



Resolute

# ASX Announcement

28 September 2020

## Syama Update Further strike action cancelled Guidance reinstated

Resolute Mining Limited (ASX/LSE: RSG) (Resolute or the Company) is pleased to announce negotiations with the Union Nationale des Travailleurs du Mali (UNTM), the union representing workers at the Company's Syama Gold Mine (Syama) in Mali, have resulted in the signing of a conciliation agreement which confirms the cancellation of further planned strike action at Syama.

### Conciliation Agreement – Cancellation of proposed strike action

A compromise has been achieved between Resolute's subsidiary company in Mali, the Société des Mines de Syama S.A. (SOMISY), and the UNTM under which a commission will be established to evaluate and support measures that SOMISY believes are required in response to COVID-19 and current economic conditions. The UNTM has agreed to be involved in identifying solutions and has cancelled proposed strike action at Syama.

Following the conciliation agreement operations at Syama have returned to normal and all efforts will be made to ensure a stable industrial relations platform is maintained for the rest of 2020 and beyond. While no guarantee can be provided that the UNTM will not reinstate future strike action, all parties have agreed to the framework of a win-win partnership. The industrial relations dispute and strike actions taken prior to the agreement will result in reduced gold production in the current quarter. The total expected negative impacts on Syama for the September 2020 quarter is a delay in production of approximately 15,000 ounces of gold.

### Mali Government Update

Resolute notes the appointment of former Malian Minister of Defence and retired colonel Mr. Bah N'DAW as interim President and Colonel Assimi GOITA as interim Vice President. These appointments were made as part of new transitional government arrangements expected to be in place for a maximum of 18 months to allow for and plan new democratic elections.

Upon his inauguration on 25 September 2020, Interim President N'DAW stated "The transition period which begins will not dispute any international undertaking by Mali, nor the agreements signed by the government".

The impact of the new appointments on sanctions imposed by the Economic Community of West African States (ECOWAS) is not immediately clear. ECOWAS has previously agreed to normalise relations with Mali on the provision formal elections take place within 18 months and the transitional arrangements include civilian rule and confirm maintenance of Mali's constitutional democracy.

Consistent with previous announcements, operations at Syama have not been impacted by recent political events. Resolute will continue to monitor the progress of the new transitional government including the potential impact of ECOWAS sanctions which, if sustained, may have an impact on supply links to and production at Syama.

### Guidance Update

Following the cancellation of further strike action, Resolute has reinstated production guidance for the 12 months to 31 December 2020.



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Taking into consideration the negative impact of the industrial relations dispute in the current quarter and other uncertainties relating to the potential impacts of the coronavirus pandemic and ECOWAS sanctions, Resolute has provided an updated guidance range based on previous 2020 guidance.

Total production for 2020 is now expected to be within the range of 400,000 ounces to 430,000 ounces of gold at an All-In Sustaining Cost of between US\$980 per ounce and US\$1,080 per ounce.

For further information, contact:

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*Authorised by Mr John Welborn, Managing Director & CEO*

#### ASX/LSE: RSG Capital Summary

Fully Paid Ordinary Shares: 1,103,892,706

Current Share Price:

A\$0.91 as at 25 September 2020

Market Capitalisation: A\$1.0 billion

2020 Guidance:

400,000oz to 430,000oz gold production

AISC of US\$980/oz to US\$1,080/oz

#### Board of Directors

Mr Martin Botha *Non-Executive Chairman*

Mr John Welborn *Managing Director & CEO*

Ms Yasmin Broughton *Non-Executive Director*

Mr Mark Potts *Non-Executive Director*

Ms Sabina Shugg *Non-Executive Director*

Mr Peter Sullivan *Non-Executive Director*

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