50	96	16	21	5	1.09
BRC052	584880	562000	-50	96	7	9	2	2.51
BRC055	584880	561800	-50	96	28	36	8	2.28
BRC055	584910	561800	-50	96	39	51	12	1.61
BRC058	585090	561800	-50	96	30	35	5	1.14
BRC060	585030	561800	-50	96	24	34	10	0.80
BRC061	584970	561800	-50	96	44	46	2	1.99
BRC062	584940	562000	-50	96	7	11	4	1.22
BRC063	584970	562000	-50	96	6	9	3	1.16
BRC064	584960	561600	-50	96	36	38	2	4.17
BRC069	585060	561600	-50	96	41	51	10	0.84
BRC070	585090	561600	-50	96	38	50	12	0.91
BRC075	585100	561400	-50	96	4	7	3	1.01
BRC076	585070	561400	-50	96	14	25	11	0.51
BRC078	584970	562200	-50	275	4	17	13	0.56

* The projection is UTM (WGS 84) Zone 30, Northern Hemisphere

Results include 1m re-split samples collected from significant 4m composite intervals of RC samples. Analysed by 50g fire assay.



Table 3: QVH/A21 Prospect: Summary of significant RC drill results – First Quarter 2007

Hole ID	Coordinates		Dip (°)	Azi (°)	Intercept (m)		Intercept width (m)	Grade (g/t Au)
	m North*	m East*			From	To		
QVC-093 ¹	1201550	822700	-60	96	66	72	6	10.80
QVC-094 ²	1201550	822750	-60	96	56	59	3	9.85
and					74	83	9	3.67
QVC-101 ³	1201950	822925	-60	96	12	21	9	5.63
QVC-102	1201950	822900	-60	96	28	43	15	3.35
QVC-104	1201650	822775	-60	96	9	15	6	4.07
QVC-107	1201750	822825	-60	96	55	72	17	1.99
QVC-108	1202000	822975	-60	96	6	19	13	3.06
QVC-109	1202050	822975	-60	96	32	36	4	11.01
QVC-111	1202250	823000	-60	96	50	53	3	14.53
QVC-112 ⁴	1202350	823075	-60	96	58	67	9	9.20
QVC-113	1202450	823200	-60	96	8	23	15	3.92
QVC-115 ⁵	1202450	823175	-60	96	38	43	5	6.62
and ⁶					60	62	2	28.83
QVC-120	1202150	823050	-60	96	20	25	5	5.93
QVC-130	1200600	822550	-60	96	47	58	11	2.35
and					61	67	6	5.43
QVCD-139 ⁷	1201850	822875	-60	96	23	25	2	314.52

*UTM WGS84 Zone 29N 36S Intercepts > 50gm (grams x metres) are highlighted in bold

¹Including 3m @ 18.9.6 g/t Au from 66m

²Including 1m @ 23.4 g/t Au from 57m.

³Including 2m @ 15.2 g/t Au from 14m.

⁴Including 1m @ 46.5 g/t Au from 60m.

⁵Including 1m @ 18.2 g/t Au from 40m.

⁶Including 1m @ 56.4 g/t Au from 60m.

⁷Including 1m @ 625.4 g/t Au from 23m.

Table 4: Tabakoroni Prospect: Summary of significant RC drill results – First Quarter 2007

Hole ID	Coordinates		Dip (°)	Azi (°)	Intercept (m)		Intercept Width (m)	Grade (g/t Au)
	m North*	m East*			From	To		
TAC-165 ¹	1164533	810280	-55	71	63	72	9	11.18
TAC-170 ²	1163750	810610	-55	71	81	89	8	5.63
TAC-171	1164460	810359	-55	71	79	94	15	3.21
TAC-172	1164517	810244	-55	71	82	86	4	14.04
TAC-173	1164570	810241	-55	71	117	126	9	3.00
TAC-174	1164581	810263	-55	71	9	22	13	5.45
and					44	47	3	5.50
and					81	98	17	3.63
TAC-175 ³	1164639	810269	-55	71	27	30	3	61.02
TAC-177	1164650	810176	-55	71	75	79	4	4.00
TAC-178	1164613	810331	-55	71	47	53	6	2.00
TAC-181	1164797	810135	-55	71	83	89	6	4.40
TAC-182 ⁴	1164880	810196	-55	71	100	106	6	14.25

*UTM WGS84 Zone 29N 36S Intercepts > 50gm (grams x metres) are highlighted in bold

¹Including 2m @ 46.6 g/t Au from 63m

²Including 1m @ 18.6 g/t Au from 84m.

³Including 1m @ 178.8 g/t Au from 27m.

⁴Including 1m @ 61.9 g/t Au from 101m.



