



Resolute

# ASX Announcement

21 December 2018

## Resolute strengthens A\$ gold hedge book

30,000 ounces forward sold at A\$1,783/oz

Resolute Mining Limited (Resolute or the Company) (ASX: RSG) announces that the Company has forward sold an additional 30,000 ounces of gold at an average price of **A\$1,783 per ounce** with scheduled monthly deliveries of 5,000 ounces between July 2019 and December 2019.

Resolute has taken advantage of strength in the gold price to extend the Company's Australian dollar denominated gold hedge position. The objective of the Company's Australian dollar hedging is to protect projected returns from the Ravenswood Gold Mine in Queensland during the staged development phase of the Ravenswood Expansion Project. The development phase at Ravenswood will see the operation transition back to large scale open pit mining and will deliver a new 14-year mine life.

The additional Australian dollar hedging extends Resolute's existing forward gold sales program of 85,000 ounces which consists of 30,000 ounces of gold forward sold at an average price of US\$1,250 per ounce and 55,000 ounces of gold forward sold at prices between A\$1,715 per ounce and A\$1,736 per ounce (see ASX Announcements dated 5 October 2018 and 29 October 2018). Resolute's total gold hedge book as at 21 December 2018, including today's new Australian dollar gold hedges, consists of 115,000 ounces in monthly deliveries out to December 2019 representing approximately 30% of Resolute's expected gold production over this period.

Managing Director and CEO, Mr John Welborn, was pleased to continue Resolute's success in maximising gold sales revenue through responsible hedging strategies:

"We continue to actively manage our gold sales and undertake hedging to take advantage of gold price volatility, maximise revenues, and protect the Company's balance sheet. A small increase in our Australian dollar hedging position at levels significantly above our budgeted gold price will further protect the Company's revenue and cash flow generation in 2019."

"Resolute remains strongly leveraged to future upside in gold prices. The Company's current hedge book represents less than 2% of our current Ore Reserves."

For further information, contact:

**John Welborn**  
Managing Director & CEO

**Jeremy Meynert**  
General Manager – Business Development & Investor Relations



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### About Resolute

Resolute is a successful gold miner with more than 28 years of experience as an explorer, developer, and operator of gold mines in Australia and Africa. The Company has operated nine gold mines which have produced more than 8 million ounces of gold. Resolute currently owns three gold mines, the Syama Gold Mine in Mali (Syama), the Ravenswood Gold Mine in Australia (Ravenswood) and the Bibiani Gold Mine in Ghana (Bibiani). For the financial year ending 30 June 2019, Resolute expects to produce 300,000 ounces of gold at an All-In Sustaining Cost of US\$960/oz (A\$1,280/oz). The Company has a pathway to annual gold production in excess of 500,000oz from a Global Mineral Resource base of 16.5 million ounces.

Syama is a world class, robust, long-life asset capable of producing more than 300,000 ounces of gold per annum from existing processing infrastructure. Resolute is currently developing the world's first fully automated underground gold mine at Syama which will deliver a low cost, large scale operation with a mine life beyond 2032.

Ravenswood has been a consistent performer and an integral part of Resolute's business for more than a decade. The highly successful Mt Wright Underground Mine continues to produce as the Company transitions back to a large scale, low cost open pit mining operation which will extend the mine life to at least 2032.

Bibiani is a potential long life, high margin operation and represents a growth opportunity for Resolute.

Resolute is actively exploring over 5,300km<sup>2</sup> of potential world class tenure in Africa and Australia searching for opportunities to expand and improve the Company's operations. A portfolio of strategic investments in highly prospective, well managed African-focused gold exploration companies has been established to provide a pipeline of future development opportunities.

#### ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 757,512,088

Current Share Price:

A\$1.09 as at 20 December 2018

Market Capitalisation:

A\$827 million

FY19 Guidance:

300,000oz @ AISC US\$960/oz (A\$1,280/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*

#### Contact

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