

## OVERVIEW

### OPERATIONS

#### Production

- Total gold production for the quarter of **108,022oz** (105,357) was achieved at a cash cost of **\$802/oz** (\$741) resulting in annual gold production of **398,451oz** (330,859) at a cash cost of **\$758/oz** (\$906).
- Production at Syama in Mali for the quarter was a record of 42,264oz (41,832) of gold at a cash cost of \$744/oz (\$789) resulting in annual gold production of 145,196oz (85,362) at a cash cost of \$784/oz (\$1,209).
- Gold production at Ravenswood in Australia generated 34,846oz (36,968) at a cash cost of \$804/oz (\$663) resulting in annual gold production of 137,965 (122,576) oz at a cash cost of \$753/oz (\$893).
- Production at Golden Pride in Tanzania for the quarter was 30,911oz (26,557) of gold at a cash cost of \$879/oz (\$775) resulting in annual gold production of 115,289oz (122,921) at a cash cost of \$730/oz (\$709).

### DEVELOPMENT

- Definitive Feasibility Study confirmed the economic and technical viability of a major multifaceted expansion of the Syama Gold Mine that was subsequently approved by the Board of Resolute.
- Total gold reserves at Syama now stand at 3.68Moz including 0.56Moz in Oxide ore.
- A Definitive Feasibility Study examining the reopening of the Sarsfield open pit at Ravenswood has delivered a positive outcome that is currently below internal return hurdles.
- Resource drilling below the current base of the mine at Mt Wright Underground returned significant results including **38m @ 5.05g/t Au** from 130m, **58m @ 3.45g/t Au** from 85m and **43m @ 3.84g/t Au** from 98m.

### EXPLORATION

Exploration drilling was carried out in Mali, Tanzania and Queensland while target definition work continued in Cote d'Ivoire.

- In Tanzania, diamond drilling commenced on the Voyager-Mentelle deposits to both improve the geological model and to increase the resource. Significant results from the reverse circulation drilling programme include **16m @ 11.41g/t Au** from 174m which occurs outside of the current resource on the western end of Mentelle. Results from the diamond drilling were also encouraging with **34m @ 8.87g/t Au** from 74m and **16m @ 6.65g/t Au** from 123m. Early reverse circulation drilling results from nearby Cullen prospect included **14m @ 6.81g/t Au** from 2m.
- In Mali, widespread intensive air core drilling continued on a number of project areas. An IP survey carried out over the Tiagole area has identified a number of strong chargeability anomalies which require drill testing.
- In Queensland, drill testing of the Golden Valley breccia complex commenced with a programme of three deep diamond drill holes. An interesting suite of rhyolite dykes, intrusive breccias and sericite altered granite was present in all holes with the last two holes displaying encouraging quartz-sulphide veining and associated alteration.
- Results have been received from diamond drill holes beneath the Nolan's gold system. Best intersection **28m @ 4.61g/t Au** from 194m.

### CORPORATE

- Group cash, bullion and investments at the end of the quarter totals \$139m (\$120m).
- Gross cash inflow from operations for the quarter was \$77m (\$81m).
- Share Buyback of 20.5m shares for \$29.9m during the quarter.
- Production guidance FY2013 of 415,000oz at \$830/oz.

#### P.R. SULLIVAN

Chief Executive Officer  
23 July 2012

## PRODUCTION SUMMARY

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

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Plant Availability (%)	Total Production (Oz gold)	Cash Cost \$/oz	*Total Cost \$/oz
<b>Syama</b>								
Full Year	2,096,788	1,671,775	3.25	83.1	75.5	145,196	784	1,142
Jun Quarter	679,140	445,699	3.55	83.0	75.5	42,264	744	1,067
Mar Quarter	586,972	491,948	3.24	81.7	90.6	41,832	789	1,113
<b>Ravenswood</b>								
Full Year	1,455,185	1,920,524	2.41	92.8	89.5	137,965	753	1,053
Jun Quarter	376,398	416,009	2.81	92.6	93.6	34,846	804	1,152
Mar Quarter	368,821	389,896	3.15	93.6	90.9	36,968	663	929
<b>Golden Pride</b>								
Full Year	1,952,014	2,228,540	1.74	92.6	92.3	115,289	730	839
Jun Quarter	383,960	582,084	1.78	92.9	92.2	30,911	879	993
Mar Quarter	517,088	546,774	1.65	91.6	92.3	26,557	775	869
<b>Total</b>								
Full Year	5,503,987	5,820,839	2.39	89.0	85.8	398,451	758	1,023
Jun Quarter	1,439,498	1,443,792	2.62	88.7	87.1	108,022	802	1,073
Mar Quarter	1,472,881	1,428,618	2.60	88.1	91.3	105,357	741	987

