

Quarterly Activities Report

01

FOR THE QUARTER TO 31 MARCH 2015

Highlights

Operations

- Total gold production of **91,792oz** was achieved at a cash cost of **\$758/oz**.
- Record production at **Syama** in Mali was 65,973oz of gold at a cash cost of \$688/oz with the new oxide circuit contributing 19,130oz.
- Gold production at **Ravenswood** in Australia generated 25,819oz at a cash cost of \$936/oz.
- Reaffirmed production guidance of 315,000ozs at an average cash cost of \$890/oz.
- FY2015 All-In-Sustaining Cost guidance, previously reduced to \$1,125/oz, reaffirmed.

Development

- In **Mali**, successful commissioning and handover of the new **Syama** Oxide circuit to Operations, ahead of schedule and under budget.
- In **Mali**, review of the **Syama** mine plan concluded mining of ore in the Stage 2 pit will best be achieved by underground rather than open pit mining. An updated Underground Pre-Feasibility Study, including the remodelled deeper resources from the recent successful drilling program, to be completed during the June quarter.
- In **Ghana**, underground drill campaign at the **Bibiani** Project was completed and revised block modelling has commenced with the aim of confirming and enhancing the previously reported 1.7Moz Resource.
- In **Ghana**, an independent scoping level study commenced to address potential early **Bibiani** underground opportunities.

Exploration

- In **Mali**, encouraging intersections from a first pass 14 hole RC drill program undertaken in the **Finkolo North** area, following a strong air core defined gold anomaly.
- In **Cote d'Ivoire**, exploration continued on the highly prospective Takikro research permit with detailed geological mapping completed. A farm in arrangement was finalised with ASX listed Taruga Gold to earn up to 75% interest in three tenements in Cote d'Ivoire.

Corporate

- Gross cash inflow from operations for the quarter was \$62.6 million up from \$21.7 million.

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- Group cash, bullion and liquid investments at the end of the quarter totalled \$24 million.
- Continuing Ebola health and safety initiatives in Mali and Ghana. Presently these countries are Ebola free and normal operations continue at each site.

Resolute Mining Chief Executive Officer Peter Sullivan said “This has been a pivotal quarter with strong cashflow emerging as a result of record Syama production and significant cost reductions. It has enabled us to substantially strengthen the balance sheet which puts us in a good position for the development opportunities ahead.”

Production Summary

		Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Plant Availability (%)	Total Production (Gold oz)	Cash Cost \$/oz	*Total Cost \$/oz	**All-In-Sustaining Cost \$/oz
Syama										
Mar Quarter	Sulphide	1,476,247	472,399	3.98	77.4	88.3	46,843	650		
	Oxide	246,267	256,596	2.58	89.9	90.8	19,130	781		
	Total	1,722,514	728,995	3.49	80.7	89.6	65,973	688	1,144	790
Dec Quarter	Sulphide	813,630	513,364	3.30	76.2	92.7	41,457	859		
	Oxide	160,038	53,278	1.88	82.7	82.1	2,661	***		
	Total	973,668	566,672	3.16	76.6	90.0	44,118	859	1,166	1,134
Ravenswood										
Mar Quarter		376,326	349,293	2.43	94.5	92.5	25,819	936	1,387	1,146
Dec Quarter		392,031	366,143	2.37	94.5	90.1	26,367	898	1,279	1,162
Total										
Mar Quarter		2,098,840	1,078,288	3.15	84.1	90.6	91,792	758	1,212	918
Dec Quarter		1,365,699	932,815	2.85	82.4	90.0	70,485	874	1,210	1,154

All costs are denominated in A\$ unless otherwise specified.

*Total Cost includes cash costs, depreciation and amortisation, royalties and in-country operational support costs.

** All-In Sustaining Cost has been calculated in accordance with World Gold Council guidelines.

*** All costs of production were capitalised, net of revenue, during the commissioning phase of the new Syama oxide facility.

Resolute Mining will be hosting a March Quarterly conference call today, Wednesday, 29 April 2015, at 10:30am AEST. Local dial-in number: **1800 123 296** and conference ID number is **2794 9036**. Further international dial-in details are included in the ASX announcement on 28 April 2015.

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Mali

Operations

Syama, Mali (Resolute 80%)

The Syama operation had no lost time injuries during the quarter. The twelve-month moving average Lost Time Injury Frequency Rate was 0.26 (0.27). Mali was declared Ebola free early in the quarter. The Syama mine continues to observe strict WHO protocols onsite due to the ongoing occurrence of Ebola in neighbouring Guinea.

