Resolute
Mining Limited

APPENDIX 4D Half year ended 31 December 2014

HIGHLIGHTS

- ***Gross profit from continuing operations of $29m up from $21m in 1H 2014 due to improved profit margins.***
- ***Loss after tax of $324m includes non-cash asset impairment charges of $323m, primarily triggered by deferral of Syama stage 2 open pit cut back resulting from a lower USD gold price, and fair value movements and unrealised treasury losses of $29m.***
- ***Positive cash flow from operations of $20m.***
- ***Half year gold production of 137,563 ounces at a cash cost of $915/oz and All-in Sustaining Cost of $1,279/oz.***
- ***Full year gold production guidance reaffirmed at 315,000 ounces at a cash cost of $890/oz and All-in-Sustaining Cost of $1,125/oz for FY2015.***
- ***Total market value of group cash, bullion and liquid investments of $23m at 31 December 2014.***
- ***New Syama oxide circuit completed within budget and ahead of schedule.***
- ***Underground potential at both Syama and Bibiani advanced with significant drill results reported prior to commencement of Feasibility Studies.***
- ***Unhedged production with strong leverage to gold price – profitable and cash generating over wide gold price range.***

FINANCIAL RESULTS

- Revenue from gold sales (including the discontinued operation) down 26% to $212m (1H 2014: $286m) due to the cessation of operations at Golden Pride since the comparative period.
- Average cash price received on 150,546 ounces of gold sold (1H 2014: 202,965 ounces) was $1,401/oz (1H 2014: $1,406/oz).
- Average cash cost per ounce of gold produced was $915/oz (1H 2014: $937/oz).

Resolute Mining Limited
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- Impairment charges (as indicated in an Operational Update on 25 November 2014 and the December 2014 Quarterly Report) primarily related to the deferral of the cutback of Stage 2 of the Syama pit, which was a prudent capital management decision during the half in a lower USD gold price environment. As a result, associated reserves and resources were removed from the life of mine model, thereby adversely impacting the recoverable amount under accounting standard requirements. The Company is currently undertaking a review of optimal plans to access the Stage 2 orebody, which could see the reinstatement of reserves and resources to the life of mine model and the possible reversal of impairment charges.
- Net operating cash inflows (including exploration expenditure) during the half year were $20m (1H 2014: $53m).
- Net investing cash outflows of $39m (1H 2014: $69m) included $41m of development expenditure, primarily for the Syama Expansion Project, $22m of evaluation expenditure primarily for the Bibiani feasibility study and drilling program, and proceeds of $24m from the sale of available for sale gold equity investments.
- Net financing inflows of $6m (1H 2014: $20m) included $9m of debt repayments and $14m of proceeds from new finance facilities.

OPERATIONS

- Total gold production for the half year was 137,563 ounces (1H 2014: 182,405) at an average cash cost of $915/oz (1H 2014: $937/oz).
- Syama gold mine in Mali, Africa, produced 86,965 ounces (1H 2014: 72,528) of gold at a cash cost of $897/oz (or US$799/oz) (1H 2014: $1,079/oz or US$992/oz).
- Ravenswood gold mine in Queensland, Australia, produced 50,598 ounces (1H 2014: 72,680) of gold at a cash cost of $944/oz (1H 2014: $811/oz). The first quarter was impacted by a lower grade section of the ore body.
- All In Sustaining Costs ("AISC") for the half year were Syama – $1,313/oz, Ravenswood – $1,183/oz, and for the Group – $1,279/oz. Syama's AISC included $27.4m of waste stripping expenditure.
- At Syama, as announced on 25 November 2014, the Company decided to defer mining of the Stage 2 cutback at the Syama sulphide open pit and initiated a review of the optimal pit design and mine plan. The deferral of Stage 2 delivers cash flow benefits by reducing the short term requirement to mine an extensive volume of pre-strip waste to gain access to deeper ore. Mining of Stage 2 or an optimised variation, depending upon the outcome of the review, will recommence based upon prevailing market conditions. The deferral which commenced in November 2014, combined with ongoing cost reductions saw Syama's all-in-sustaining cost for the December quarter reduce to $1,128/oz (September quarter: $1,487/oz).
- Syama's oxide operation commissioning commenced in November. Commissioning has been relatively smooth with no major issues. This resulted in gold produced from the new oxide circuit totalling 2,661 ounces. All costs of

oxide production net of revenue have been capitalised during the commissioning phase of the new facility. Mining commenced at the A21 pit with oxide pits being developed for ore supply. Construction of phase 1 of the oxide Tailings Storage Facility was completed by the end of the quarter. Raising of the de-slime storage facility was also completed.

- Golden Pride Project Closure Handover: As agreed with the Government of Tanzania, the formal handover of the Golden Pride site and all remaining infrastructure to the Madini Institute to set up a mining institute of learning was completed at a ceremony on 12 December 2014. This ends Resolute's presence onsite at Golden Pride after 15 years and production of over 2.2 million ounces of gold.

DEVELOPMENT

Mali

- The Syama Expansion Project was completed about two months ahead of schedule and within budget. The oxide circuit commenced ramp up in the December 2014 quarter and is presently operating 24 hours per day as it increases production to design capacity in 2015.
- The Syama Underground Feasibility Study has been brought forward to commence in early 2015 following updated resource modelling.
- Further broad high grade gold mineralisation intersected in deep drilling beneath the Syama pit, has advanced the potential for an increase in underground reserves and development of an underground operation at the mine. Best results received during the half included 88m @ 2.73g/t Au and 55m @ 3.71g/t Au (refer to the ASX announcement dated 7 October 2014).
- Government approval of the Environmental and Social Impact Study was received for the Syama Grid Connection Project.

Ghana

- A 25,000m surface and underground drilling program commenced at Bibiani in September 2014.
- Significant high grade gold mineralisation has been intersected during this drill program at Bibiani, which was 75% complete at 31 December 2014. Additional high grade drill results reported subsequent to half year end further support the Company's objective to define a mineable underground resource in the near term.

Australia

- In Queensland, a Scoping Study evaluating potential for future open pit mining of the Buck Reef West and Nolans East satellite orebodies adjacent to the old Sarsfield mine, commenced. The Study has recently assessed up to 15 mining scenarios, comparing throughput rates versus individual, sequential or concurrent mine developments.

- A peer review in December 2014 highlighted areas that required further attention prior to finalising the Study. Resolute has commenced a number of additional assessments that it believes will further enhance the project's economics. The Company has maintained certain parts of the Ravenswood plant that are surplus to current processing needs providing an opportunity to rapidly increase processing throughput as required in the future.