## OPERATIONS

## SYAMA, MALI (RESOLUTE 80%)

The Syama 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 was 0.4 (0.4).

Gold produced during the quarter was a record 42,264oz (41,832) from 445,699 (491,948) tonnes of ore at a head grade of 3.55g/t (3.24). Gold recovery was higher at 83.0% (81.7%), impacted by higher feed grade, ongoing improvements in the flotation circuit and positive reconciliation of concentrate stocks.

Gold production was slightly above the previous quarter due to improved grade and recovery. The reduction in tonnage milled was due to a mill motor

change out late in the quarter. The roaster continues to perform to expectations with routine maintenance of the stack occurring during the quarter. The cash cost was lower this quarter at US\$754/oz (US\$836) due to a slight reduction in site operating costs combined with an increase in gold production.

An increase of 22% in material movement from the pit was due to a planned increase in waste stripping to expose lower ore blocks. Ore tonnes mined this quarter increased in line with plan for increased mill throughput requirements.

Pumping of water from the pit progressed well during the period reducing the water level in the pit with additional pumps being installed due to the increase in overall vertical head. This water is used as supplementary water for mill operations.

Gold production is expected to improve in the September quarter due to further improved reliability and throughput within the processing plant.

#### RAVENSWOOD, AUSTRALIA (RESOLUTE 100%)

The Ravenswood operation had one lost time injury during the quarter. The twelve-month moving average Lost Time Injury Frequency Rate was 9.09 (9.06).

Gold produced during the quarter was 34,846oz (36,968) from 416,009 (389,896) tonnes at a head grade of 2.81g/t (3.15). Gold production was down primarily due to an expected drop in head grade from Mt Wright, offset partially by an increase in both ore production and ore processed. Gold recovery was slightly lower at 92.6% (93.6%) due to processing of remnant low grade stocks.

Cash cost of gold was \$804/oz (\$663) with the higher cash cost per ounce due to decreased gold production, periodic maintenance works and processing of low grade stocks.

Total development for the Mt Wright underground operation for the quarter was 983m (1,112m). This consisted of 340m (439m) of capital development and 642m (673m) of operating development. The total development advance will continue to decrease as it reaches the current mine design final depth. Development drilling to investigate extension of mining operations is in progress.

Ore production was 376,398t @ 3.01g/t for 36,445 contained ounces (368,821t @ 3.15g/t for 37,395 contained ounces). The Sub Level Shrinkage mining

method continued to operate well with production coming from the 775, 750 and 725 levels.

Gold production in the September quarter is expected to be similar and cash costs higher as a result of the introduction of the carbon tax and its impact on input costs.

#### GOLDEN PRIDE, TANZANIA (RESOLUTE 100%)

The Project had four lost time injuries for the quarter. The twelve-month moving average Lost Time Injury Frequency Rate at the end of the quarter is 1.87 (0.63).

Golden Pride produced 30,911oz (26,557) of gold from 582,084 (546,774) tonnes of ore at a head grade of 1.78g/t (1.65) and a recovery rate of 92.9% (91.6%). Ore processed and gold production both improved during the quarter with higher levels of oxide ore, an improved head grade and a better recovery rate all contributing. Cash cost of production was US\$893/oz (US\$821) for the quarter. The higher cash cost per ounce resulted from poor availability of mining equipment combined with dewatering delays that impacted on overall material movement.

Mining continued in the Southern Oxides, Western Cutback and recommenced at the Maji deposit. Tailings storage facility No 2 was closed and good progress was made on capping with waste from the Southern Oxides and Maji. It is expected that final capping will be completed in the coming period.