Sulphide Operation

Gold produced from the sulphide circuit during the quarter was 46,843 (41,457) ounces from 472,399 (513,364) tonnes of milled ore, at a head grade of 3.98 (3.30) grams per tonne. Throughput was reduced this quarter due to a planned mill reline along with replacement of the secondary mill motor. During the planned reline a new cyclone cluster was installed to improve the ability to maintain correct grind size and assist in further improving flotation recoveries.

The head grade was higher due to treatment of higher grade ore from the base of the open pit. No low grade stockpiles were processed during the quarter. The higher head grade and ongoing improvement initiatives were also reflected in an

improved recovery rate of 77.4% (76.2%). Plant availability for the quarter was lower than the previous quarter at 88.3% (92.7%).

Cash cost per ounce decreased to \$650 (\$859) reflecting the impact of higher ounces produced in conjunction with cost savings initiatives and lower fuel prices.

Roaster throughput was a record 43,031 tonnes (37,883), with higher throughputs resulting from operating initiatives. A reduction of concentrate stocks continued whenever spare roaster capacity was available.

During the quarter, the mine plan review was concluded and results confirmed that mining of ore within the Stage 2 pit is best achieved by underground rather than open pit mining. This will deliver a greater return on capital and a smoother cash flow profile. Mining of Stage 1 ore has been accelerated with 1,476,247 tonnes (813,630) being mined and the pit will be completed during the June quarter.

Ore stockpiles will continue building and will be the primary ore source maintaining mill feed until underground mining commences.

Cessation of mining of the Stage 2 pit, combined with ongoing cost savings, resulted in the all-in-

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sustaining costs for the quarter, for the combined sulphide and oxide operations, significantly reducing to \$790/oz (\$1,134).

Oxide Operation

The oxide plant operation continued its relatively trouble free ramp-up with gold production increasing markedly to 19,130 (2,661) ounces from 256,596 (53,278) tonnes of milled ore at a head grade of 2.58 (1.88) grams per tonnes with the first full quarter of production completed. Recoveries also improved to 89.9% (82.7%) with plant availability of 90.8% (82.1%).

Cash cost per ounce for the first full quarter of operation was \$781 as the oxide plant continued to ramp-up production.

Mining at A21 continued with the majority of ore being mined from the A21-10 pit. Mining conditions are as expected with soft, free dig oxide ore being exposed beneath the laterite cap. Mining of ore accelerated with 246,267 tonnes (160,038) being mined during the quarter. Grade control drilling continues to conform closely to the resource model.

Ore mined is separated into high and low grade ore and stockpiled at the Southern end of the A21 pit from which it is rehandled to the oxide ROM pad as required.

Projects

Construction of phase 2 of the Oxide Tailings Storage Facility was commenced during the quarter with completion expected in the June quarter.

Outlook

Gold production and cash cost per ounce are expected to be maintained in the next quarter with ongoing supply of higher grade ore being sourced from the Syama Pit.

Development

Syama Expansion and Oxide Circuit (Resolute 80%)

At the beginning of January the plant was handed over to Operations, nearly three months ahead of schedule and US\$9.6M (5.2%) under the

construction budget. The focus in the near term will be to further optimise throughput and recovery.

In January, commissioning work on the Oxide plant showed continued improvements in throughput and gold recovery, as bottlenecks were identified and resolved, which enabled processing throughput to increase to a steady 1Mtpa rate.



Syama Underground Feasibility (Resolute 80%)

In November 2014 the Company announced that mining of the Stage 2 cutback at the Syama sulphide open pit was to be deferred while a review of the optimal cutover point between open pit and underground was completed.

The mining review was completed during the quarter and demonstrated that commencing the underground operations earlier will result in a significantly smoother cash flow profile over the next few years compared with mining the Stage 2 pit, which required extensive pre-strip waste movement to gain access to the deeper ore. In the current gold price environment, this generates a substantially better return on capital invested.

As a result portal and decline development is expected to commence in early calendar 2016 from within the Stage 1 pit from a portal located 200m below the surface. This will allow early access to underground ore for development of initial production stopes while continuing to extend the decline to the surface for long term access to the underground.

