

Report on Activities

FOR THE QUARTER TO 31 DECEMBER 2013

01

Overview

Operations

- Total gold production for the quarter of **98,132oz** (84,274oz) was achieved at a cash cost of **\$911/oz** (\$970/oz).
- Production at **Syama** in Mali for the quarter was 43,918oz (28,611oz) of gold at a cash cost of \$1,011/oz (\$1,193/oz).
- Gold production at **Ravenswood** in Australia generated 33,629oz (39,051oz) at a cash cost of \$900/oz (\$735/oz) in line with expectations.
- Production at **Golden Pride** in Tanzania for the quarter was 20,585oz (16,612oz) of gold at a cash cost of \$718/oz (\$1,139/oz).
- Reaffirmed production guidance of 345,000 ounces at an average cash cost of \$890 per ounce and All-In-Sustaining Cost of \$1,175 per ounce for FY2014.

Development

- In **Mali**, significant capital expenditure savings (US\$31M) confirmed as part of previously announced modified Syama Expansion Project.
- 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.
- Deep infill diamond drilling has commenced with the aim of upgrading resources below Syama pit as well as a prefeasibility study for the 2.9Moz resource underground development.

- Resolute completed a major portion of the purchase of the remaining 40% interest in the Finkolo Joint Venture south of Syama that includes the 800,000oz Tabakoroni deposit and commenced infill and extension drilling.

Exploration

- In **Tanzania**, follow up reverse circulation drilling was undertaken at the Redgate East and the Nyakasaluma prospects.
- In **Mali**, a large regional air core program commenced to explore the untested 16km of Birimian greenstones between the Tabakoroni and Tellem prospects.
- In **Queensland**, the extensive reverse circulation drilling campaign which commenced at Buck Reef West in the prior quarter continued throughout the December quarter.
- In **Cote d'Ivoire**, an induced polarisation survey and infill soil geochemistry was completed at the Goumere Research Permit.

Corporate

- Gross cash inflow from operations for the quarter was \$36m (\$38m).
- Group cash, bullion and liquid investments at the end of the quarter total \$50m (\$59m).
- Noble Deed Of Company Arrangement (DOCA), providing for 100% transfer of Bibiani gold project in Ghana to Resolute, approved by creditors.



P.R. SULLIVAN
Chief Executive Officer
21 January 2014

Production Summary

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Plant Availability (%)	Total Production (Gold oz)	Cash Cost \$/oz	*Total Cost \$/oz	**All-In-Sustaining Cost \$/oz
Syama									
Dec Quarter	706,111	530,445	3.25	79.2	87.1	43,918	1,011	1,324	1,226
Sep Quarter	458,590	358,246	3.22	77.1	66.0	28,611	1,193	1,458	1,540
Ravenswood									
Dec Quarter	419,512	433,986	2.55	94.5	93.4	33,629	900	1,293	1,065
Sep Quarter	420,132	432,012	2.98	94.3	91.0	39,051	735	1,092	976
Golden Pride									
Dec Quarter	0	752,795	0.91	93.4	89.5	20,585	718	789	796
Sep Quarter	0	653,125	0.86	92.5	88.6	16,612	1,139	1,359	1,369
Total									
Dec Quarter	1,125,623	1,717,226	2.05	86.8	90.0	98,132	911	1,201	1,082
Sep Quarter	878,722	1,443,383	2.08	87.3	81.9	84,274	970	1,269	1,256

All costs are denominated in A\$ unless otherwise specified.

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

** All-In Sustaining Cost has been calculated in accordance with World Gold Council guidelines.

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 0.00 (0.27).

Gold produced during the quarter was 43,918 (28,611) ounces from a record 530,445 (358,246) tonnes of milled ore, at a head grade of 3.25 (3.22) grams per tonne. Gold recovery was 79.2% (77.1%).

The cash cost per ounce was lower at US\$936 (US\$1085) primarily due to the improved throughput and additional ounces produced.

Gold recovery improved as the concentrate deslime cyclone bank was integrated into the circuit. During the quarter certain mechanical issues in the flotation plant, since resolved, impacted adversely on the overall recovery for the quarter.