EXPLORATION

- In Queensland, work commenced on the large Mt Glenroy rhyolite breccia system, which has very similar geological and geochemical attributes to Mt Wright. Detailed geological mapping and surface sampling has been completed and led to the identification of a number of high priority drill targets which are expected to be tested in 2015.
- In Cote d'Ivoire, air core drilling was completed on the Goumere and Toumodi project areas. Exploration commenced on the highly prospective Takikro research permit, with an extensive infill soil survey completed during the period. Preliminary results have confirmed a high tenor Au-As-Sb anomaly.
- In Mali, infill air core drilling at the Finkolo North area outlined a significant new gold anomaly which will be reverse circulation drill tested in 2015.

CORPORATE

- Continuing Ebola health and safety initiatives in Mali and Ghana. Presently these countries are Ebola free and normal operations continue at each site.
- Successful completion of the $15m (less costs) Convertible Note raising via the issue of 15m Notes at an issue price of $1.00 each on 15 December 2014. The Notes are unsecured, have a coupon rate of 10% p.a. payable quarterly and a 3 year term.

OUTLOOK

Operations

- The Company's production guidance for FY2015 is maintained at 315,000 ounces at an average cash cost of $890 per ounce. The All-In-Sustaining Cost guidance provided at the start of the 2014/15 year of $1,280 per ounce has been reduced to $1,125 per ounce by cost reductions related to the deferral of the Syama Stage 2 open pit cutback and other cost saving measures.
- Total gold production is expected to significantly step up in the second half of the financial year, particularly as production from the Syama oxide circuit ramps up to design capacity in 2015. Gold production is expected to increase in the March quarter with higher grade ore being sourced from the Syama Pit together with additional ounces from the new oxide plant as the ramp up of production continues. Cash costs per ounce will continue to reduce with the impact of ongoing cost reductions in conjunction with increased gold production.

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Development and Exploration

- In early 2014, an Underground Pre-feasibility study provided strong support for a high volume, low cost underground operation beneath the Stage 2 open pit at Syama. In conjunction with the deferral of the Syama Stage 2 cutback and the review of the optimal pit design at various gold prices, the timing and scope for the proposed Underground Feasibility Study at Syama has been brought forward to further assess the optimal cutover point between open pit and underground. This Feasibility Study will commence in early 2015.
- The major diamond drilling campaign at Bibiani will be completed in the March 2015 quarter. An Underground Feasibility Study is scheduled to commence in 2015.
- At the Buck Reef West project at Ravenswood in Queensland, the scoping study will be finalised to assess open pit mining schedule options, maximise resource conversion, and minimise capital expenditure including determining if existing processing and tailings storage facilities can be utilised.

Corporate

- With increasing gold production and a continued focus on cost reductions and productivity improvements, cash flow from operations is expected to step up in the second half supporting funding of growth options, including the feasibility studies for both Syama and Bibiani.

P.R. SULLIVAN
Chief Executive Officer
20 February 2015

Resolute is an unhedged gold miner with two operating mines in Africa and Australia. The Company is one of the largest gold producers by volume listed on the ASX with FY15 guidance of 315,000 ounces of gold production at a cash cost of $890/oz. Resolute's flagship Syama project in Mali is on track for an increase in production to 270,000oz of gold a year following the recent addition of the oxide circuit to the processing plant. At its Ravenswood mine in Queensland Resolute is investigating a number of opportunities to add value by increasing gold production and lowering operating costs. In Ghana, the Company is now the owner and operator of the advanced Bibiani gold project where work is being undertaken on an underground feasibility study including a 25,000m drill program. The Company controls an extensive footprint along the highly prospective Syama Shear and Greenstone Belts in Mali and Cote d'Ivoire. Resolute has also identified a number of highly promising exploration targets at its Ravenswood operations and holds a number of exploration projects in Tanzania surrounding its now completed Golden Pride mine.

Competent person statement

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 Australasian 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 each hold equity securities in the Company. They have consented to the inclusion of the matters in this report based on their information in the form and context in which it appears.

Resolute Mining Limited

APPENDIX 4D

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

REPORTING PERIOD

The reporting period is for the half year ended 31 December 2014 with the corresponding reporting period being for the half year ended 31 December 2013.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Results				A$'000
Revenue from gold and silver sales (including discontinued operation)	down	26%	to	211,684
Loss before tax attributable to members of the parent	down	n/a	to	(266,928)
Net loss after tax attributable to members of the parent	down	n/a	to	(265,875)

Dividends	Amount per security	Franked amount per security
Final dividend	n/a	n/a
Interim dividend	n/a	n/a
Record date for determining entitlements to the dividend	n/a	

This half year report should be read in conjunction with the most recent annual financial report.

A PROVEN GOLD PRODUCER

HALF YEAR REPORT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

Resolute
Mining Limited

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A proven gold producer

RESOLUTE MINING LIMITED
HALF YEAR REPORT
For the six months ended 31 December 2014

TABLE OF CONTENTS

RESOLUTE MINING LIMITED
HALF YEAR REPORT
For the six months ended 31 December 2014

CORPORATE DIRECTORY

Directors

Chairman	– PE Huston
Chief Executive Officer	– PR Sullivan
Non-Executive Director	– MJ Botha
Non-Executive Director	– HTS Price

Secretary

GW Fitzgerald

Registered Office and Business Address

4th Floor, The BGC Centre
28 The Esplanade
Perth, Western Australia 6000

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PO Box 7232 Cloisters Square
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Email: contact@rml.com.au

ABN 39 097 088 689

Website

RML maintains a website where all major announcements to the ASX are available
www.rml.com.au

Share Registry

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross, Western Australia 6153
Telephone: + 61 8 9315 2333
Facsimile: + 61 8 9315 2233
Email: registrar@securitytransfer.com.au

Home Exchange

Australian Securities Exchange Limited
Exchange Plaza
2 The Esplanade
Perth, Western Australia 6000

Quoted on the official lists of the Australian Securities Exchange
ASX Ordinary Share Code: "RSG"
ASX Listed Convertible Notes Code: "RSGG"

Securities on Issue (31/12/2014)

Ordinary Shares	641,189,223
Unlisted Options	4,142,733
Performance Rights	9,804,657
Convertible Notes	15,000,000

Legal Advisor

Hardy Bowen
Level 1, 28 Ord Street
West Perth, Western Australia 6005

Auditor

Ernst & Young
Ernst & Young Building
11 Mounts Bay Rd
Perth, Western Australia 6000

Bankers

Barclays Bank Plc
Level 42
225 George Street
Sydney, New South Wales 2000

Investec Bank (Australia) Limited
Level 23, Chifley Tower
2 Chifley Square
Sydney, NSW 2000

Citibank Limited
Level 23, Citigroup Centre
2 Park Street
Sydney, New South Wales 2000

Shareholders wishing to receive copies of Resolute Mining Limited ASX announcements by e-mail should register their interest by contacting the Company at contact@rml.com.au

DIRECTORS' REPORT

Your directors present their half year report on the consolidated entity (referred to hereafter as the "Group") consisting of Resolute Mining Limited and the entities it controlled at the end of or during the half year ended 31 December 2014.