A ball mill reline and SAG Mill shell reline were completed during the quarter.

Ore production will increase during the next quarter with decreasing strip ratios in all mining areas. Additional pumping capacity installed in the Western Cutback will positively impact production in this area.

Gold production in the September quarter is expected to improve due to better availability of higher grade material.

## DEVELOPMENT

### MALI

#### **Syama Pit Expansion and Oxide Circuit (Resolute 80%)**

Following the release of the positive Definitive Feasibility Study results during the quarter, Resolute announced that its Board of Directors had approved a major expansion of the flagship Syama Gold Mining Operation in Mali, West Africa.

The approved works includes the expansion of the existing Syama sulphide open pit and infrastructure, the establishment of a parallel 1 million tonne per annum oxide processing circuit and construction of the 72km High Voltage Grid Interconnection.

An updated mine design and schedule was completed for a proposed cut back and deepening of the Syama open pit, plus mining of oxide ore from a number of satellite deposits within trucking distance of Syama. As a result, total Proved and Probable Reserves have increased to 3.68Moz of gold including 557,000oz of gold contained in oxide material.

Average annual production at Syama will increase to 270,000oz a year by 2014/15 at cash costs of US\$720/oz over the first nine years of operations. The expansion will extend Syama's overall mine life to 15 years.

Initial capital costs for the expansion are estimated at US\$241 million which will be fully funded from current cash and bullion holdings and future cash flows.

Negotiations for the awarding of an EPCM contract for the expansion are underway, with the contract expected to be awarded during the September quarter.

Following a detailed tender process, an order was placed with Metso Minerals Australia for the supply of a 3.5MW SAG Mill. Metso have confirmed a delivery timeframe which supports the targeted implementation schedule. Orders for other major items of equipment will be placed over the next four months with work to commence on the demolition of redundant equipment in the September quarter.

Planned earthworks associated with the construction camp commenced late in the quarter.

Planning for the upgraded Bago River pipeline is well advanced with installation to commence in the September quarter.

The mine plan calls for a deepening of the pit to a final depth of 400m over staged cutbacks. To deal with the expanded open pit operation, negotiations have been progressing on a new mining contract which will include an enlarged mining fleet. A new mining contract is expected to be awarded later in the year.

A total of 1,556m of diamond drilling was completed in six holes at Syama during the quarter. The majority of drilling was geotechnical work and designed to assess particular structures identified during open pit mapping and investigation of previous core drilling. None of the holes intersected unexpected rock conditions, providing good support for the proposed expanded pit design parameters.

#### **High Voltage Grid Connection to Syama (Resolute 80%)**

The Memorandum of Understanding (MoU) has been accepted by the Ministry of Energy in Mali and presented to the Cabinet for review and acceptance.

The transmission line survey that commenced in March from Sikasso to Syama was completed during the quarter.

The new 225kV Transmission line from Ferkessedougou in Cote d'Ivoire to Sikasso in Mali, a West African Power Pool project, is proceeding on schedule and is due to be energised in the September quarter.

#### **Satellite Deposit Resource Evaluation (Resolute 80%)**

Infill drilling north and south of the Syama mine has led to the completion of a number of new pit designs and oxide ore reserves which total 8Mt grading 2.2g/t Au for 557,000oz (see following table).

Sufficient oxide material has now been outlined to support a 1 million tonne per annum processing plant with excellent potential to expand this reserve through further discoveries within the 70km strike extent of the existing permits. Additionally, mining evaluations in the feasibility study used a 1.0g/t cut-off grade, however significant additional material exists in the 0.5–1.0 g/t range that requires further evaluation.

During the quarter resource drilling was also conducted at several sites along the extensive strike of the prospective Syama Formation north of the Syama open pit. Targeted drilling was completed at BA01, Quartz Vein Hill and the southern part of A21. This 6km zone presents an excellent opportunity to add



further oxide resources to the current inventory. In total 37 holes for 4,045m were completed.

Seven diamond holes for 560m were completed at A21 to provide material for further metallurgical analysis, including an assessment for potential gravity recovery. The drill holes will also provide access to early sulphide material which will be exposed at the end of the A21 oxide pit. Some sulphide material was found to have non-refractory (free milling) behaviour which may present an opportunity for a less complex and therefore less expensive processing alternative.