Roaster throughput set a new quarterly record. This is a direct result of the installation of the concentrate deslime cyclones and has curtailed the build-up of concentrate stocks.

Total movement from the Syama pit was in line with the mining schedule. Ore tonnes mined from Syama stage 1 pit increased this quarter to meet processing requirements.

Earthworks commenced in lifting the Tailings Storage Facility (TSF) and construction of the new oxide TSF. This work is expected to be completed in the September quarter.

Gold Production and cash costs, in the next quarter, are expected to be at a similar level. A major maintenance shutdown in the milling circuit for essential electrical upgrades, as part of the expansion project, and remedial maintenance of Mill1 are also planned

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 was 2.84 (1.39) with the frequency rate increase due to a previous injury classification being upgraded following additional treatment.

Gold produced during the quarter was 33,629 (39,051) ounces from 433,986 (432,012) tonnes milled at a head grade of 2.55 (2.98) grams per tonne. The lower grade was due to the Mt Wright production front moving through an expected lower grade section of the ore body as previously forecast, which resulted in reduced gold production. Mill availability improved to 93.4% (91.0%) and gold recovery remained high at 94.5% (94.3%).

Cash cost per ounce of gold increased to A\$900 (A\$735) due to the lower gold production.

Total development for the Mt Wright underground operation for the quarter was 594m (597m). This consisted of 64m (99m) of capital development and 530m (498m) of operating development. Capital development advance remained down due to a ground support campaign on the 650 level.

Ore production was 419,512t @ 2.57 g/t for 34,681 contained ounces (420,132t @ 3.00 g/t for 40,534 contained ounces).

The Mt Wright underground operation continued to operate well with production coming from the 675, 650 and 625 levels. The 675 level was completed during the quarter and production commenced from the 625 level.

Gold production is expected to be higher in the March quarter as the mine production front enters a higher grade section, resulting in lower unit cash costs per ounce.

Golden Pride, Tanzania (Resolute 100%)

The Project had no lost time injuries for the quarter. The twelve-month moving average Lost Time Injury Frequency Rate at the end of the quarter is 0.49 (1.75).

Golden Pride produced 20,585 (16,612) ounces of gold from 752,795 (653,125) tonnes of ore at a head grade of 0.91 (0.86) grams per tonne and a recovery of 93.4% (92.5%). Ore processed was higher this quarter due to the fresh rock feed material being softer than expected.

Higher throughput, head grade and recovery contributed to an increase in ounces produced compared to the previous quarter. Cash cost per ounce of gold was lower at US\$667 (US\$1,035) for the quarter primarily due to lower processing costs due to softer ore, the treatment of material with a nil accounting value combined with higher gold production.

All remaining ore stocks and mineralised material from the ROM pad floor and around the treatment plant were crushed and processed by the end of the quarter. The last ore was milled on 28 December 2013.

This signifies the end of production at Golden Pride which commenced operations in the December Quarter 1998 and over its operational life produced over 2.2m ounces.

Progressive capping of tailings storage facility #1 commenced in October with the construction of an annulus allowing for continued tailings discharge during the quarter. This is in line with closure commitments for this facility.

Closure activities will continue during the next quarter as decommissioning of the treatment plant commences.

Development

Mali

Syama Pit Expansion and Oxide Circuit (Resolute 80%)

Resolute announced to the ASX on 19 December 2013 the results of its evaluation and optimisation of mining and treatment capital costs of the delineated oxide-sulphide inventory that will further strengthen future cash flow of the Syama gold mine.

The Syama two stage open pit no longer requires the relocation of the sulphide crushing circuit. 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. As a result, no further activity will be undertaken on the Sulphide area of the Syama Expansion Project (SEP) and will result in a US\$28M capital saving. In due course the primary crusher, which is nearing the end of its economic life, will be removed and the recently purchased replacement crusher installed as part of a planned major maintenance shutdown in late 2014.

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.

The SEP reached 55% completion at the close of the quarter and progress has remained on schedule. Total expenditure for the SEP at the end of the quarter was US\$120M. During the quarter, work undertaken included the following:

- Erection of the oxide CIL tanks was well advanced and due for completion in the March 2014 quarter.
- Design work on the new mill control room was underway.

