



Resolute

ASX Announcement

7 April 2021

Syama and Resolute updated Life of Mine production profiles

Highlights

- The Syama Life of Mine (LOM) has been updated to reflect projected production of between 250,000 ounces and 300,000 ounces (oz) per annum at an average All-In Sustaining Cost (AISC) of approximately \$1,000/oz to 2029. This compares to 2020 production of 214,360oz at an average AISC of \$1,203/oz
- Oxide production continues at Syama until the end of 2023 at approximately 80,000oz per annum
- Tabakoroni Underground operations have a current mine life of seven years and are scheduled to commence when open pit oxide production finishes in 2024
- Total Syama production is currently estimated to be 2.9 million ounces (Moz) at an average AISC of under \$1,000/oz over the current scheduled 11-year mine life
- Significant exploration potential remains at Syama given the highly prospective tenement package and limited depth of drilling to date
- Group LOM delivers average annual production between 2021 and 2026 of 380,000oz at an average AISC of \$1,070/oz inclusive of corporate overheads
- Near mine exploration remains a key focus at both Syama and Mako and is expected to extend LOM production profiles at both operations

Note: All dollar figures are United States dollar (US\$) currency unless otherwise stated, comparative amounts are restated to US\$ at average rates

Resolute Mining Limited (Resolute or the Company) (ASX/LSE: RSG) is pleased to announce that ongoing mine design optimisation at the Syama Gold Mine (Syama) in Mali, along with ongoing exploration and feasibility studies at Tabakoroni, has resulted in an updated Syama LOM plan.

Resolute's Interim CEO, Mr Stuart Gale, commented: "We are very pleased to release our latest plans for the Syama operations, which highlight an improved production and cost profile over the current 11-year mine life.

"This follows a period of exploration and mine design work at the Tabakoroni Underground together with the extension of our oxide operations.

"Syama has a significant gold endowment and there is still a great deal of exploration to be undertaken in this exceptionally prospective area. We remain very confident that the Syama LOM will continue to develop and extend beyond what we have published today.

"In addition, we also remain focused on identifying further extension and development opportunities at Mako in Senegal, to extend our mining activities beyond the current Mako LOM."

Updated Syama Life of Mine Plan

Syama is a large-scale operation which currently comprises the Syama Underground Mine and a series of satellite open pit mines which provide ore to two separate processing circuits: a 2.4 million tonne per annum (Mtpa) sulphide processing circuit and a 1.5Mtpa oxide processing circuit.

The updated mining inventory at Syama has enabled a new mining schedule and updated LOM to be developed (see Figure 1 below).

