



Resolute

ASX Announcement

1 February 2017

Production Up, Costs Down, New Treasure Quarterly Activities Report for period ending 31 December 2016 Further detail added to Table 9: Movement in Treasury Balances

Clarification

Resolute Mining Limited (ASX:RSG) (Resolute or the Company) would like to clarify the detail on Financing Cash Flow movements provided in the table on page 15 of the Company's December 2016 Quarterly Activities Report (see ASX Announcement dated 25 January 2017).

As at 31 December 2016 the Company had cash, bullion and listed investments of A\$283 million. Of this balance A\$133 million was represented by gold bullion on hand. The Company's bullion on hand balance is made up of refined gold held in metal accounts at The Perth Mint or other internationally accredited and highly rated financial institutions. The exact bullion balance as at 31 December 2016 was 83,379 ounces. The market value of this bullion on hand was valued for the purposes of the December 2016 Quarterly Activities Report at the prevailing spot price on 31 December 2016 of A\$1,592/oz.

The December 2016 quarter delivered strong results with gold production of 91,224 ounces produced at an All-In Sustaining Cost of A\$835 per ounce. These excellent production results, combined with the Company's strong balance sheet position, provided Resolute the opportunity of building its bullion balance during the previous quarter. Resolute actively manages the Company's currency exposure across A\$, US\$ and Euros and for this purpose treats gold bullion as an alternative currency for Treasury purposes.

Resolute is making ongoing changes to the format of its quarterly activities reports with the aim of providing additional disclosure on cash flows and costs, to assist with improved forecasting and to enable a better understanding of the Company's performance. Responding to analyst commentary, Resolute has included further information to the Movements in Cash and Bullion Balances table included in the December 2016 Quarterly Activities Report. The updated table is included below and replaces the Table 9 included in the December 2016 Quarterly Activities Report. The new table separately discloses the dividend payment made during the quarter and corrects the balances recorded for movements in debt facilities and separates out foreign exchange fluctuations and the market value changes of bullion on hand. The new version of the table will be used in future quarterly activities reports.

For further information, contact:

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ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 736,982,768

Current Share Price: A\$1.45 as at 31 Jan, 2017

Market Capitalisation: A\$1.07 Billion

FY17 Guidance: 300,000oz @AISC A\$1,280/oz

Board of Directors

Mr Peter Huston *Non-Executive Chairman*

Mr John Welborn *Managing Director & CEO*

Mr Peter Sullivan *Non-Executive Director*

Mr Martin Botha *Non-Executive Director*

Mr Bill Price *Non-Executive Director*

Contact

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The principal movements in the market value of cash and bullion balances during the December 2016 quarter were as follows:

	Dec '16 Quarter (A\$M)	Sep '16 Quarter (A\$M)
Operating Cash Flows		
Gross operating cash flows from Syama and Ravenswood	54.9	67.3
Royalty payments	(5.2)	(8.5)
Overheads and operational support costs	(1.1)	(4.1)
Exploration expenditure	(4.8)	(2.2)
Interest expense/income net cash flows	(0.1)	(0.5)
Working capital movements	11.7	(20.1)
Investing Cash Flows		
Development expenditure, incl. Syama UG development, feasibility studies, resource development and other projects	(16.8)	(10.6)
Operational sustaining capital expenditure	(3.9)	(7.7)
Bibiani project care and maintenance	(2.0)	(1.4)
Other investing activities	(0.6)	(0.2)
Financing Cash Flows		
Capital raising (net of costs)	(0.2)	147.4
Dividend payments	(11.0)	-
Existing debt facility inflows/(outflows)	(12.4)	6.0
Foreign exchange fluctuations	0.8	(0.8)
Market value changes of bullion on hand	(1.6)	(0.1)
Net cash inflows	7.7	164.6
Opening cash and bullion	267.0	102.4
Closing cash and bullion	274.7	267.0

Table 9: Movements in Cash and Bullion balances

About Resolute

Resolute is a successful gold miner with more than 25 years of continuous production. The Company is an experienced explorer, developer, and operator having operated nine gold mines across Australia and Africa which have produced in excess of 7 million ounces of gold. The Company currently operates two mines, the Syama Gold Mine in Africa and the Ravenswood Gold Mine in Australia, and is one of the largest gold producers listed on the Australian Securities Exchange with FY17 guidance of 300,000 ounces of gold production at All-In Sustaining Costs of A\$1,280/oz (US\$934/oz).

Resolute's flagship Syama Gold Mine in Mali is a robust long life asset benefitting from fully operational parallel sulphide and oxide processing plants. The move to underground mining will continue the asset's history of strong cash generation and extend the mine life to out beyond 2028. The Ravenswood Gold Mine in Queensland, Australia demonstrates Resolute's significant underground expertise in the ongoing success in mining the Mt Wright ore body. In Ghana, the Company has completed a feasibility study on the Bibiani Gold Project focused on the development of an underground operation requiring modest capital and using existing plant infrastructure. Resolute also controls an extensive exploration footprint along the highly prospective Syama Shear and greenstone belts in Mali and Cote d'Ivoire and is active in reviewing new opportunities to build shareholder value