

# Doropo dethrones Syama as Resolute's top dog

The longstanding but troubled Syama gold operation in Mali can no longer lay claim to being the flagship of Resolute Mining Ltd, according to managing director Chris Eger.

Syama has been front and centre of Resolute's portfolio for more than two decades but has spectacularly fallen out of favour with investors amid major operational and jurisdictional challenges in recent years. Most notably, three company executives, including former leader Terry Holohan, were detained by Mali's military junta in late 2024 over allegations of unpaid taxes.

Eger declared flagship status now resided with the undeveloped Doropo project in neighbouring Cote d'Ivoire, even though first gold is not scheduled to be poured from the former Centamin asset for at least another two years.

"I think it is the flagship operation today because of the cost profile, the jurisdiction and the growth potential," Eger told **Paydirt** in Cape Town last month.

"Syama was viewed at one point to be the flagship asset but if you're not able to actually get the gold out of the ground and turn it into cash for shareholders, that can no longer be the case."

Resolute acquired Doropo, about 50km north of Bouna near the border with Burkina Faso, from fellow producer AngloGold Ashanti Ltd in May last year.

AngloGold held Doropo for just six months, having inherited the 4.4 moz project via its \$US2.5 billion takeover of Centamin, a deal driven primarily for the highly profitable Sukari gold mine in Egypt.

Doropo had been on Resolute's radar for some time. Knowing AngloGold had no other business in Cote d'Ivoire, the company pitched an offer for the asset it believed could be the future of the business.

"Through all of 2024, we were tracking the project because Centamin had done a really nice job of progressing it to the point of wanting to develop it themselves, but that was obviously taken out of their hands when AngloGold bought the company," Eger said.

"It's probably one of the quickest deals done in this space. Possibly if they had run a process, they could have got more for it, but it would have taken a lot more time. There's

a lot of unpredictability in these jurisdictions, so we kept it simple and clean and landed on a deal that was good for both of us."

Resolute ultimately paid \$US150 million for Doropo and the ABC project, some 460km to the west, while also agreeing to transfer one of its exploration permits in Guinea to AngloGold as part of the transaction.

An update to Centamin's 2024 DFS was completed in December, revealing a robust pathway to increased gold production of 2.2 moz over a larger 13-year mine life, including average production of 204,000 ozpa at an AISC of \$US1,294/oz across the first five years.

Applying a base-case gold price of \$US3,000/oz, Doropo is expected to deliver a post-tax NPV of \$US1.5 billion and IRR of 49%. Upfront capital is estimated at \$516 million with payback achieved just 1.7 years after first gold.

Resolute was officially issued the mining permit for Doropo early last month, paving the way for construction to begin as soon as the requisite development funds are locked away.

As of December 31, the company boasted available liquidity of \$US322.3 million, including \$US134.6 million bullion on hand.

For Eger, FID is a mere formality.

"We do have a small funding gap of maybe about \$US100-150 million, which changes quite materially with the gold price environment," he said.

"Our business is a good, cash-producing company with a healthy amount of cash. We've got lots of options for plugging the gap from debt options and capital markets options. We're focused on what is the most flexible, cheapest cost of capital for the business.

"Very honestly, it's one of my lowest concerns. For companies that are single-asset

Resolute plans to start construction of the 4.4 moz Doropo gold project in Cote d'Ivoire in the coming months



developers, that's their No.1 problem but it's not our challenge."

Bringing Doropo online and fully operational by the end of 2028 will help Resolute push its group production past 500,000 ozpa, assuming both Syama and the Mako operations in Senegal continue to meet expectations.

Shares in the dual-listed company peaked at \$1.51 on the ASX last month, their highest value in almost six years, indicating investor confidence has well and truly returned to Resolute under Eger's leadership.

Mining Indaba marked the first anniversary of Eger's official appointment as managing director, having served in an interim capacity for the preceding two



Chris Eger

months when Holohan took a leave of absence following his release from detention, before departing altogether.

Upon taking the reins, Eger became the fourth person to lead Resolute since late 2020.

"With all that change, there was obviously scepticism and apprehension from investors, so we really had to put our heads down and focus on quarterly delivery, every single quarter," he said.