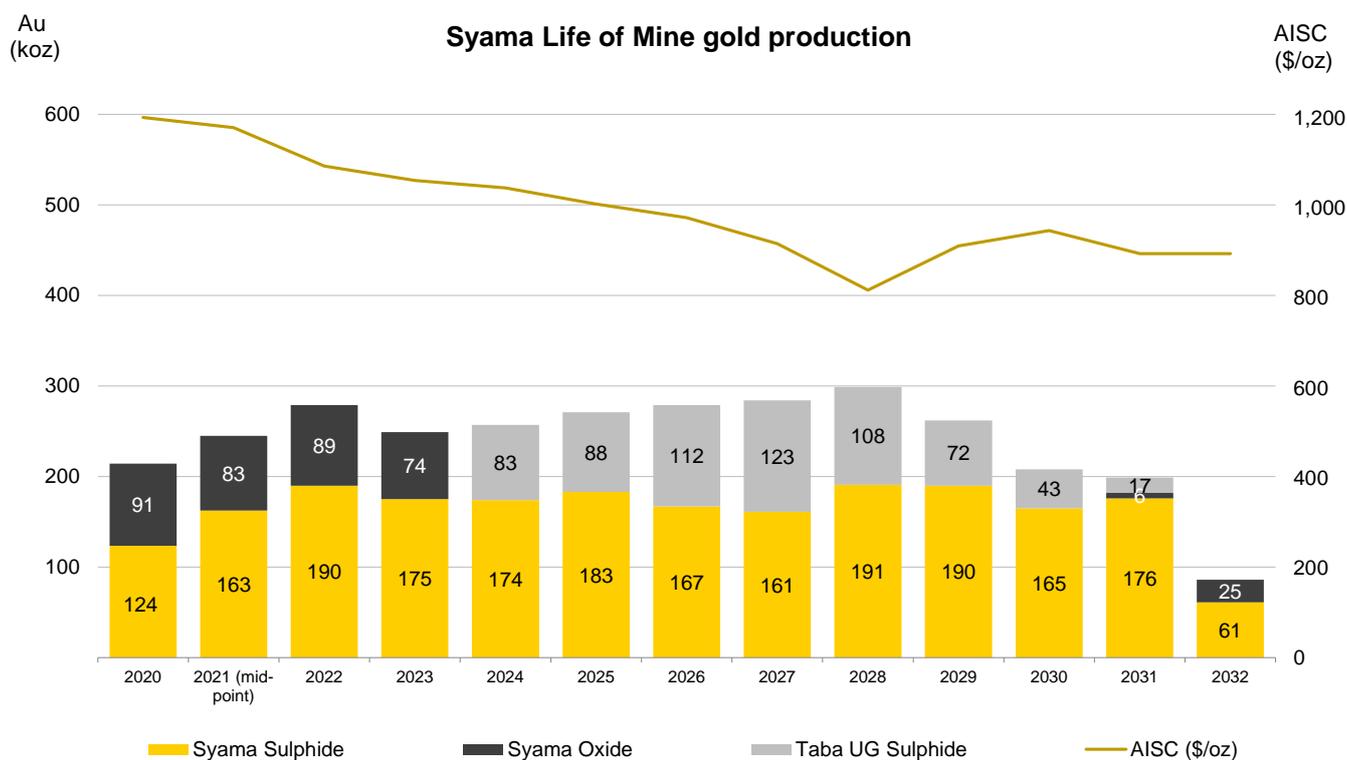


Figure 1: Updated Syama LOM gold production

The updated LOM demonstrates:

- Average annual gold production at Syama between 2021 and 2029 of between 245,000oz and 300,000oz at an average AISC of \$1,000/oz.
- Over the current scheduled 11-year mine life, Syama will produce 2.9Moz at AISC of under \$1,000/oz.
- Operation of the Syama Underground Mine, based on the current LOM, extends to 2031 and with further exploration, is expected to continue beyond this timeframe.
- Syama oxide operations continue to the end of 2023 with mining and processing of ore from the Cashew, Tabakoroni, Tellem and Paysans satellite open pit operations.
- Development of the Tabakoroni Underground Mine at an estimated capital cost of \$86m to commence in 2023, with operations commencing in 2024 and continuing to 2030.
- Further mine life extensions are considered likely given the highly prospective tenement package and limited depth of drilling at both Syama and Tabakoroni to date.

Minimal project capital is required over the remaining Syama LOM aside from the capital required to establish underground mining at Tabakoroni. Sustaining capital for tailing storage, underground capital development and mobile equipment replacement are included in estimates of AISC. At Syama between 2021 and 2029 average sustaining capital per annum is expected to be \$19m.

Syama Underground Operations

Resolute has continued to refine the underground design and schedule of the Syama Underground Mine. The sublevel cave is now well established, and all infrastructure and mobile equipment required to operate the mine is in place. Current reserves allow for mining and processing until 2031. Exploration and resource conversion are likely to further extend mine life. LOM recoveries have been adjusted to 80% reflecting the current intention to operate the plant without the potential benefit of the float tails leach circuit. Resolute will continue to assess and compare any benefit of undertaking this additional recovery process with the associated additional operating costs.