Resource modelling of all ore below the Stage 1 pit, including the successful results from the recently

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completed deep drilling program, is well underway and will be the basis of an update to the previous underground Pre-Feasibility Study for the new mine plan. Independent consultants Snowden have been conducting a re-assessment of the updated resource model to develop a revised mine plan which now covers a more extensive vertical profile. It is expected that the revised underground mining inventory will be compiled during the June 2015 quarter.

Work has commenced on the detailed Underground Feasibility Study which is due for completion in the March 2016 quarter.

A total of six geotechnical diamond drill holes were completed in target areas to provide additional geotechnical data for the structural and geotechnical model. In addition an extensive suite of samples were collected and dispatched for strength testing and seismic analysis.

Metallurgical samples of mineralised intercepts collected earlier from the Syama underground resource program have arrived at the ALS Metallurgy laboratory in Australia. The test work program will be important to endorse the processing characteristics of the underground ore. All information to date suggests that the mill feed characteristics will remain the same as material treated from the open pit over recent years.

Satellite Deposit Resource Evaluation (Resolute 80%-85%)

Geological investigation work along the A21 mineralisation corridor north of Syama was completed by consultants Model Earth. They had earlier identified a number of mineralisation targets where existing drilling had not adequately covered the resource potential. Initial open spaced reverse circulation drilling was conducted on some of these targets looking at the down-dip potential of the A21 orebody toward the west and potential near surface quartz rich scree contained within the laterite located east of the Quartz Vein Hill deposit. Drilling was also testing the potential extension of the Quartz Vein Hill mineralisation toward the south and closer to the BA01 deposit.

All these targets provide the potential to identify further sources of readily available, near surface oxide mineralisation. It is planned for the drilling results to be incorporated into updated resource models as part of the open pit optimisation analysis. Drilling in these areas was ongoing through the quarter.

Australia

Operations

Ravenswood, Australia (Resolute 100%)



The Ravenswood operation had one lost time injury during the quarter. The twelve-month moving average Lost Time Injury Frequency Rate increased to 1.50 (0.00).

Gold produced during the quarter was 25,819 (26,367) ounces from 349,293 (366,143) tonnes milled at a head grade of 2.43 (2.37) grams per tonne. Throughput decreased due to increasing hardness of ore with a higher proportion of granite present. Mill utilisation was higher at 92.5% (90.1) due to reduced maintenance activities. Gold recovery for the quarter was the same as the previous period at 94.5%.

Cash cost per ounce of gold increased to \$936 (\$898) due mainly to the lower gold production associated with the reduced throughput.

Ore production from Mt Wright was 376,326t @ 2.43g/t for 29,359 contained ounces (392,031t @ 2.37g/t for 29,875 contained ounces). Mine production was slightly lower due to drawpoint

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performance, which was largely offset by an increase in grade due to changes in scheduling.

Total development for the Mt Wright underground operation for the quarter was 784m (693). This consisted of 215m (329) of capital development and 569m (363) of operating development. Development was higher due to operating two Jumbos for the period to meet schedule requirements. The main production zones at the Mt Wright underground operation were the 625, 600 and 575 levels.

Projects

To address the increasing ore hardness, installation of a secondary crushing circuit utilising equipment from the Sarsfield crushing circuit will commence in the next quarter with completion of this project due in the September 2015 quarter.

Outlook

Gold production and cash cost per ounce are expected to be similar in the June quarter as the mill throughput will continue at current levels due to the harder ore and the grade is not expected to vary significantly.

Development

Nolans East - Buck Reef West (Resolute 100%)

At Ravenswood the additional study components of the Buck Reef West and Nolans East projects were separated to reflect potential timing differences between the two projects. The Nolans East pit is located next to the Sarsfield open pit and is adjacent to the process plant and therefore provides a quick entry to ore production compared to the Buck Reef West pit. The current work program for the two projects is dominated by sub-studies designed to improve the quality of the different project inputs and to identify capital and operating cost reductions which will enhance the project outcomes and economics. Where required, external consultants have been engaged to provide expert advice in specialised areas.

As the Nolans East pit design extends into the Sarsfield pit, geotechnical studies have been undertaken to revise and confirm the most effective pit design. Pit optimisation work has confirmed that any increase in the size of this pit will improve the mining inventory.

Work also continued on the crushing and milling requirements for typical ore feed from the Nolans East and Buck Reef West projects. The Company has components available from the existing larger Sarsfield crushing facility which may provide a quick and cost effective opportunity to expand the existing Nolans process plant. Technical personnel were identifying the best low capital option which meets short term processing requirements while being compatible with longer term project needs.