Like other groups operating in West Africa, the Company experienced delays in the receipt of assay results from commercial laboratories. At the end of June approximately 27% of samples submitted during the quarter had been returned and some samples from the previous quarter still remain outstanding.

OXIDE ORE RESERVE INVENTORY		Tonnes	Grade (g/t)	Ounces Gold
SYAMA	Probable (Stockpile)	1,400,000	1.2	54,000
	Proven	916,000	2.2	64,000
A21	Probable	2,273,000	2.2	157,000
	Proven	14,000	1.4	600
Alpha	Probable	204,000	1.7	11,000
	Proven	131,000	2.3	10,000
Beta	Probable	555,000	2.4	43,000
	Proven	993,000	2.8	89,000
Tabakoroni	Probable	1,521,000	2.6	128,000
	Proven	8,007,000	2.2	557,000
<b>TOTAL OXIDE RESERVES (Proven +Probable)</b>				

## AUSTRALIA

### Sarsfield Open Pit – Ravenswood (Resolute 100%)

During the quarter the Sarsfield Feasibility Study was completed and reviewed by the internal technical services team.

This study considered the re-establishment of open pit mining operations at Sarsfield/Nolan's (5Mtpa) in conjunction with the continued operations from Mt Wright underground. This would require the upgrade of the existing crushing plant at Sarsfield, construction of a new surface tailings storage facility, expansion of

the leaching capacity in the Nolan's plant area and dredging of the tailings from the Sarsfield pit.

Additionally, the expansion of the open pit will necessitate changes to the town water supply and treatment plant, upgrade and expansion of the mine village and replacement of the mine village sewage treatment plant.

A final mine design and schedule was completed for the proposed cut back and deepening of the Sarsfield open pit and included development of an adjacent deposit at Nolan's East. Total reserves of 44.7Mt at an average grade of 0.8g/t Au have been estimated. This reserve of 1.1Moz would extend the current operating life at Ravenswood by nine years.

The total costs for the new crushing plant, processing plant upgrades, infrastructure, new tails storage facility, related owners costs and engineering contractor costs for the initial mine development is estimated at \$123M.

Highlights of the Sarsfield Expansion study include;

- Total proved and probable reserves of 1.1Moz with a strip ratio of 2:1
- Revised operational life of 10 years and average additional production of 110,000oz per annum
- Initial Capital \$123M includes EPCM and contingency costs
- Net cash flow is estimated at \$283M pre-tax based on a \$1,650/oz. gold price
- Pre-tax internal rate of return (IRR) of 13%
- Life of Mine cash costs to average \$1,106/oz.

While the outcome of the study is positive, the return on capital and payback on a standalone basis does not meet Resolute's current internal investment hurdles. There do however remain a number of significant opportunities to improve returns that will be investigated in the coming months prior to the Queensland Government's environmental (EIS) and social permit approvals, which could potentially support the project's future approval.

These opportunities include;

- Substantially reduce capital costs through modifications to the tailings storage facility design
- Conversion of substantial inferred resources adjacent to the pit design
- Possible treatment and recovery of gold from the current in-pit tailings prior to deposition in a new tailings storage facility. Samples of the stored tailings will undergo metallurgical test

work to assess the viability of removing any remaining free gold.

Other ongoing work includes;

- The extensive EIS Study involved contributions from 27 separate technical sub-studies. All contributions were collated by project managers Coffey Environmental with the final Study due to be submitted to the Queensland Government in July.
- A Cultural Heritage Management Plan to be submitted to Government as part of the EIS.

### **Mt Wright Project (Resolute 100%)**

Drilling to investigate the extension of rhyolite mineralisation below the current base of the mine at 600RL continued through the quarter. Several months of drilling has been planned to test a 150m vertical panel with the aim of continuing the operation beyond the current mine plan. By end of the quarter eleven holes for 3,440m had been completed. An initial campaign of 10,000m will test the footprint of the rhyolite breccia. At the completion of drilling an updated resource model will be prepared and a mining study will assess the potential to extend the operation at depth.