CORPORATE INFORMATION

Resolute Mining Limited ("RML" or "the Company") is a company limited by shares that is incorporated and domiciled in Australia.

DIRECTORS

The names of the Company's directors in office during the half year and until the date of this report are as follows. Directors were in office for this entire period.

PE Huston (Chairman)
PR Sullivan (Chief Executive Officer)
MJ Botha (Non-Executive Director)
HTS Price (Non-Executive Director)

COMPANY SECRETARY

GW Fitzgerald

FINANCIAL POSITION AND PERFORMANCE

- Revenue from gold sales (including the discontinued operation) down 26% to $212m (1H 2014: $286m) due to the cessation of operations at Golden Pride since the comparative period.
- Reported half year gross profit from continuing operations of $29m (1H 2014: $21m). Net loss after tax of $324m (1H 2014: $27m profit) includes non-cash impairment charges of $323m (1H 2014: $1m), and fair value and unrealised treasury losses of $29m (1H 2014: $0.2m).
- Impairment charges (as indicated in an Operational Update on 25 November 2014 and the December 2014 Quarterly Report) primarily related to the deferral of the cutback of Stage 2 of the Syama pit, which was a prudent capital management decision during the half in a lower USD gold price environment. As a result, associated reserves and resources were removed from the life of mine model, thereby adversely impacting the recoverable amount under accounting standard requirements. The Company is currently undertaking a review of optimal plans to access the Stage 2 orebody, which could see the reinstatement of reserves and resources to the life of mine model and the possible reversal of impairment charges.
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DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS

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1 – Cash cost per ounce of gold produced is calculated as costs of production relating to gold sales excluding gold in circuit inventory movements divided by gold ounces produced.
2 – All in Sustaining Costs ("AISC") per ounce of gold produced is calculated in accordance with World Gold Council guidelines.
These measures are included to assist investors to better understand the performance of the business. Cash cost per ounce of gold produced and AISC are non-International Financial Reporting Standards financial information and where included in this Directors' Report have not been subject to review by the Group's external auditors.

DIRECTORS' REPORT (continued)

- Government approval of the Environmental and Social Impact Study was received for the Syama Grid Connection Project.

Ghana

- A 25,000m surface and underground drilling program commenced at Bibiani in September 2014.
- Significant high grade gold mineralisation has been intersected during this drill program at Bibiani, which was 75% complete at 31 December 2014. Additional high grade drill results reported subsequent to half year end further support the Company's objective to define a mineable underground resource in the near term.

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Corporate

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DIRECTORS’ REPORT (continued)

SIGNIFICANT EVENTS AFTER BALANCE DATE

No significant events have occurred since balance date on 31 December 2014 and the date of this Directors’ Report.

AUDITOR’S INDEPENDENCE

Refer to page 14 for a copy of the Auditor’s Independence Declaration to the Directors of Resolute Mining Limited.

ROUNDING

RML is a Company of the kind specified in Australian Securities and Investments Commission Class Order 98/0100. In accordance with that class order, amounts in the financial report and the Directors' Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

Signed in accordance with a resolution of the directors.

PR Sullivan
Director
Perth, Western Australia

20 February 2015

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Auditor's independence declaration to the Directors of Resolute Mining Limited

In relation to our review of the financial report of Resolute Mining Limited for the half year ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Peter McIver

Peter McIver
Partner
20 February 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the half year ended 31-Dec-14 $'000	For the half year ended 31-Dec-13 $'000
Continuing Operations			
Revenue from gold and silver sales	4(a)	208,599	194,364
Costs of production relating to gold sales	4(b)	(133,854)	(126,514)
Gross profit before depreciation, amortisation and other operating costs		74,745	67,850
Depreciation and amortisation relating to gold sales	4(c)	(32,820)	(34,287)
Other operating costs relating to gold sales	4(d)	(13,001)	(12,220)
Gross profit		28,924	21,343
Other revenue	4(e)	17	21
Other income	4(f)	12,066	3,839
Exploration and business development expenditure		(3,596)	(4,969)
Administration and other corporate expenses	4(g)	(3,201)	(3,648)
Treasury - realised gains/(losses)	4(h)	116	(246)
Asset impairment expenses, fair value movements, and unrealised treasury losses	4(i)	(351,022)	6,162
Share of associates' losses		-	(704)
(Loss)/Profit before interest and tax		**(316,696)**	**21,798**
Finance costs	4(j)	(4,611)	(4,417)
(Loss)/Profit before tax from continuing operations		**(321,307)**	**17,381**
Tax benefit/(expense)	5	6	-
(Loss)/Profit for the period from continuing operations		**(321,301)**	**17,381**
Discontinued Operation			
(Loss)/Profit after tax for the period from discontinued operation	6	(2,495)	9,612
(Loss)/Profit for the period		**(323,796)**	**26,993**
(Loss)/Profit attributable to:			
Members of the parent		(265,875)	23,336
Non-controlling interest		(57,921)	3,657
		(323,796)	**26,993**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

	For the half year ended 31-Dec-14	For the half year ended 31-Dec-13
	$'000	**$'000**
(Loss)/Profit for the period (brought forward)	(323,796)	26,993
Other comprehensive (loss)/income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations:		
- Members of the parent	39,732	11,112
Changes in the fair value/realisation of available for sale financial assets, net of tax	(11,918)	9,556
Items that may not be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations:		
- Non-controlling interest	(804)	(969)
Other comprehensive income for the period, net of tax	27,010	19,699
Total comprehensive (loss)/income for the period	**(296,786)**	**46,692**
Total comprehensive (loss)/income attributable to:		
Members of the parent	(238,061)	44,004
Non-controlling interest	(58,725)	2,688
	(296,786)	**46,692**
(Loss)/Earnings per share for net (loss)/profit attributable to the ordinary equity holders of the parent:		
Basic (loss)/earnings per share	**(41.47)**	**3.64**
Diluted (loss)/earnings per share	**(41.47)**	**3.61**
(Loss)/Earnings per share for net (loss)/profit from continuing operations attributable to the ordinary equity holders of the parent:		
Basic (loss)/earnings per share	**(41.08)**	**2.14**
Diluted (loss)/earnings per share	**(41.08)**	**2.12**