Ghana

Development

Bibiani Project (Resolute 90%)

The major underground and surface diamond drilling program at Bibiani, which commenced in September 2014, was completed in February 2015 for 26,665m. The analytical results from all drill holes, plus QA-QC samples have been received and information has been imported and validated. Interpretation of the geometry of the mineralisation has been undertaken and the final wireframes completed.

Surface drilling since the previous quarter concentrated on an area north of the modern underground workings between 5700N to 6000N. This area has been highlighted as having excellent potential to host a mineable inventory which could be accessible in the early phases of any proposed underground development.

Underground drilling since January 2015 continued testing the Central and Eastern Lodes from positions along the 9 level. The underground drilling has now identified a continuous high grade zone of mineralisation within the Central Lode between the 11 and 14 levels with a total strike length of 500m (5000N to 5500N).

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Significant high grade results have been discussed in detail in ASX releases on 20 November 2014, 16 January 2015 and most recently 1 April 2015 that all support the Company's objective to define a mineable underground resource in the near term.

Work has commenced on a revised resource block model aimed at confirming and enhancing the 15 August 2014 reported 1.7Moz underground resource.

The Company with the assistance of Snowden's Perth office has commenced a scoping level study due for completion during the June quarter to assess the most appropriate mining method, outline any early underground development opportunities and assess whether any further drilling is required in the short term.

Geotechnical, metallurgical and hydrological studies will commence shortly with the Underground Feasibility Study on track to be completed mid-2016.



Exploration

The Company reports its exploration activities and results in accordance with the JORC 2012 guidelines.

Exploration results that are considered material to the Company are announced to the ASX separately to the Quarterly Report on Activities.

Any activities below that do not refer to a separate ASX announcement are not considered material to the Company.

Mali

Finkolo Project (Resolute 85%)

The Finkolo North infill air core drilling program, which commenced last quarter, was completed in January with 24 holes drilled for 2,241m. The full program saw 100 holes drilled for 7,500m.

The program confirmed and further defined a gold anomaly in the Zegere area. The anomaly lies along a 1km long NNE bend in a sediment/basalt contact in the Syama greenstone belt. The anomaly is also coincident with a linear resistivity high outlined by the recent induced polarisation survey.

Reverse circulation drill testing of the Zekere anomaly was carried out in February. Three 400m spaced traverses of reverse circulation drill holes were completed.

The drilling has shown that the gold mineralisation is associated with narrow bodies of felsic porphyry intruding the sheared contact between basalt and sediments.

A detailed gradient array and dipole-dipole induced polarisation geophysical survey over the Finkolo North area was completed during the quarter.

Cote d'Ivoire (Resolute 100%)

Takikro

The final analytical results from the infill soil sampling program completed at Takikro last quarter were received during the period. The gold plus pathfinder element anomaly which runs the entire length of the Takikro Permit was further enhanced by this campaign.

Detailed geological and regolith mapping was also completed over the Takikro permit during February. The mapping confirmed the regional published features of migmatitic granite and gneiss separated by a central band of sheared intermediate to mafic volcanics. Artisanal workings were also mapped.

Toumodi

A soil sampling program was carried out at Toumodi during January. The survey lies in the centre of a high priority multi-element anomaly identified by a 1km

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x 1km regional geochemical program. Analytical results have been received and has further refined a strong Au-W-Mo-As anomaly in the area.

Taruga Joint Venture

Resolute entered into a farm-in arrangement with ASX listed Taruga Gold on two granted Research Permits and one Research Permit application.

Resolute intends to commence exploration on the two granted Research Permits, Tiebissou and Nielle immediately. Resolute has agreed to spend US\$3 million to earn a 75% interest within 4 years of commencement, with a minimum US\$500,000 spend.

The Tiebissou Research Permit was granted to Taruga in late 2014 and lies adjacent to the south of Resolute's Takikro Permit. Tiebissou covers a 15km strike length of the prospective Birimian greenstone belt which hosts the Bonikro and Agbaou gold deposits. Combined with Takikro, Resolute will control a strike length of 46km of prospective greenstones.

Nielle is located within granite and greenstone terrain adjacent to the Tongon gold mine operated by Randgold Resources.

Tanzania

Nyakafuru (Resolute 100%)

The Environmental and Social Impact Assessment (ESIA) report on the Nyakafuru Reefs and Kanegele resource areas has been completed and submitted to the Tanzanian Mining authorities.