"We're rebuilding that confidence, but we're only halfway there. When I look at how we trade relative to others, we still see significant value to be realised. And I think the numbers speak for themselves."

Resolute produced 227,236oz gold at an AISC of \$US1,843/oz last year to comfortably meet its forecast guidance, although output was down on the 339,860oz at \$US1,476/oz delivered in the 12 months prior.

Production could be even lower in 2026 with guidance set for 250,000-275,000oz at an AISC of \$US2,000-2,000/oz, but Eger reiterated the company's focus was on cash-flow not overall ounces. Resolute's revenue

totalled \$US865.6 million last year, up from \$US664.1 million in 2024.

"We could make more gold at Syama by high grading, but then we're making less cash," Eger explained.

"Our focus is cashflow. Investor communities are shifting away from AISC to cash because AISC, unfortunately, is a metric that

**“ We are positioning to produce more gold in the future, but for now we want to make sure we're generating cash. ”**

can be manipulated. Cashflow is what we use as a driving metric for success. That's why last year we were quite pleased we made \$US140 million [net cash].

"We are positioning to produce more gold in the future, but for now we want to make sure we're generating cash and I think this year we should make a lot more because of the high gold price we have today."

Eger is cautiously optimistic the company has overcome the worst in Mali with Syama forecast to churn out up to 210,000oz this year, with potential to produce as much as 250,000oz in 2027.

"After the challenges in 2024, the focus in 2025 was to (a) repair the relationship with government, which we did, but (b) just to run [Syama] as efficiently as possible, and we're doing that," he said.

"There's 10 moz at Syama, so it's got a fantastic footprint. Gold is not the issue, which is normally the first problem, it's just everything else that we are having to navigate.

"If capital wasn't a problem and jurisdictional risk wasn't an issue, we'd be building another plant on site and already on our way to becoming a 500,000 ozpa producer.

"I've said a number of times publicly, we won't spend discretionary capex until we feel more confident the country dynamics are in a better spot."

The Mali Government last month approved a draft decree renewing Barrick Mining Corp's mining permit for the Loulo-Gountoko complex for 10 years, potentially ending nearly two years of fierce debate between the parties about the conditions of the 2023 mining code.

Eger welcomed news of a positive resolution and the potential impact it would have on the likes of Resolute.

"Barrick negotiating a deal with the Government was good for them and good for the country," he said.

"I think the Government is working much better with the industry versus what it did in

2024. Unfortunately, it's still complicated and takes time."

In Senegal, mining of the main Mako pit ceased in June with Resolute focused on processing of stockpiles for the foreseeable future. Just 55,000-65,000oz gold is set to be produced from the operation this year, but the company is quietly confident of keeping the 2.2 mtpa plant ticking over via the introduction of the Tomboronkoto and Bantaco satellite deposits in due course.

"We haven't publicised the technical study on how it's actually all going to work, so one of the key milestones in the coming quarters is to issue an excerpt of the DFS to really crystallise how the extension will proceed," Eger said.

"The way I think about Senegal is it won't be huge for the business, but it will produce 80,000 ozpa for the next 9-10 years from today. We'll keep drilling and obviously at today's prices, gold orebodies do look better and better."

London-based Eger estimates he travelled to Africa a dozen times last year, predominantly for meetings with key government officials in each of the jurisdictions where Resolute operates. This included engagements with the prime ministers of Mali and Cote d'Ivoire and the president of Senegal.

"What's happening with the rising gold price environment is governments really want to see and talk to the CEOs of the business," he said.

"That relationship building has been critical to the success of 2025."

While the acquisition and progression of Doropo was the game-changing headline act for Resolute last year, Eger suggested further M&A was off the table for the company despite a desire to continue improving its profile and presence across West Africa.

Resolute's next phase of growth beyond the development of Doropo is therefore likely to come via the drill bit with the company keen to monetise the potential of its growing exploration portfolio in Cote d'Ivoire and Guinea.

"One of the things we know we can do better is to put economics around some of these projects," Eger said.

"We are doing scoping studies on both ABC and La Debo [also in Cote d'Ivoire] so we can communicate what Resolute is going to do with them. We are spending a lot more time on exploration now because we have these fantastic assets already in the group and we need to find ways to monetise them in this rapidly-evolving gold price environment."

— Michael Washbourne