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

RESOLUTE MINING LIMITED
HALF YEAR REPORT
For the six months ended 31 December 2014

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 31-Dec-14 $'000	As at 30-Jun-14 $'000
Current assets			
Cash and cash equivalents		13,186	18,546
Receivables		4,540	4,084
Inventories		144,287	150,777
Available for sale financial assets	8	410	23,523
Other current assets		4,561	2,644
Total current assets		**166,984**	**199,574**
Non current assets			
Receivables		88	1,308
Other financial assets		3,364	2,908
Exploration and evaluation expenditure	4(i)	52,458	42,665
Development expenditure	4(i)	264,835	457,325
Property, plant and equipment	4(i)	170,669	240,509
Total non current assets		**491,414**	**744,715**
Total assets		**658,398**	**944,289**
Current liabilities			
Payables		39,315	49,636
Interest bearing liabilities	9	39,065	30,699
Unearned revenue		10,148	9,731
Provisions		21,971	30,725
Current tax liabilities		-	1,214
Total current liabilities		**110,499**	**122,005**
Non current liabilities			
Interest bearing liabilities	9	76,987	58,352
Provisions		66,403	61,283
Unearned revenue		-	3,344
Total non current liabilities		**143,390**	**122,979**
Total liabilities		**253,889**	**244,984**
Net assets		**404,509**	**699,305**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	Note	As at 31-Dec-14 $'000	As at 30-Jun-14 $'000
Equity attributable to equity holders of the parent			
Contributed equity	10	380,305	380,305
Reserves		69,888	40,084
Retained earnings		26,174	292,049
Total equity attributable to equity holders of the parent		**476,367**	**712,438**
Non-controlling interest		(71,858)	(13,133)
Total equity		**404,509**	**699,305**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Contributed equity $'000	Net unrealised gain/(loss) reserve $'000	Convertible notes equity reserve $'000	Share options equity reserve $'000	Employee equity benefits reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Non-controlling interest $'000	Total $'000
At 1 July 2014	380,305	11,488	-	5,987	7,695	14,914	292,049	(13,133)	699,305
Loss for the period	-	-	-	-	-	-	(265,875)	(57,921)	(323,796)
Other comprehensive (loss)/income, net of tax	-	(11,918)	-	-	-	39,732	-	(804)	27,010
Total comprehensive (loss)/income for the period, net of tax	-	(11,918)	-	-	-	39,732	(265,875)	(58,725)	(296,786)
Transactions with owners									
Equity portion of compound financial instruments, net of tax and transaction costs	-	-	568	-	-	-	-	-	568
Share-based payments to employees	-	-	-	-	1,422	-	-	-	1,422
At 31 December 2014	380,305	(430)	568	5,987	9,117	54,646	26,174	(71,858)	404,509

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Contributed equity $'000	Net unrealised gain/(loss) reserve $'000	Share options equity reserve $'000	Employee equity benefits reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Non-controlling interest $'000	Total $'000
At 1 July 2013	380,225	-	5,987	6,018	21,811	259,139	(14,577)	658,603
Profit for the period	-	-	-	-	-	23,336	3,657	26,993
Other comprehensive income/(loss), net of tax	-	9,556	-	-	11,112	-	(969)	19,699
Total comprehensive income for the period, net of tax	-	9,556	-	-	11,112	23,336	2,688	46,692
Transactions with owners								
Share-based payments to employees	-	-	-	833	-	-	-	833
At 31 December 2013	380,225	9,556	5,987	6,851	32,923	282,475	(11,889)	706,128

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT

	Consolidated	
	For the half year ended 31-Dec-14 $'000	**For the half year ended 31-Dec-13 $'000**
Cash flows from operating activities		
Receipts from customers	211,684	285,961
Payments to suppliers, employees and others	(184,234)	(219,766)
Income tax paid	(331)	(2,444)
Exploration expenditure	(4,452)	(7,832)
Interest paid	(2,732)	(3,278)
Interest received	17	23
Net cash flows from operating activities	19,952	52,664
Cash flows used in investing activities		
Payments for property, plant & equipment	(3,914)	(8,239)
Proceeds from sale of available for sale financial assets	24,134	11,464
Payments for development activities	(41,492)	(45,036)
Payments for evaluation activities	(22,384)	(18,374)
Proceeds from sale of property, plant & equipment	2,321	127
Proceeds from sale of other assets	3,087	-
Other investing activities	(786)	(793)
Loan to associate	-	(8,524)
Net cash flows used in investing activities	(39,034)	(69,375)
Repayment of borrowings	(5,263)	(1,690)
Repayment of lease liability	(3,278)	(2,510)
Proceeds from finance facilities	14,456	24,033
Net cash flows from financing activities	5,915	19,833
Net (decrease)/increase in cash and cash equivalents	**(13,167)**	**3,122**
Cash and cash equivalents at the beginning of the financial year	(7,344)	(28,143)
Exchange rate adjustment	(675)	225
Cash and cash equivalents at the end of the period	**(21,186)**	**(24,796)**
Cash and cash equivalents comprise the following:		
Cash at bank and on hand	13,186	7,167
Bank overdraft	(34,372)	(31,963)
	(21,186)	(24,796)

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: CORPORATE INFORMATION

The financial report of Resolute Mining Limited and its controlled entities ("Resolute", the "Group" or "consolidated entity") for the half year ended 31 December 2014 was authorised for issue in accordance with a resolution of directors on 19 February 2015.

Resolute Mining Limited (the parent) is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activities of entities within the consolidated entity during the half year were:

- Gold mining; and,
- prospecting and exploration for minerals.

There has been no significant change in the nature of those activities during the half year, with the exception of the Golden Pride project in Tanzania ceased operations and was relinquished during the half year.

NOTE 2: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This interim financial report for the half year ended 31 December 2014 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

It is recommended that the half year financial report be read in conjunction with the Annual Report for the year ended 30 June 2014 and considered together with any public announcements made by Resolute Mining Limited during the half year ended 31 December 2014 in accordance with the continuous disclosure obligations of the Australian Securities Exchange listing rules.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

Significant accounting judgements

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates, deferred stripping costs and provisions for decommissioning and restoration. In line with the Group's usual practice as occurs twice yearly, the Group has applied the effects of updated life of mine modelling to this reporting period, effective from 1 July 2014.

New accounting standards and UIG interpretations

From 1 July 2014 the Group has adopted all new and revised Australian Accounting Standards and Interpretations mandatory for reporting periods beginning on or after 1 July 2014, including:

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *AASB 1031 Materiality*

  The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework (issued December 2013) that contain guidance on materiality. AASB 1031 will be withdrawn when references to AASB 1031 in all Standards and Interpretations have been removed.