Australia

Ravenswood Project (Resolute 100%)

Mount Glenroy

Following the recent approval of this licence, deep diamond drilling is planned for the Mount Glenroy breccia system. To aid targeting of these drill holes a pole-dipole 3D induced polarisation geophysical

survey has been planned to precede the drilling program.

The induced polarisation survey and the drilling are expected to be completed during the June quarter.

Three Sisters

Regional mapping, soil sampling and rock chip sampling at the Three Sisters prospect located 40km SSW of Ravenswood continued during the quarter.

This work has identified a corridor of gold mineralisation running from the Three Sisters prospect east to the Town Creek Dam prospect. Further exploration including drilling is planned.

Corporate

Cash, Bullion & Investments

As at 31 March 2015, the Resolute Group had cash, bullion and liquid investments with a market value of \$24m (\$23m). Included in the quarter end balance was 12,406oz (5,951) of gold bullion on hand, with a market value of \$19m (\$9m), and liquid investments with a market value of \$1m (\$1m).

The principal movements in the market value of cash, bullion and investment balances during the quarter were attributable to:

Operating Cash Flows

- Gross cash inflows from continuing operations at Syama and Ravenswood of \$62.6m (\$21.7m).
- Cash outflows for royalty payments of \$6.5m.
- Overheads and operational support costs of \$2.0m.
- Operational capital expenditure of \$2.4m, including \$1.3m of Mt Wright underground decline development.
- First remittances of Value Added Tax in Mali of \$2.5m following the cessation of the VAT exoneration period, which are expected to be refunded to the company in arrears beginning in the next quarter.

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- Other indirect taxes including customs duty payments in Mali of \$1.0m.
- Significant outflow of \$15.3m, related to increasing ore stockpiles, resulting from the acceleration of mining of Syama Stage 1 pit.
- Other net working capital outflows of \$10.9m included payments to reduce amounts owing to creditors and increases in on-site consumables in Mali ahead of the wet season.

Investing Cash Flows

- Development expenditure of \$11.4m included \$4.6m spent on the oxide circuit component of the Syama Expansion Project, \$1.6m on the Syama Power Grid Connection Project, and \$2.7m on the drilling program at the Bibiani gold project. The balance was spent on Syama underground drilling, Syama satellite resource definition, Mt Wright resource development and other projects.
- Exploration expenditure of \$2.4m.
- Bibiani project care and maintenance payments of \$2.8m and historical liability payments of \$1.4m.
- Other investing activity costs were \$0.5m.

Financing Cash Flows

- Net outflow of interest expense/income of \$1.9m.
- Net repayments of \$0.2m on existing debt facilities.

Borrowings

At 31 March 2015, Resolute's total borrowings were \$125m (\$122m at 31 December 2014). The increase is primarily due to foreign exchange rate movements. The weighted average interest rate payable on the borrowings at quarter end was 5.8% (5.8% at 31 December 2014).

The strong quarterly cashflow ensured no further drawdown on the unused portion of the convertible note prospectus was required.

Gold Sales

The average cash price received on the 77,374oz of gold sold during the quarter was \$1,540/oz.

Ounces of gold sold during the quarter were less than gold produced mainly due to the increase of gold bullion on hand.

Gold concentrate inventories at Syama remained at more than 20,000 ounces above normal levels.

New Director Appointment

On 27 February the Company announced the appointment of Mr John Welborn as a non-executive director.

Mr Welborn is a Chartered Accountant and highly respected senior executive and company director with extensive experience in the resources, finance and investment banking industries.

Production guidance

The Company's production guidance for FY2015 is maintained at 315,000 ounces at an average cash cost of \$890 per ounce and an All-In-Sustaining Cost of \$1,125 per ounce.

P.R.SULLIVAN
Chief Executive Officer
29 April 2015

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Corporate Directory

Senior Management

P.R. Sullivan Chief Executive Officer

P.A. Beilby Operations

P.J. Venn Business Development

G.W. Fitzgerald Finance/Admin and
Company Secretary

J. Ray Operations Manager
Ravenswood, Queensland

L. Taylor Operations Manager
Syama, Mali

D. Fairlie Operations Manager
Bibiani, Ghana

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Home Exchange

The Company's securities are listed on the Australian Securities Exchange and the home exchange is Perth

Shareholder Enquiries

Enquiries concerning shareholdings should be addressed to:
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Competent Persons 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.

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