Assays for the first holes have been received and significant results are appended in **Table 3**.

## **EXPLORATION**

Exploration drilling continued in Mali, Tanzania and Queensland while target definition work continued in Cote d'Ivoire.

### **MALI**

Exploration in Mali for the quarter concentrated on widespread air core drilling in a number of areas to generate new targets.

Extremely slow sample analysis turnaround times continue to hamper exploration activities in Mali. This problem, affecting most mining companies in West Africa, appears to be worsening as laboratories delay upgrading facilities to cope with demand.

### **Syama Project (Resolute 80%)**

#### *Syama North*

Regional air core drilling continued on the western arm of the northern extensions of the Syama formation

within the Syama permit. A total of 25 drill holes for 992m were completed.

This programme included infill drilling of identified gold anomalism reported last quarter.

#### *Syama South*

Diamond drill holes were completed at the Salikou (137m) and Tellem prospects (160m) to improve the geological understanding of these gold systems.

### **Tiagole Project (Resolute 100%)**

An Induced Polarisation (IP) survey was carried out over the eastern area of the Tiagolé exploration permit. An initial gradient array IP survey was followed up by a programme of pole-dipole lines over outlined chargeability highs.

The survey highlighted highly resistive and low chargeable rocks on the western edge of the grid thought to be related to a granite pluton. To the east of this interpreted granite there are conductive and chargeable rocks that are interpreted as sheared sediments associated with disseminated sulphides and/or graphite, with a general NNE orientation.

Planning is in place to drill test these IP targets.

### **N'golopene Joint Venture (Resolute earning 70%)**

Air core drilling continued at the N'golopene joint venture permit concentrating on the western arm of the Syama formation. During the quarter 52 holes for 2,362m were completed. No results have been received.

### **Borokoba Project (Resolute 100%)**

Wide spaced regional air core drilling continued at the Borokoba Project area. A total of 152 air core holes for 6,136m were completed during the quarter.

The results of all holes are outstanding.

### **COTE D'IVOIRE**

The stalled tenement approval process in Cote d'Ivoire continued during the quarter. Meetings with the Director General of the Mines department in Abidjan were helpful, however all permit applications are still waiting to be granted. Therefore planned work programmes remain on hold until the tenement approvals is completed.

## TANZANIA

Reverse circulation and diamond drilling continued at the Nyakafuru Project during the quarter.

### Kanegele JV (Resolute 65%)

Diamond and reverse circulation drilling continued at the Mentelle, Voyager and Cullen prospects located at Kanegele, 13km SSE of Nyakafuru. During the quarter four reverse circulation holes (VMRC0123 to 0126) for 762m and 11 diamond drill holes (VMDD0001 to 0011) for 2,381m were completed at Voyager-Mentelle. Three reverse circulation holes (CURC0001 to 0003) for 408m were also completed at the Cullen prospect.

Diamond drilling has aided the geological model considerably with extensive brittle and ductile deformation clearly evident in drill core. Gold mineralisation at the Voyager-Mentelle prospects is controlled by a 100m wide shear zone with simultaneous ductile shearing and brecciation of the host mafic volcanic sequence. The intrusion of a syn-mineralisation felsic porphyry dyke swarm in the deeper parts of the system appears to be spatially associated with gold mineralisation.

Results have been received for the remainder of the reverse circulation holes from Voyager-Mentelle. Better results include VMRC0121 with **16m @ 11.41g/t Au** from 174m which occurs outside of the current resource on the western end of Mentelle.

Diamond drill holes VMDD0001 to VMDD0009 have assay returns with a number of exciting intersections:

VMDD0001	<b>39m @ 3.34g/t Au</b> from 128m,
VMDD0008	<b>34m @ 8.87g/t Au</b> from 74m and
VMDD0007	<b>16m @ 6.65g/t Au</b> from 123m.

Results were also received for the initial three reverse circulation holes drilled at the Cullen prospect. Significant intercepts include **14m @ 6.81g/t Au** from 2m in CURC003 and 4m @ 2.72g/t Au from 35m in CURC0001.

The full list of significant intersections is appended in **Table 1**.