  AASB 2014-1 Part C issued in June 2014 makes amendments to eight Australian Accounting Standards to delete their references to AASB 1031. The amendments are effective from 1 July 2014.

  Impact: The amendments have had no impact on the Group.

- *AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities*

  AASB 2012-3 adds application guidance to AASB 132 Financial Instruments: Presentation to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

  Impact: The amendments have had no impact on the Group.

- *AASB2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*

  AASB 2013-3 amends the disclosure requirements in AASB 136 Impairment of Assets. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal.

  Impact: The amendments have no impact on the Group.

- *AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]*

  AASB 2013-4 amends AASB 139 to permit the continuation of hedge accounting in specified circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations.

  Impact: The amendments have no impact on the Group.

- *AASB 2013-5 Amendments to Australian Accounting Standards – Investment Entities [AASB 1, AASB 3, AASB 7, AASB 10, AASB 12, AASB 107, AASB 112, AASB 124, AASB 127, AASB 132, AASB 134 & AASB 139*

  These amendments define an investment entity and require that, with limited exceptions, an investment entity does not consolidate its subsidiaries or apply AASB 3 Business Combinations when it obtains control of another entity.

  These amendments require an investment entity to measure unconsolidated subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.
  These amendments also introduce new disclosure requirements for investment entities to AASB 12 and AASB 127.

  Impact: The amendments have had no impact on the Group.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- *AASB 2013-7 Amendments to AASB 1038 arising from AASB 10 in relation to Consolidation and Interests of Policyholders [AASB 1038]*

  AASB 2013-7 removes the specific requirements in relation to consolidation from AASB 1038, which leaves AASB 10 as the sole source for consolidation requirements applicable to life insurer entities.

  Impact: The amendments have had no impact on the Group.

- *AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instrument*

  The Standard contains three main parts and makes amendments to a number Standards and Interpretations.

  Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1.

  Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards.

  Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 Hedge Accounting into AASB 9 Financial Instruments.

  Impact: The amendments have had no impact on the Group.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: OPERATING SEGMENTS

For the six months ended 31 December 2014	RAVENSWOOD (AUSTRALIA) $'000	SYAMA (MALI) $'000	BIBIANI (GHANA) $'000	UNALLOCATED (b) CORP/OTHER $'000	UNALLOCATED (b) TREASURY $'000	TOTAL $'000
Revenue						
Gold and silver sales at spot to external customers (a)	76,837	130,331	-	1,431	-	208,599
Total segment gold and silver sales revenue	**76,837**	**130,331**	**-**	**1,431**	**-**	**208,599**
Cash costs	(47,761)	(75,614)	-	-	-	(123,375)
Depreciation and amortisation	(15,551)	(17,269)	-	-	-	(32,820)
Other operating costs (including gold in circuit movement)	(9,264)	(16,044)	-	-	-	(25,308)
Other corporate/admin costs	(35)	-	-	(1,338)	-	(1,373)
Segment operating result before treasury, other income/(expenses) and tax	**4,226**	**21,404**	**-**	**93**	**-**	**25,723**
Other income	56	-	-	-	12,027	12,083
Exploration and business development expenditure	(1,107)	(584)	-	(1,905)	-	(3,596)
Finance costs	-	-	-	-	(4,611)	(4,611)
Asset impairment expenses and inventory net realisable value movements	263	(310,355)	(17,464)	-	-	(327,556)
Segment operating result before treasury and tax	**3,438**	**(289,535)**	**(17,464)**	**(1,812)**	**7,416**	**(297,957)**
Loss for the period from discontinued operation, net of tax	-	-	-	(2,495)	-	(2,495)
Treasury - realised gains	-	-	-	-	116	116
Treasury - unrealised losses	-	-	-	-	(23,466)	(23,466)
Tax benefit/(expense)	-	-	100	(94)	-	6
Profit/(Loss) for the period	**3,438**	**(289,535)**	**(17,364)**	**(4,401)**	**(15,934)**	**(323,796)**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: OPERATING SEGMENTS (continued)

For the six months ended 31 December 2014	RAVENSWOOD (AUSTRALIA) $'000	SYAMA (MALI) $'000	BIBIANI (GHANA) $'000	UNALLOCATED (b) CORP/OTHER $'000	UNALLOCATED (b) TREASURY $'000	TOTAL $'000
Cash flow by segment, including gold bullion, and gold shipped but unsold and held in metal accounts	13,087	(33,413)	(25,673)	(488)	39,166	(7,321)
Reconciliation of cash flow by segment to the cash flow statement:						
Movement in gold shipped but unsold and held in metal accounts						17,066
Mark to market movement in gold unsold						(180)
Movement in bank overdraft, including foreign exchange movements						(8,482)
Exchange rate adjustment in cash on hand						468
Cash flows from discontinued operation						(14,718)
Movement in cash and cash equivalents per consolidated cash flow statement						**(13,167)**
Capital expenditure	5,544	38,595	9,981	22	-	54,142
Segment assets in continuing operations	101,312	417,469	100,269	26,999	-	646,049
Segment assets in discontinued operation	-	-	-	12,349	-	12,349
Total segment assets	101,312	417,469	100,269	39,348	-	658,398
Segment liabilities in continuing operations	51,928	84,971	19,793	75,548	15,381	247,621
Segment liabilities in discontinued operation	-	-	-	6,268	-	6,268
Total segment liabilities	51,928	84,971	19,793	81,816	15,381	253,889

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: OPERATING SEGMENTS (continued)

For the six months ended 31 December 2013	RAVENSWOOD (AUSTRALIA) $'000	SYAMA (MALI) $'000	UNALLOCATED (b) CORP/OTHER $'000	TREASURY $'000	TOTAL $'000
Revenue					
Gold and silver sales at spot to external customers (a)	100,750	93,597	-	17	194,364
Total segment gold and silver sales revenue	**100,750**	**93,597**	**-**	**17**	**194,364**
Cash costs	(58,961)	(78,265)	-	-	(137,226)
Depreciation and amortisation	(21,677)	(12,610)	-	-	(34,287)
Other operating costs (including gold in circuit movement)	(3,349)	80	-	-	(3,269)
Other corporate/admin costs	(35)	-	(1,852)	-	(1,887)
Segment operating result before treasury, other income/(expenses) and tax	**16,728**	**2,802**	**(1,852)**	**17**	**17,695**
Other income	121	-	3,716	23	3,860
Exploration and business development expenditure	(1,485)	(1,173)	(2,311)	-	(4,969)
Finance costs	-	-	-	(4,417)	(4,417)
Share of associates' losses, asset impairment expenses and fair value movements	-	(14,837)	(18,704)	-	(33,541)
Segment operating result before treasury and tax	**15,364**	**(13,208)**	**(19,151)**	**(4,377)**	**(21,372)**
Profit for the period from discontinued operation, net of tax	-	-	9,612	-	9,612
Treasury - realised losses	-	-	-	(246)	(246)
Treasury - unrealised gains	-	-	-	38,999	38,999
Tax expense	-	-	-	-	-
Profit/(Loss) for the period	**15,364**	**(13,208)**	**(9,539)**	**34,376**	**26,993**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: OPERATING SEGMENTS (continued)