- Construction of the maintenance workshop and cyanide storage facility was completed.
- Crushing equipment for the Oxide circuit is on site and construction is in progress.

Total capital costs for the SEP are now forecast at US\$235M (US\$266M). SEP expenditure for FY2014 is estimated to be US\$61M (announced 28 June 2013) with the new deferred amount of US\$82.4M (US\$113M) to be spent in FY2015 (announced 19 December 2013). Approximately half of this expenditure is related to the 72km High Voltage Grid Connection from the town of Sikasso to the Syama Mine. While the construction schedule for the connection is 12 months, its commencement depends on concluding several agreements with various Malian authorities in FY2014.

Independent technical advisors, Snowden Mining Consultants (Snowden) have commenced a Prefeasibility Study (PFS) for the underground development of the 2.9M ounces of resource beneath the open pit. During their review of all the geotechnical information, Snowden was able to determine that the ore body could support an underground caving mining method. Work is continuing on selection of the optimal stoping method, mine layout and mine production rate on the basis of the current resource inventory. Snowden are expected to complete the PFS in the March 2014 quarter.

Snowden's interim assessment of the underground ore body model also suggested it under-represented the potential tonnage, grade and metal content at deeper levels beneath 0mRL (70m below the pit base). This was a result of reduced drilling density at depth. Resolute has commenced a first phase 5,000m diamond core drill program to assist in improving the resource model definition. By the end of the quarter two diamond holes had been completed for 977m and drilling was progressing on the third hole. Results of this drill program are expected in the June quarter.

Engineering and early stage earthworks for the High Voltage Grid Connection continued during the quarter. Negotiations and correspondence with the relevant government agencies has continued

slowly, partly due to the formation of the new Government.

Satellite Deposit Resource Evaluation (Resolute 80%-85%)

In October 2013 Resolute completed the major portion of the purchase of the remaining 40% interest in the Finkolo Joint Venture.

The new ownership arrangement provides an opportunity for the company to develop the 800,000oz of gold resources at the Tabakoroni Deposit located 40km south of the Syama processing plant. It also enables the company to assess the relatively untested strike potential of the Syama mineralised trend within the tenement.

At the Tabakoroni Deposit a program of diamond drilling was completed to provide sample material for more detailed metallurgical test work. In total the program comprised 11 holes for an aggregate of 1,442m. Geological logging of the diamond holes identified broad zones of mineralisation within the expected sediment dominated host sequence. Mineralisation is best developed in zones of brecciation and with strong quartz, carbonate and graphitic veining and alteration. Within the fresh mineralisation pyrite and lesser amounts of arsenopyrite were typically the dominant sulphides.

A program of infill reverse circulation drilling was also completed to provide further detailed information on the mineralisation to assist with refinement of the open pit design. A total of 27 holes were completed for 2,574m of reverse circulation drilling. Compilation of assay results from both programs remains to be completed

Australia

Mt Wright Project (Resolute 100%)

At Mt Wright, drilling of resource infill holes below 600RL was completed earlier in the year and an updated ore body model was prepared for financial evaluation. Drilling of exploratory holes from sites on the 600 level continued to investigate additional mineralisation potential in areas to the north and east of the rhyolite breccia. At the end of the quarter

an updated life of mine plan was prepared which incorporated scenarios for mining below the 600RL however these remained to be evaluated. An updated mining plan and economic evaluation is expected to be completed in the March quarter.

Sarsfield Open Pit – Ravenswood (Resolute 100%)

Work activity on the Sarsfield Expansion Project Supplementary Environmental Impact Statement (SEIS) document was continuing on schedule for submission ahead of the previously advised April 2014 time frame. During the quarter, Project Managers Coffey Environment had received all but three of the consultant sub-study reports in line with expectation. The various reports are undergoing internal review and compilation of the SEIS document is well advanced.

Continuing communication with various government departments has ensured that the project infrastructure and layout comply with all the necessary environmental requirements. Modifications have been made to the waste dump design and an updated tailings storage facility design and construction methodology utilising a liner was completed by consultants from Coffey Mining.