The sulphide operation is the primary consumer of power at Syama, with sulphide processing and mine ventilation accounting for around 75% of power use. The first stage of the new Syama Hybrid Power Station, comprising the construction of a modular thermal generation and battery storage system, is nearing completion. The battery and the first of three 10MW HFO generating units have now been commissioned with the remaining units to be commissioned in April. Reductions in power cost have been reflected in the AISC and cost assumptions and are reflected in the lower operating costs for the sulphide operation.

Syama Oxide Satellite Open Pit Operations

Resolute has continued to evaluate opportunities to expand the open pit mining inventory at Syama. This has involved optimisation, design and scheduling work in order to sustain production at around 80,000oz for each of 2021, 2022 and 2023. The remaining production from open pits will consist of mining from the Cashew, Tellem and Paysans open pits, located 6-10km south of the Syama processing plant, and a second phase of open pit mining at Tabakoroni, located 32km south of Syama.

Extensive drilling has been undertaken at the northern end of the Tabakoroni system where two small open pits, North and Splay, were previously mined in 2019 and 2020. Subsequent exploration between these pits has identified numerous mineralised structures, which strike northeast and away from the main Tabakoroni shear (see Figure 2 below).

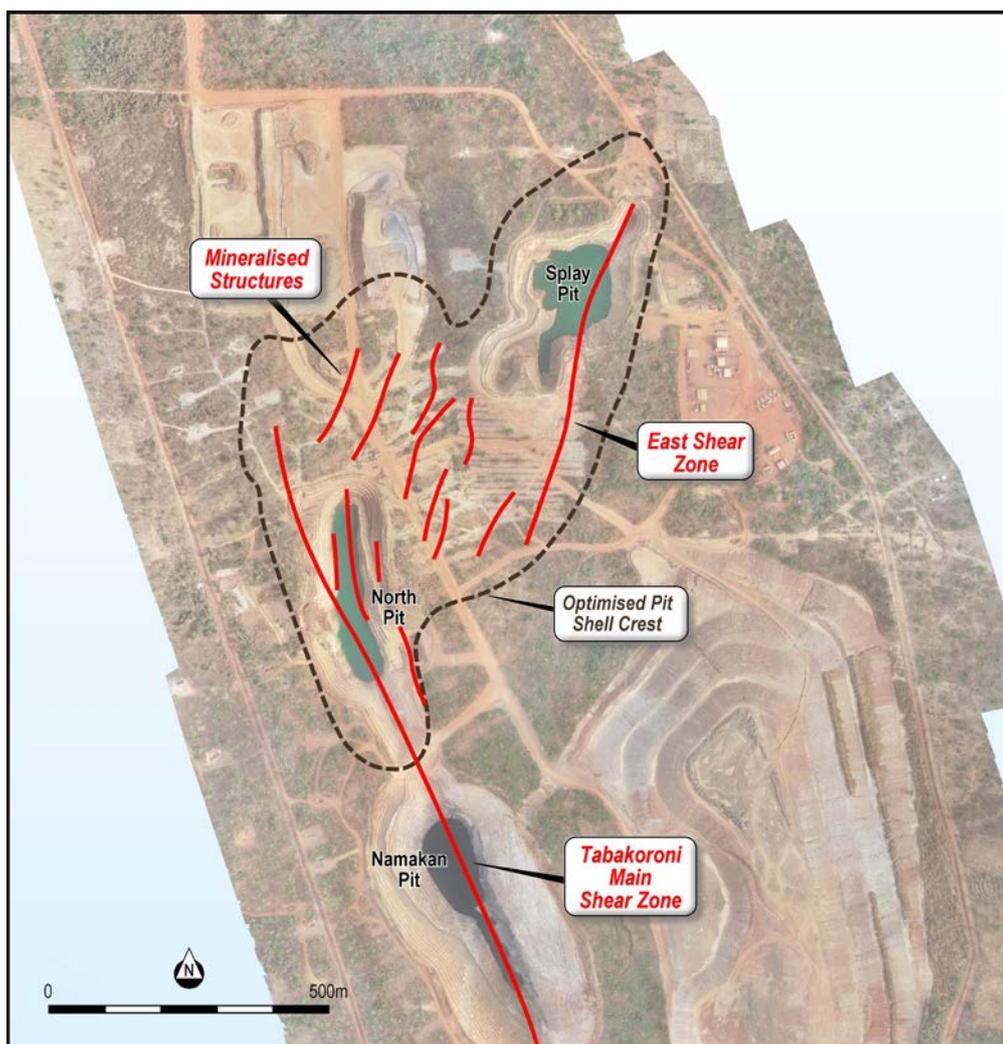