For the six months ended 31 December 2013	RAVENSWOOD (AUSTRALIA) $'000	SYAMA (MALI) $'000	UNALLOCATED (b) CORP/OTHER $'000	UNALLOCATED (b) TREASURY $'000	TOTAL $'000
Cash flow by segment, including gold bullion, and gold shipped but unsold and held in metal	29,286	(80,743)	(11,598)	31,212	(31,843)
Reconciliation of cash flow by segment to the cash flow statement:					
Movement in gold shipped but unsold and held in metal accounts					35,435
Mark to market movement in gold unsold					(4,878)
Movement in bank overdraft					(780)
Exchange rate adjustment					(225)
Cash flows from discontinued operation					5,413
Movement in cash and cash equivalents per consolidated cash flow statement					**3,122**
Capital expenditure from continuing operations	7,296	60,113	65	-	67,474
Capital expenditure from discontinued operation	-	-	64	-	64
Total capital expenditure	7,296	60,113	129	-	67,538
Segment assets in continuing operations	114,969	690,769	114,768	-	920,506
Segment assets in discontinued operation	-	-	30,302	-	30,302
Total segment assets	114,969	690,769	145,070	-	950,808
Segment liabilities in continuing operations	41,876	84,580	22,443	63,910	212,809
Segment liabilities in discontinued operation	-	-	31,871	-	31,871
Total segment liabilities	41,876	84,580	54,314	63,910	244,680

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: OPERATING SEGMENTS (continued)

(a) Revenue from external sales for each reportable segment is derived from several customers.

(b) This information does not represent an operating segment as defined by AASB 8, however this information is analysed in this format by the Chief Operating Decision Maker, and forms part of the reconciliation of the results and positions of the operating segments to the financial statements.

NOTE 4: (LOSS)/PROFIT FROM CONTINUING OPERATIONS

		Consolidated	
		For the half year ended 31-Dec-14 $'000	For the half year ended 31-Dec-13 $'000
(a)	**Revenue from gold and silver sales**		
	Gold and silver sales	208,599	194,364
(b)	**Costs of production relating to gold sales**		
	Costs of production (excluding gold in circuit inventories movement)	123,375	137,226
	Gold in circuit inventories movement	10,479	(10,712)
		133,854	126,514
(c)	**Depreciation and amortisation relating to gold sales**		
	Amortisation of evaluation, development and rehabilitation costs	17,843	18,153
	Depreciation of mine site properties, plant and equipment	14,977	16,134
		32,820	34,287
(d)	**Other operating costs relating to gold sales**		
	Royalty expense	12,491	11,299
	Operational support costs	510	921
		13,001	12,220
(e)	**Other revenue**		
	Interest income	17	21

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: (LOSS)/PROFIT FROM CONTINUING OPERATIONS (continued)

		Consolidated	
		For the half year ended 31-Dec-14 $'000	For the half year ended 31-Dec-13 $'000
(f)	**Other income**		
	Dividend income	64	-
	Profit on sale of property, plant and equipment	45	-
	Profit on sale of available for sale financial assets (refer Note 8)	11,921	3,718
	Other	36	14
	Profit on sale of non operating mine sites	-	107
		12,066	3,839
(g)	**Administration and other corporate expenses**		
	Other management and administration expenses	2,358	2,979
	Share based payments expense	791	611
	Depreciation of non mine site assets	52	58
		3,201	3,648
(h)	**Treasury - realised gains/(losses)**		
	Realised foreign exchange gain/(loss)	235	(296)
	Realised (loss)/gain on repayment of gold prepay loan	(119)	50
		116	(246)
(i)	**Asset impairment expenses, fair value movements, and unrealised treasury losses**		
	Impairment of property, plant and equipment (i)	(70,330)	-
	Impairment of exploration, evaluation and development (i)	(251,387)	-
	Total asset impairment expenses	(321,717)	-
	Inventories net realisable value movements (ii)	(5,839)	(14,837)
	Unrealised foreign exchange loss	(8,329)	(1,619)
	Unrealised foreign exchange (loss)/gain on intercompany balances (iii)	(13,644)	40,618
	Unrealised loss on financial derivative assets	(1,493)	-
	Fair value movement on convertible notes held in associate	-	(18,000)
	Total fair value movements and unrealised treasury losses	(29,305)	6,162
	Total asset impairment expense, fair value movements and unrealised treasury losses	(351,022)	6,162

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: (LOSS)/PROFIT FROM CONTINUING OPERATIONS (continued)

(i) Impairment of Non-Current Assets

In accordance with the Group's accounting policies and processes, the Group performs its impairment testing twice annually at 31 December and 30 June. Non-financial assets are reviewed at each reporting period to determine whether there is an indication of impairment. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made.

The Group carried out recoverable amount assessments for all of its cash generating units ("CGUs"), and this has resulted in impairment charges for both Syama and Bibiani. Included in the events which triggered a review were a significant revision of the life-of-mine plan at the Syama Gold Mine, the sustained difference in the carrying amount of the net assets of the group and its quoted market capitalisation, and a lower USD gold price.

The key change to the life-of-mine plan at Syama versus when it was last updated in June 2014 was the deferral of the Stage 2 cutback and the so far undetermined plans to access the Stage 2 orebody.

Unless otherwise identified, the following discussion of impairment testing and sensitivity analysis, is applicable to the assessment of the fair value of all of the Group's CGUs.

Methodology

The future recoverability of capitalised mine properties and plant and equipment is dependent on a number of key factors including; gold price, discount rates used in determining the estimated discounted cash flows of CGUs, foreign exchange rates, the level of proved and probable reserves and measured, indicated and inferred mineral resources, the estimated value of unmined inferred mineral properties included in the determination of fair value less cost to dispose ("fair value"), future technological changes which could impact the cost of mining, and future legal changes (including changes to environmental restoration obligations). The costs to dispose have been estimated by management based on prevailing market conditions. Impairment is recognised when the carrying amount of the CGU exceeds its recoverable amount.