## AUSTRALIA

Diamond drilling and soil sampling was completed on several target areas during the quarter.

### Ravenswood Project (Resolute 100%)

#### Nolans

Results were returned from diamond drilling underneath the historic pit at Nolans. Diamond hole ND448 returned a best significant intercept of **28m @ 4.61g/t Au** from 194m.

Only patchy mineralisation was obtained in holes ND449 and ND450, with more significant mineralisation encountered in ND451 including 5m @ 3.84g/t Au from 211m and 8m @ 3.06g/t Au from 222m. Significant intercepts are presented in **Table 2**.

#### Sheba East

Soil sampling at the Sheba East prospect was completed during the quarter. The results identified several zones of weak to moderate gold anomalism, associated with sericite-chlorite alteration and sulphide-quartz veining in three different lithological units (conglomerate, volcanic siltstone and felsic volcanics). The broad area is also strongly anomalous in Ag-As-Ba-Hg-Mo-Pb-Sb-Zn, with the strong As-Hg-Sb +/- Ag association suggesting a high-level / distal / epithermal signature.

### Mt Success Project (Resolute 100%)

#### Golden Valley / Mt Success (60km NW of Ravenswood)

Diamond drilling commenced in April to test deep strong IP chargeability anomalies within the Golden Valley breccia pipe complex. To date three drill holes GVDD001 to GVDD003 have been completed for 1,977m.

The drill holes have encountered a suite of rhyolite dykes and intrusive breccias and sericite altered granite. Within the rhyolite breccia units there are thin veins of quartz-carbonate-pyrite-sphalerite +/- galena and quartz-carbonate-pyrite cavity infill.

Assay results for GVDD001 were received with generally low level gold values including 2m @ 6.95g/t Au from 557m. Results for GVDD002 and GVDD003 are pending.

#### Mount Douglas Prospect (70km NE of Ravenswood)

Negotiations for access to explore the Mount Douglas Prospect continued with the Department of Defence during the quarter.

## CORPORATE

### CASH, BULLION & INVESTMENT BALANCES

As at 30 June 2012, the Resolute Group had cash, bullion and investments with a market value of \$139m (March 2012: \$120m). Included in the quarter end balance was 27,613oz of gold bullion on hand, with a market value of \$43m.

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

#### Operating Cash Flows

- Gross cash inflows from operations at Syama, Golden Pride and Ravenswood of \$76.7m
- Cash outflows for royalty payments of \$6.7m
- Insurance, overheads and operational support costs were \$1.9m
- Operational capital expenditure, including \$2.3m of Mt Wright underground decline development, totalled \$9.5m
- A tax payment of \$3.2m was made in Tanzania for the final quarterly provisional instalment for the year ended 30 June 2012
- Net working capital inflows were \$2.5m

#### Investing Cash Flows

- Exploration expenditure of \$5.0m
- Development expenditure of \$6.7m
- Other investing outflows of \$0.3m

#### Financing Cash Flows

- Net inflow of interest income/expense of \$0.3m
- Net outflow of share buy backs / proceeds from the exercise of Resolute share options was \$28.2m
- A net drawdown of \$0.8m was made on debt facilities
- Foreign exchange differentials on cash balances and mark to market movements on gold bullion and investments caused a \$0.7m inflow

### BORROWINGS

At 30 June 2012, Resolute's total borrowings were \$11m (\$11m at 31 March 2012). As at quarter end, the

weighted average interest rate payable on the borrowings at that date was 8.0%.

At quarter end, Resolute had approximately US\$5m of unused credit on its existing credit facilities.

### GOLD SALES

The average cash price received on the 105,434oz of gold sold during the quarter was \$1,593/oz. The average cash price received on the 353,321oz of gold sold during the year was \$1,618/oz. The Company continues to hold a significant portion of surplus cash/bullion in the form of bullion. This has delayed the recognition of revenue/profit on a portion of the ounces produced during the quarter as revenue and profit are only recognised when gold is sold. The deferral of gold sales and profit recognition is a timing issue only that will be reversed in future quarters when gold sold exceeds gold produced, but will impact the current and future year profit results to the extent that gold produced differs from gold sold. In accordance with international accounting standards, bullion held at the end of the quarter has been recorded in the Company's accounts at its historical cost of approximately \$25m.