Figure 2: Tabakoroni Mining Complex. Existing pits, overlain by surface projection of mineralised structures and proposed final pit crest.



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The second phase of open pit mining at Tabakoroni is expected to entail the extension and deepening of the Splay and North pits and the mining of a zone between these pits, known as The Gap, to eventually form a single open pit. This will allow oxide open pit mining to continue until the end of 2023.

Exploration is continuing and demonstrates potential to further extend oxide open pit operations beyond 2023.

Tabakoroni Underground Development

Resolute recently completed a Pre-Feasibility Study (PFS) into the establishment of an underground mining operation at Tabakoroni (see ASX announcement dated 14 October 2020). The PFS incorporates an updated underground mineral resource and multiple technical studies.

Resolute updated its Tabakoroni Mineral Resource (see ASX announcement dated 17 February 2021) declaring a maiden underground Ore Reserve at Tabakoroni of 2.9Mt at 4.6g/t gold containing 430,000oz.

The Syama LOM takes into account all capital, operating and royalty expenditure over the seven-year mine life. Project capital for the development of the Tabakoroni Underground mine is estimated to be \$86m.

The Syama LOM assumes that development of the Tabakoroni Underground will commence in 2023, with full production achieved in 2024. Ore Reserves are supplemented in the Syama LOM by Inferred Resources including those recently discovered beneath the South and Namakan pits.