Fair value is estimated based on discounted cash flows using market based commodity price and exchange assumptions, estimated quantities of recoverable minerals, production levels, operating costs and capital requirements, based on CGU life-of-mine plans. Consideration is also given to analysts' valuations, and the market value of the Company's securities. The fair value methodology adopted is categorised as Level 3 in the fair value hierarchy.

When LOM plans do not fully utilise existing mineral properties for a CGU, and options exist for the future extraction and processing of all or part of those resources, an estimate of the value of mineral properties is included in the determination of fair value. The Group considers this valuation approach to be consistent with the approach taken by market participants.

Estimates of quantities of recoverable minerals, production levels, operating costs and capital requirements are sourced from the Group's planning process documents, including life-of-mine plans, external expert reports where appropriate, and operational budgets.

Significant judgements and assumptions are required in making estimates of fair value. This is particularly so in the assessment of long life assets. CGU valuations are subject to variability in key assumptions including, but not limited to, long-term gold prices, currency exchange rates, discount rates, production assumptions and operating costs. A change in one or more of the assumptions used to estimate fair value could reduce or increase a CGU's fair value.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: (LOSS)/PROFIT FROM CONTINUING OPERATIONS (continued)

(i) Impairment of Non-Current Assets (continued)

Unmined resources (including the value of certain mineral properties) may not be included in a CGU's particular life-of-mine plan for a number of reasons, including the need to constantly re-assess the economic returns on, and timing of specific production options in, the current economic environment.

The Group has estimated its unmined resource values based on a dollar value per gold equivalent ounce basis individually for each CGU, taking into account a range of factors although principally the current market rate for similar resources. The value of unmined resources as a proportion of the assessed fair value is a significant judgement which requires an estimate of the quantity and value of the unmined resources. The group considers this approach to be consistent with the approach adopted by market participants.

In determining the fair value of CGUs, future cash flows were discounted using rates based on the Group's estimated weighted average cost of capital. When it is considered appropriate to do so, an additional premium is applied with regard to the geographic location and nature of the CGU.

To the extent that capitalised mine properties, plant and equipment is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

Key Assumptions

The table below summarises the key assumptions used in the 2014 half year end carrying value assessments:

Gold price (US$ per ounce)	$1,175 - $1,300
Discount rate % (post tax)	10% - 13%
Value of unmined resources (per ounce)	US$46 (or A$56)

Commodity prices and exchange rates

Commodity price and foreign exchange rates are estimated with reference to external market forecasts, and updated at least twice annually. The rates applied to the valuation have regard to observable market data.

Discount rate

In determining the fair value of CGUs, the future cash flows were discounted using rates based on the Group's estimated real weighted average cost of capital, with an additional premium applied having regard to the geographic location of the CGU. Of the individual CGUs that recognised impairments, Syama applied a discount rate in a range of 10%-13%, whilst Bibiani's recoverable amount was determined using the estimated value of unmined resources.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: (LOSS)/PROFIT FROM CONTINUING OPERATIONS (continued)

(i) *Impairment of Non-Current Assets (continued)*

Operating and capital costs

Life-of-mine operating and capital cost assumptions are based on the Group's latest budget and life-of-mine plans. Operating cost assumptions reflect the expectation that costs will, over the long term, have a degree of positive correlation to the prevailing commodity price and exchange rate assumptions.

Unmined resources

Unmined resources may not be included in a CGU's particular life-of-mine plan for a number of reasons, including the need to constantly re-assess the economic returns on, and timing of, specific production options in the current economic environment. The value of unmined resources currently excluded from life-of-mine plans but included in the assessed fair value in the current period for each CGU subject to impairment is as follows:

	Syama $'000	Bibiani $'000
Unmined resources	240,786	95,094

Impacts

After reflecting the write-down of certain assets arising from the Group's revised operating plans, the Group has conducted carrying value analysis and non-current asset impairments of $322 million after tax, as summarised in the table below:

CGU	Profit & loss $'000
Syama	304,253
Bibiani	17,464
Total CGU impairment	321,717
Tax	-
Total CGU impairment (after tax)	321,717

The impairment charges were applied to the balance sheet in the following manner:

	$'000
Exploration and evaluation expenditure	3,594
Development expenditure	247,793
Property, plant and equipment	70,330
	321,717

The fair values of the Group's other CGUs were assessed by the Group and they exceeded their carrying values.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: (LOSS)/PROFIT FROM CONTINUING OPERATIONS (continued)

(i) *Impairment of Non-Current Assets (continued)*

Sensitivity Analysis
After effecting the impairments for Syama and Bibiani, the fair value of these assets is assessed as being equal to their carrying amount as at 31 December 2014.

Any variation in the key assumptions used to determine fair value would result in a change of the assessed fair value. If the variation in assumption had a negative or positive impact on fair value, it could indicate a requirement for additional impairment or reversal of previous impairments to non-current assets.

It is estimated that changes in the key assumptions would have the following approximate impact on the fair value of each CGU that has been subject to impairment in the accounts:

	Syama $'000	Bibiani $'000
US$25 per ounce increase/decrease in gold price	20,000	N/A
1.00% increase/decrease in discount rate	6,000	N/A
US$5 per ounce increase/decrease in the value of unmined resources	26,000	10,352

It must be noted that each of the sensitivities above assumes that the specific assumption moves in isolation, while all other assumptions are held constant. In reality, a change in one of the aforementioned assumptions is usually accompanied with a change in another assumption, which may have an offsetting impact. Action is also usually taken to respond to adverse changes in economic assumptions that may mitigate the impact of any such change.

(ii) This impairment expense relates to ore stockpile and gold in circuit inventory write-downs. The lower gold price has impacted the market value of the gold inventories held by Resolute. Hence, non-cash charges have been recorded against the ore stockpile and gold in circuit inventory values. These inventories are recorded on the Statement of Financial Position at the lower of cost and net realisable value.

(iii) Due to an accounting standard requirement the unrealised foreign exchange gains and losses on intercompany balances between entities in the Group are taken directly to the Group's profit or loss.

	Consolidated	
	For the half year ended 31-Dec-14 $'000	For the half year ended 31-Dec-13 $'000
(j) Finance costs		
Interest and fees	3,970	3,552
Rehabilitation and restoration provision accretion	641	865
	4,611	4,417

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: INCOME TAX

The asset impairment charge has not given rise to a deferred tax benefit in the profit and loss, nor a deferred tax asset on the balance sheet. Deferred tax assets are only recognised in excess of deferred tax liabilities to the extent it is probable that the carry-forward of unused tax assets (including tax losses) will be utilised.