### CAPITAL MANAGEMENT

Pursuant to the previously announced share buyback plan, Resolute bought back 20.5m shares in the June quarter for a total cost of \$29.9m to bring the total shares bought back to 22.3m at an average cost of \$1.49 per share for a total cost of \$33.2m.

### FINKOLO ACQUISITION

In the March quarter, Resolute entered into a sale and purchase agreement to acquire the 40 per cent interest of its partner, Endeavour Mining Corporation in the Finkolo Joint Venture in Mali.

The purchase is by way of a cash payment of US\$20m to be paid to Endeavour by Resolute and is currently awaiting the consent of the Minister of Mines in Mali.

### SETTLEMENT OF LITIGATION

A settlement agreement has been reached with Group Five to settle their US\$5.2m claim against a Resolute subsidiary relating to amounts owing to them pursuant to an installation contract for the Syama redevelopment. The settlement will involve the Resolute group paying 15.8m Rand (or approximately \$1.8m) as full and final settlement of this matter.



Also, following discontinuance of litigation between various Summit, Resolute and Paladin subsidiaries the Deed of Indemnity between Resolute and Paladin was terminated.

### MALI POLITICAL SITUATION

Activities in the capital of Bamako and the south of Mali, where the Syama Mine is located (Sikasso Region, 300km's from Bamako) have effectively returned to normal following the Malian military intervention in the government of the country in March. The Syama Mine has not experienced any significant disruptions and it has been essentially business as usual.

A transitional government has been appointed to run the country's affairs and is charged with the responsibility to organise elections for a new president and parliament.

The government is working with other countries and groups to resolve broader divisions that exist in the north of Mali.

### PRODUCTION GUIDANCE

Gold production in the coming year is forecast to increase to 415,000oz at a cash cost of \$830/oz.

This forecast places Resolute among the largest primary listed gold producers on the Australian Securities Exchange and represents an increase in 2011-12 year gold production of 398,451oz at unaudited cash costs of approximately \$758/oz.

Resolute's continued improvement in outlook is underpinned by ongoing progress being achieved at the flagship Syama operation in Mali.

Table 1: Mentelle - Voyager-Cullen Drilling (Tanzania) – Significant Results

Hole ID	Coordinates		Dip (°)	Azi (°)	Intercept (m)		Intercept width (m)	Grade (g/t Au)
	North (m)	East (m)			From	To		
CURC0001	9591484	417784	-56	142	35	39	4	2.72
CURC0003	9591539	417938	-55	142	2	16	<b>14</b>	<b>6.81</b>
Includes					5	6	1	54.20
VMDD0001	9592741	418603	-50	142	30	43	13	0.99
and					128	167	39	3.34
Includes					162	163	1	95.80
and					180	199	19	1.42
VMDD0002	9592757	418590	-50	142	56	68	12	0.88
and					72	101	29	1.01
and					204	225	21	0.74
VMDD0003	9592720	418568	-50	142	19	32	13	1.65
Includes					26	27	1	15.00
and					104	116	12	1.01
and					121	128	7	1.90
VMDD0005	9592733	418554	-50	142	127	140	13	0.85
and					146	171	25	0.61
and					176	187	11	1.34
VMDD0006	9592679	418550	-50	142	35	50	15	0.91
and					97	137	40	1.70
Includes					127	128	1	25.40
and					142	158	16	1.26
and					164	170	6	1.81
VMDD0007	9592696	418536	-50	142	74	82	8	1.89
and					123	139	<b>16</b>	<b>6.65</b>
Includes					125	126	1	98.60
and					176	187	11	0.99
VMDD0008	9592717	418521	-50	142	19	28	9	2.17
and					74	108	<b>34</b>	<b>8.87</b>
Includes					79	82	3	87.53
and					120	131	11	1.19
and					136	177	41	0.73
and					200	216	16	1.09
VMDD0009	9592728	418461	-52	142	91	115	24	1.20
and					155	170	15	1.29
VMRC0108	9592733	419205	-55	142	11	16	5	18.65
Includes					13	14	1	54.60
and					30	39	9	1.42
and					45	51	6	2.84
VMRC0109	9592751	419192	-56	142	30	43	13	1.06
VMRC0117	9592685	418443	-49	142	27	58	31	2.66
Includes					37	38	1	53.30
and					182	185	3	6.64