Table 5: Buck Reef West (Underground): Significant diamond drill results – First Quarter 2007

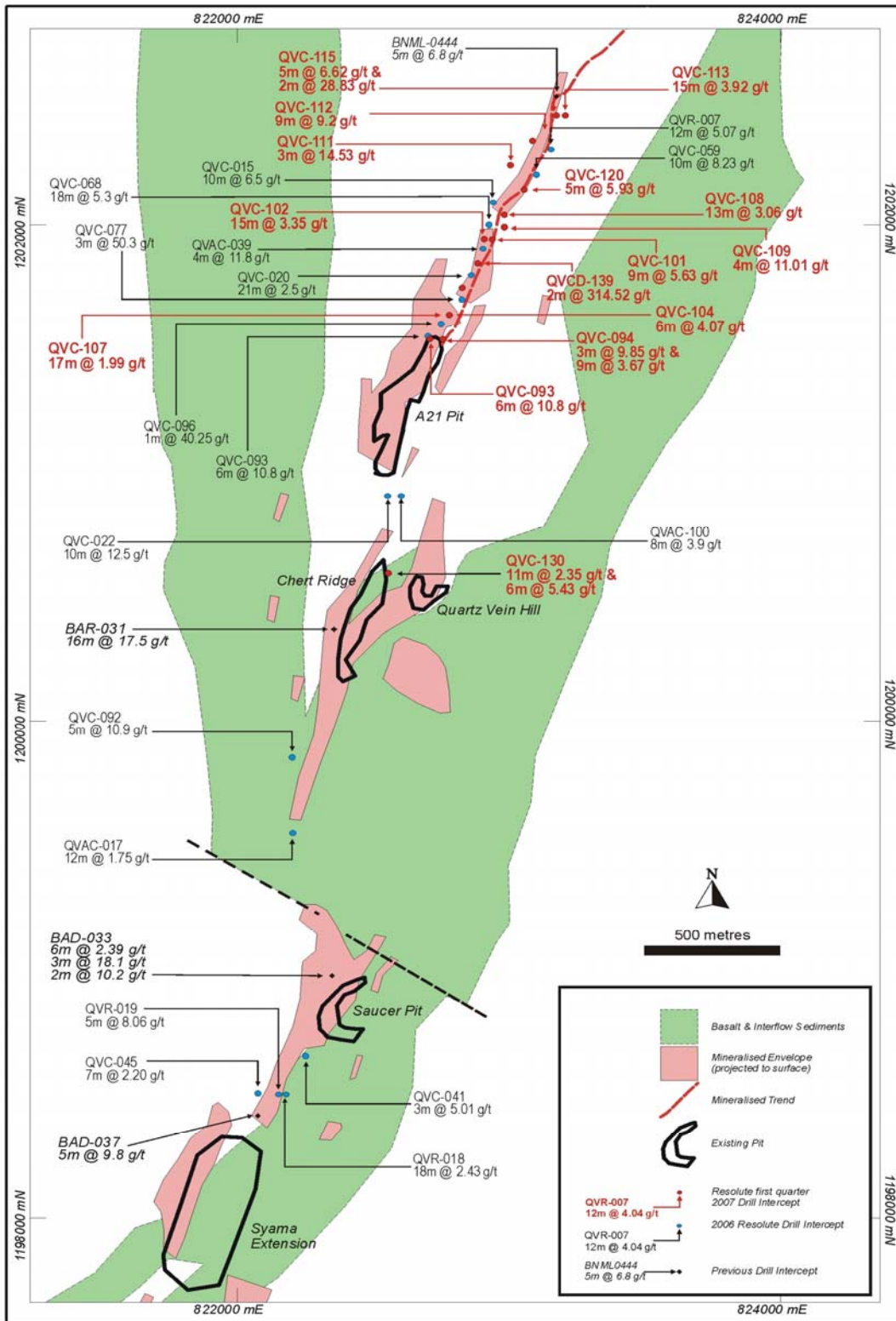
Hole ID	Coordinates		Dip (°)	Azi* (°)	Intercept (m)		Intercept width (m)	Grade (g/t Au)
	m North*	m East*			From	To		
BRD209	7776587	488287	-40	316	7	10	3	3.86
					48	55	7	44.39
					77	79	2	11.75
					83	84	1	3.01
					132	141	9	2.65
					154	162	8	1.15
					166	179	13	1.86
					184	189	5	5.23
					210	216	6	1.85
					289	293	4	1.09
BRD210	7776587	488287	-55	316	4	8	4	1.46
					20	21	1	4.60
					50	51	1	3.66
					54	55	1	2.60

* AGD84 z55 grid co-ords and azimuth 36S Intercepts > 50gm (grams x metres) are highlighted in bold



Figure 1

SYAMA (MALI) QUARTZ VEIN HILL PROSPECT



CORPORATE DIRECTORY

Senior Management

P.R. Sullivan	Chief Executive Officer
D.T. Cairns	Development
M.B. Turner	Operations
M.H.D. Christie	Exploration
G.W. Fitzgerald	Finance/Admin and Company Secretary
L. Taylor <i>Golden Pride, Tanzania</i>	Operations Manager
R. McLellan <i>Ravenswood, Queensland</i>	Operations Manager
P. Kennedy <i>Syama, Mali</i>	Construction Manager

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Home Exchange

The Company's shares are listed on the Australian Stock Exchange and the home exchange is Perth

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