NOTE 6: DISCONTINUED OPERATION

On 12 December 2014, the formal handover of the Golden Pride site and all remaining infrastructure to the Madini Institute to set up a mining institute of learning was completed, as agreed with the Government of Tanzania. This ended Resolute's presence on site at Golden Pride after 15 years and production of over 2.2 million ounces of gold. This arm of the business, previously represented as the Golden Pride operating segment, has been classified as a discontinued operation and is no longer presented as a segment in Note 3.

The results for the period are presented below:

	For the half year ended 31-Dec-14 $'000	For the half year ended 31-Dec-13 $'000
Revenue	3,085	91,645
Expenses	(5,826)	(70,104)
Asset impairment expenses and inventory net realisable value movements	(811)	(7,104)
(Loss)/Profit before tax from a discontinued operation	(3,552)	14,437
Tax benefit/(expense)	1,057	(4,825)
(Loss)/Profit for the period from a discontinued operation	**(2,495)**	**9,612**
(Loss)/Earnings per share:		
Basic (loss)/earnings per share of discontinued operation	**(0.39)**	**1.50**
Diluted (loss)/earnings per share of discontinued operation	**(0.39)**	**1.49**
The net cash flows of the discontinued operation are as follows:		
Operating cash flows	(14,718)	5,435
Investing cash flows	-	(22)
Net cash (outflow)/inflow	**(14,718)**	**5,413**

NOTE 7: DIVIDENDS

There were no dividends paid or provided for during the half year end up to the date of this report (2013: Nil).

NOTE 8: AVAILABLE FOR SALE FINANCIAL ASSETS

During the six months to 31 December 2014, the Group continued to divest its gold equity investments. The profit on gold equity investment sales recorded in the Statement of Comprehensive Income for the period was $11.921m (31 December 2013: $3,718m).

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9: INTEREST BEARING LIABILITIES

On 15 December 2014, the Group issued 15,000,000 unsecured convertible notes which have a coupon rate of 10% p.a., payable quarterly in arrears, raising $15m (less costs). The notes are convertible into ordinary shares, one for one, at the option of the holder, or repayable on 12 December 2017. The notes are listed on the Australian Securities Exchange (Code: "RSGG").

NOTE 10: CONTRIBUTED EQUITY

	Total Number	Number Quoted	$'000
Ordinary securities			
As at 31 December 2014	641,189,223	641,189,223	380,305

There were no changes in ordinary securities during the period.

	Total Number	Number Quoted	Exercise Price	Expiry Date
Options on issue				
As at 31 December 2014	438,000	-	$1.09	14/02/2015
	33,000	-	$1.21	15/07/2015
	90,000	-	$1.43	15/11/2015
	2,000,000	-	$1.36	4/01/2016
	786,333	-	$1.43	24/01/2016
	130,000	-	$1.18	15/07/2016
	665,400	-	$1.85	26/01/2017
	4,142,733	-	$1.42	

	Total Number	Number Quoted	Exercise Price	Expiry Date
Changes during current period				
Lapsing of unlisted options	(6,000)	-	$1.09	31/10/2014
Lapsing of unlisted options	(6,000)	-	$1.21	31/10/2014
Lapsing of unlisted options	(21,333)	-	$1.43	31/10/2014
Lapsing of unlisted options	(18,000)	-	$1.85	31/10/2014
Lapsing of unlisted options	(6,000)	-	$1.09	12/12/2014
Lapsing of unlisted options	(8,000)	-	$1.43	12/12/2014
Lapsing of unlisted options	(6,000)	-	$1.85	12/12/2014

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10: CONTRIBUTED EQUITY (continued)

	Total Number	Fair Value per Right at Grant Date	Number Quoted	Exercise Price	Vesting Date
Performance rights on issue					
	1,586,978	$1.46	-	-	30/06/2015
	5,129,251	$0.47	-	-	30/06/2016
	3,088,428	$0.50	-	-	30/06/2017
As at 31 December 2014	9,804,657	$0.64			
Changes during current period					
Increase through issue of performance rights to eligible employees pursuant to the Remuneration Framework (Level 1)*	3,088,428	$0.50	-	-	30/06/2017
Increase through issue of performance rights to eligible employees pursuant to the Remuneration Framework (Level 2)*	1,544,023	$0.56	-	-	30/06/2016

*The terms and conditions of the Remuneration Framework are consistent with those disclosed in the Annual Report for the year ended 30 June 2014.

	Total Number	Number Quoted	Conversion Price	Expiry Date
Convertible notes on issue				
As at 31 December 2014	15,000,000	15,000,000	$1.00	12/12/2017
Changes during current period				
Issue of Convertible Notes (refer Note 9)	15,000,000	15,000,000	$1.00	12/12/2017

NOTE 11: NET TANGIBLE ASSETS

	As at 31-Dec-14 $'000	As at 30-Jun-14 $'000
Net tangible assets per share ($)	0.63	1.09

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12: CONTINGENT LIABILITIES

Certain claims arising with third parties have been made by or against certain Group entities in the ordinary course of business, some of which involve litigation or arbitration. The directors do not consider the outcome of any of these claims will have a material adverse impact on the financial position of the Group.

Changes to the status of contingent liabilities disclosed in the last full year financial report:

Tanzanian Tax Authorities

During the half year ended 31 December 2014, the Tanzanian Revenue Authority ("TRA") issued Resolute (Tanzania) Limited ("RTL") (a wholly owned Resolute subsidiary that owned the Golden Pride gold mine) with a US$7m tax assessment relating to income tax, interest and penalties allegedly owing from the 2011, 2012 and 2013 tax years. The assessments purport to deny/disallow a number of deductions claimed in past income tax returns. RTL has received professional advice confirming the position taken by RTL is compliant with Tanzanian tax law. RTL will vigorously defend its position and will apply for a waiver of any deposit payable to the TRA ordinarily required to appeal an assessment.

NOTE 13: EVENTS OCCURRING AFTER BALANCE DATE

No significant events have occurred since balance date on 31 December 2014 and the date of this Directors' Report.

DIRECTORS' DECLARATION

In the opinion of the directors:

a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001*; and

(ii) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance, as required by Accounting Standards, for the half year ended on that date.

b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made in accordance with a resolution of the directors.

P.R. Sullivan
Director

Perth, Western Australia
20 February 2015

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Independent auditor's report to the members of Resolute Mining Limited

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of Resolute Mining Limited, which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 . As the auditor of Resolute Mining Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Resolute Mining Limited is not in accordance with the Corporations Act 2001, including:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and

b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Ernst + Young

Ernst & Young

Peter McIver

Peter McIver
Partner
Perth
20 February 2015