The Company is continuing to seek opportunities which improve project economics including the potential to identify further increases in the mineral resource base. Evaluation drilling programs to identify resource increases were completed both along strike in the Nolans East area and nearby at the Buck Reef West deposit.

Exploration

The Company reports its exploration activities and results in accordance with the JORC 2012 guidelines.

Exploration results that are considered material to the Company will be announced to the ASX separately to the Quarterly Report on Activities.

Any activities below that do not refer to a separate ASX announcement are not considered material to the Company.

Mali

Syama Project (Resolute 80%)

Finkolo Area

A strike length of 16km of Syama Formation greenstones between Tabakoroni north to the Tellem prospect is almost completely unexplored and is the focus of an extensive exploration program which commenced this quarter.

An ongoing regional scale air core drilling program completed a total of 175 air core holes for 12,039 metres during the quarter. Results from this program were encouraging and follow up work is planned for 2014.

Cote d'Ivoire

An extensive induced polarisation geophysical survey on the southern half of the Goumere Research Permit which commenced last quarter was completed in November. Data processing has been completed and the survey has outlined a number of anomalies the most significant being a strong chargeability response striking north-east through the middle of the survey. It is planned to drill test these anomalies during the first quarter in 2014.

Infill soil sampling was undertaken on the northern half of the Goumere licence. The 250m x 500m spaced samples were despatched for multi-element analysis with the more detailed samples retained until the results of the wider spacing are returned.

Tanzania

Nyakafuru (Resolute 100%)

Follow up reverse circulation drilling was completed at the Redgate East prospect where drilling last quarter outlined a new zone of gold mineralisation. A total of 9 holes for 882m were drilled however the results were disappointing and no further work is planned at this stage.

Nyakafuru Joint Venture (Resolute 49% African Barrick Gold 51%, Barrick diluting)

Drilling at Nyakasaluma concluded during the month with a total of 4 reverse circulation holes for 495m completed. Results confirmed the presence of a zone of porphyry hosted gold mineralisation.

A full review of all the Nyakafuru project tenements is underway to identify additional locations of porphyry hosted high grade gold mineralisation which was recently identified at Nyakasaluma.

Australia

Ravenswood Project (Resolute 100%)

Buck Reef West

The extensive reverse circulation drilling campaign which commenced at Buck Reef West in late September continued throughout the December quarter with a total of 46 holes for 6,165m completed.

All holes have intersected tonalite with thin crosscutting andesite and aplite dykes. Alteration encountered included patchy propylitic, with pervasive chlorite-sericite+/-silica alteration appearing in the vicinity of quartz-pyrite veining.

Results to date suggest that a resource amenable to open pit mining is likely to be defined at Buck Reef West. This current drilling program will be completed during the March quarter following which a new resource calculation will be completed.

Corporate

Cash, Bullion & Investments

As at 31 December 2013, the Resolute Group had cash, bullion and liquid investments with a market value of \$50m (September 2013: \$59m). Included in the quarter end balance was 5,508oz (9,080oz) of gold bullion on hand, with a market value of \$7m (\$13m) and liquid investments with a market value of \$35m (\$39m).

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

- \$17.8m was paid to Endeavour Mining Corporation to settle the acquisition of the Finkolo tenure.
- Interim funding of \$8.5m to Noble's Ghanaian subsidiaries as part of DOCA terms approved for Bibiani.

Operating Cash Flows

- Gross cash inflows from operations at Syama, Golden Pride and Ravenswood of \$35.8m.
- Cash outflows for royalty payments of \$7.4m.
- Overheads and operational support costs of \$1.4m.
- Operational capital expenditure of \$2.9m, including \$0.3m of Mt Wright underground decline development.
- Rehabilitation and restoration payments of \$0.6m.
- Income tax payments in Tanzania of \$2.4m.
- Net working capital inflows of \$2.5m.

Financing Cash Flows

- Net outflow of interest expense/income of \$2.3m.
- A net draw down of \$16.8m mostly on a new extension to existing debt facilities.
- Foreign exchange differentials on cash balances and movements on gold bullion and equity investments resulted in an increase of \$3.2m.