VMRC0118	9592689	418440	-60	142	48	71	23	0.62
VMRC0121	9592708	418475	-55	142	56	108	52	1.84
Includes					92	93	1	44.00
and					174	190	<b>16</b>	<b>11.41</b>
Includes					176	179	3	52.53
VMRC0126	9592823	418738	-49	142	94	118	24	1.28
and					184	186	2	5.87

\*ARC60 Zone 36S, 0.5 lower cut, max 3m internal waste, no upper cut, only >10gxm reported  
 \*includes zones with all samples >15g/t.

**Table 2: Nolans Deeps Diamond Drilling (Australia) – Significant Results**

Hole ID	Coordinates		Dip (°)	Azi (°)	Intercept (m)		Intercept width (m)	Grade (g/t Au)
	North (m)	East (m)			From	To		
ND448	7776392	489351	-60	219	167	172	5	1.20
and					194	222	<b>28</b>	<b>4.61</b>
Includes					212	213	1	69.50
and					228	229	1	5.97
ND449	7776151	489672	-60	217	159	160	1	6.34
and					175	176	1	10.05
and					195	197	2	5.10
ND451	7776238	489495	-60	221	211	216	5	3.84
and					222	230	8	3.06

\*AMG84 Zone 55, 0.5g/t lower cut, max 4m internal waste, no upper cut, only >5gxm reported  
 \*includes zones with all samples >15g/t.

**Table 3: Mt Wright Diamond Drilling (Australia) – Significant Results**

Hole ID	Coordinates		Dip (°)	Azi (°)	Intercept (m)		Intercept width (m)	Grade (g/t Au)
	North (m)	East (m)			From	To		
MTWR473	7784056	482199	-47	83	120	124	4	6.29
and					165	171	6	1.94
MTWR474	7784056	482199	-55	88	85	143	<b>58</b>	<b>3.45</b>
and					209	215	6	1.69
MTWR475	7784056	482199	-62	88	99	109	10	4.58
includes					99	100	1	15.45
and					130	168	<b>38</b>	<b>5.05</b>
includes					146	147	1	26.40
includes					155	156	1	15.15
includes					161	162	1	20.90
and					228	231	3	3.47
MTWR477	7784056	482199	-49	69	177	184	7	1.46
MTWR478	7784056	482199	-54	71	122	128	6	1.80
MTWR479	7784056	482199	-63	69	98	141	<b>43</b>	<b>3.84</b>
includes					118	122	4	11.68
and					259	267	8	1.62
MTWR483	7784057	482199	-62	60	61	75	14	2.63

\*AMG84 Zone 55, 1.8g/t lower cut, max 4m internal waste, no upper cut, only >10gxm reported \*includes zones 15g/t lower cut

## CORPORATE DIRECTORY

## SENIOR MANAGEMENT

P.R. Sullivan Chief Executive Officer

P.A. Beilby Operations

P.J. Venn Business Development

G.W. Fitzgerald Finance/Admin and  
Company Secretary

J. Ray Operations Manager  
*Ravenswood, Queensland*

L. Taylor Operations Manager  
*Syama, Mali*

D. Fairlie Operations Manager  
*Golden Pride, Tanzania*

## REGISTERED AND PRINCIPAL OFFICE

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Tel: 61 8 9261 6100  
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## HOME EXCHANGE

The Company's securities are listed on the Australian Securities Exchange and the home exchange is Perth

## SHAREHOLDER ENQUIRIES

Enquiries concerning shareholdings should be addressed to:

Security Transfer Registrars Pty Ltd  
PO Box 535, Applecross, WA 6953  
Australia  
Tel: 61 8 9315 2333  
Fax: 61 8 9315 2233  
Email: [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

The information in this report that relates to the 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 Iain Wearing, a member of The Australian Institute of Mining and Metallurgy. Mr Richard Bray and Mr Iain Wearing 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 Iain Wearing 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.