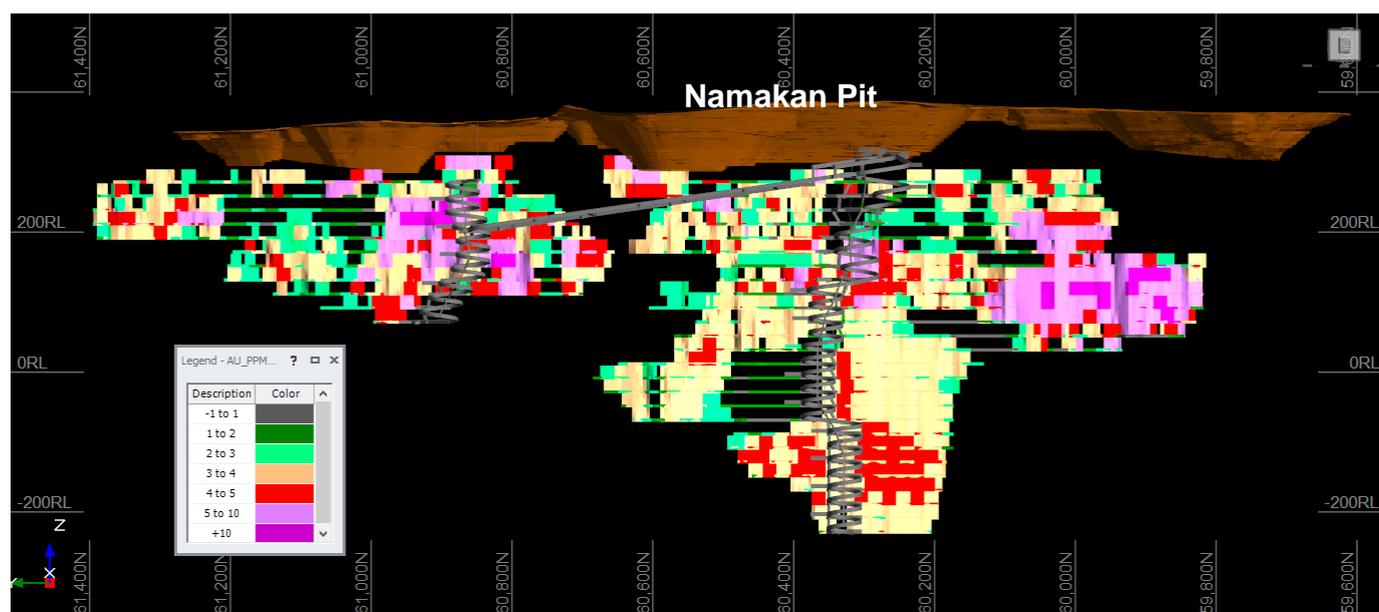


Figure 3: Tabakoroni Underground Long Section looking east. LOM ore blocks selected for mining by grade.

The area around Tabakoroni remains highly prospective and, with a focus on near mine exploration, future success and resource conversion drilling are expected to increase this Ore Reserve.

Resolute Group Updated Life of Mine Plan

Resolute's combined LOM production and cost profile inclusive of Mako is summarised below. The overall contribution from Mako over the Group LOM is unchanged although the production volumes in individual years vary slightly from those published in 2020 (see ASX announcement dated 20 July 2020). These changes have resulted from optimisation of the Mako schedule which delivers a smoother waste and ore production profile and increased gold production between 2021 and 2023.



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Figure 4: Updated Resolute Group estimated LOM production

Based on the revised Group mine plan, Resolute delivers total average annual production of 380,000oz between 2021 and 2026 at an average AISC of \$1,070/oz. Over the long term, the Group LOM delivers total gold production of 3.6Moz at an average AISC of less than \$1,020/oz through to 2032.

Significant exploration upside exists for operations at Syama and Mako with near mine exploration remaining a key focus expected to deliver further increases to the production profile for Resolute.

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Competent Persons Statement

The information in this report that relates to the Exploration Results and Mineral Resources is based on information compiled by Mr Bruce Mowat, a member of The Australian Institute of Geoscientists. Mr Bruce Mowat has more than five years' experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which he is 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" (the JORC Code). Mr Bruce Mowat is a full-time employee of the Resolute Mining Limited Group and holds equity securities in the Company. He has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears. This information was prepared and disclosed under the JORC Code 2012 except where otherwise noted.

For details of the Ore Reserves used in this announcement, please refer to ASX announcement dated 17 February 2021 titled "Annual Ore Reserve and Mineral Resource Statement". The Company is not aware of any new information or data that materially affects the Ore Reserves as reported in this ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in this ASX announcement continues to apply and have not materially changed. The form and context in which the Competent Persons' findings are presented have not been materially modified from this announcement.

Cautionary Statement about Forward-Looking Statements

This announcement includes certain statements, estimates and projections with respect to the future performances of Resolute. Such statements, estimates and projections reflect various assumptions concerning anticipated results, which assumptions may prove not to be correct. The projections are merely estimates by Resolute, of the anticipated future performance of Resolute's business based on interpretations of existing circumstances, and factual information and certain assumptions of economic results, which may prove to be incorrect. Such projections and estimates are not necessarily indicative of future performance, which may be significantly less favourable than as reflected herein. Accordingly, no representations are made as to the fairness, accuracy, correctness or completeness of the information contained in this announcement including estimates or projections and such statements, estimates and projections should not be relied upon as indicative of future value, or as a guarantee of value of future results. This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase securities in Resolute Mining Limited (ASX/LSE: RSG).