Investing Cash Flows

- Development expenditure of \$20.0m included \$15.3m spent on the Syama Expansion Project, and \$2.6m on the Syama Power Grid Connection Project. The balance was spent on Syama satellite resource definition, Sarsfield expansion studies, Mt Wright resource development and other projects.
- Exploration expenditure of \$4.0m.

Borrowings

At 31 December 2013, Resolute's total borrowings were \$116m (\$94m at 30 September 2013). As at quarter end, the weighted average interest rate payable on the borrowings at that date was 5.2%.

During the quarter, Resolute drew down on a newly established US\$20 million extension to the existing secured loan facility jointly provided by Barclays Bank Plc and Investec Bank (Australia). The additional loan is repayable in gold ounces in 24 equal instalments of 660 ounces per month between November 2013 and October 2015 inclusive.

The increase in total borrowings during the quarter (when stated in AUD's) can also be attributed to the weakening of the AUD against the currencies in which the borrowings are denominated, which means the debt owing by Resolute is now higher when converted to its AUD equivalent.

Gold Sales

The average cash price received on the 96,765oz of gold sold during the quarter was \$1,361/oz.

Gold concentrate inventories at Syama are approximately 40,000ozs above normal levels as a result of lower roaster throughput in earlier periods. Improvements to the Syama processing plant are expected to result in a gradual draw down of this gold in circuit and boost cash/bullion holdings.

Noble Update

Resolute announced during the quarter that a Deed of Company Arrangement (“DOCA”) was signed regarding Noble Mineral Resources Limited (ASX: NMG, “Noble”).

Execution of the DOCA will see Resolute move to become the 100% owner and operator of the Bibiani gold project in Ghana, subject to satisfaction of certain outstanding conditions.

The signed DOCA follows the approval of Resolute’s proposal at a meeting of Noble creditors held on 26 November 2013 and is consistent with the draft agreement released to the market by Ferrier Hodgson, the Voluntary Administrator of Noble, prior to the creditors meeting.

Resolute has also entered into an interim funding agreement with the Deed Administrator in order to support the Scheme of Arrangement process with respect to Noble’s Ghanaian subsidiaries. Resolute has advanced \$8.5 million in interim funding, with rights to obtain security on a limited recourse basis, as a means of supporting the Bibiani assets pending approval of the Schemes of Arrangement that are currently progressing in Ghana.

Work will continue towards seeking Ghanaian ministerial consent to the change of control of the

Bibiani mining licence to Resolute and approval of the Schemes of Arrangement by creditors and the High Court of Ghana. These outstanding conditions precedent to the DOCA are to be satisfied or waived by 31 March 2014 or such later date as agreed by the Deed Administrator and Resolute.

The investment in Bibiani has been carefully considered by Resolute and it continues to believe in the underlying value of the Bibiani gold project. Negative USD gold price movement since Resolute last assessed the carrying value of this investment (as part of the 30 June 2013 audit) has the potential to lead to an additional non-cash impairment charge in the 31 December 2013 accounts.

Finkolo Acquisition

Resolute announced during the quarter that it closed a major portion of the acquisition of the remaining 40% interest in the Finkolo Joint Venture from Endeavour Mining Corporation (“Endeavour”).

Following regulatory approvals in Mali for the acquisition and issue of the Finkolo-Tabakoroni Mining Permit, Resolute made a cash payment of US\$17m to Endeavour to settle the acquisition of the Finkolo tenure. A further US\$3 million with respect to the N’Gokoli tenure will be paid upon completion of outstanding procedural matters associated with the transfer of that tenure.

Production guidance

The Company’s production guidance of 345,000 ounces at an average cash cost of \$890 per ounce and All-In-Sustaining Cost of \$1,175 per ounce for FY2014 is reaffirmed.

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 <i>Ravenswood, Queensland</i>
L. Taylor	Operations Manager <i>Syama, Mali</i>
D. Fairlie	Operations Manager <i>Golden Pride, Tanzania</i>

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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:
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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 2012 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.