

25 August 2022

Appendix 4D

Half Year Report for the six months ended 30 June 2022

Reporting Period

The reporting period is for the half year ended 30 June 2022 with the corresponding reporting period being for the six months ended 30 June 2021.

Results for Announcement to the Market

| | 30 June 2022 \$'000 | 30 June 2021 \$'000 | Up / (Down) \$'000 | % Increase / (Decrease) |
|--|---------------------------|---------------------------|--------------------------|----------------------------|
| Revenues from ordinary activities | 317,658 | 261,311 | 56,347 | 22% |
| Earnings before interest, tax, depreciation, amortisation and fair value adjustments (EBITDA) | 78,416 | 77,720 | (696) | (1%) |
| Profit/(loss) after income tax | (24,146) | (219,790) | 195,644 | 89% |
| Profit/(loss) from ordinary activities after income tax attributable to members/net profit for the year | (24,286) | (183,851) | 159,565 | 87% |

Dividend Information

| | Amount per share \$ | Franked amount per share \$ |
|---|------------------------|-----------------------------------|
| Interim dividend for the half-year ended 30 June 2022 | Nil | Nil |

Net Tangible Assets

| | 30 June 2022 \$ | 31 December 2021 \$ |
|-------------------------------|--------------------|------------------------|
| Net tangible assets per share | 0.35 | 0.38 |

This half year report should be read in conjunction with the most recent annual financial report for the year ended 31 December 2021. All dollar figures are **United States dollar (\$)** currency unless otherwise stated.

Corporate Directory

Directors

| | |
|---------------------------|-----------------|
| Non-Executive Chairman | Martin Botha |
| Managing Director and CEO | Terence Holohan |
| Non-Executive Director | Simon Jackson |
| Non-Executive Director | Mark Potts |
| Non-Executive Director | Sabina Shugg |
| Non-Executive Director | Adrian Reynolds |

Company Secretary

Richard Steenhof

Registered Office

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15-17 William Street
Perth, Western Australia 6000

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Perth, Western Australia 6850
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Facsimile: + 61 8 9322 7597
Email: contact@rml.com.au

Australian Business Number

ABN 39 097 088 689

Website

Resolute Mining Limited maintains a website where all announcements are available: www.rml.com.au

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth, Western Australia 6000

Home Exchange

Australian Securities Exchange
Level 40, Central Park
152 St Georges Terrace
Perth, Western Australia 6000

Quoted on the official lists of the
Australian Securities Exchange (ASX) and London
Stock Exchange (LSE)

ASX/LSE Ordinary Share Code: "RSG"

Securities on Issue (30/06/2022)

| | |
|--------------------|---------------|
| Ordinary Shares | 1,104,219,369 |
| Performance Rights | 12,633,074 |

Auditor

Ernst & Young
Ernst & Young Building
11 Mounts Bay Rd
Perth, Western Australia 6000

Shareholders wishing to receive copies of Resolute's
ASX announcements by e-mail should register their
interest by contacting the Company at
contact@rml.com.au

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Directors' Report

Your directors present their half year report on the consolidated entity (referred to hereafter as the "Group" or "Resolute") consisting of Resolute Mining Limited and the entities it controlled at the end of or during the half year ended 30 June 2022 (H1 2022).

Corporate Information

Resolute Mining Limited ("Resolute" or "the Company") is a company limited by shares that is incorporated and domiciled in Australia.

Directors

The names of the Company's directors in office during the entire half year period and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Martin Botha (Non-Executive Chairman)

Terence Holohan (Managing Director and CEO) (appointed 23 May 2022)

Stuart Gale (Managing Director and CEO) (resigned 6 May 2022)

Simon Jackson (Non-Executive Director)

Mark Potts (Non-Executive Director)

Sabina Shugg (Non-Executive Director)

Adrian Reynolds (Non-Executive Director)

Company Secretary

Richard Steenhof

Key Highlights

Key highlights for half year ended 30 June 2022 include:

- Revenue for the period was \$318 million from gold sales of 173,717oz at an average realised price of \$1,824/oz
- The Group's EBITDA for the period was \$78 million, with reported net loss after tax of \$24 million
- Successful completion of Syama sulphide plant shutdown
- Sulphide operations milling record tonnes of 610kt in the June quarter
- Successful extension of the Revolving Credit Facility for an additional 12 months to March 2024
- Tabakoroni Mineral Resources estimate updated to 9.2 tonnes at 4.4 g/t for 1.3 million ounces of gold a 40% increase over the previous estimate
- Orca Gold Inc investment sale completed with total proceeds of \$14 million.

Operations Review

In H1 2022, a total of 170,903 ounces (oz) of gold were produced (poured) at an All-In Sustaining Cost (AISC) of \$1,463/oz with total gold sales of 173,717oz at an average realised price of \$1,824/oz.

During H1 2022, 2.8 million tonnes (Mt) of ore was milled at an average grade of 2.07 grams per tonne (g/t Au) for 157,927oz of gold recovered. Group's gold in circuit balance of 68,205oz valued at \$123.9 million based on a gold price of \$1,817/oz at 30 June 2022.

Directors' Report

Production and Cost Summary for H1 2022

| | Units | Syama Sulphide | Syama Oxide | Syama Total | Mako | Group Total |
|--|-------|----------------|-------------|-------------|-----------|-------------|
| UG Lateral Development | m | 1,931 | - | 1,931 | - | 1,931 |
| UG Vertical Development | m | - | - | - | - | - |
| Total UG Development | m | 1,931 | - | 1,931 | - | 1,931 |
| UG Ore Mined | t | 1,097,480 | - | 1,097,480 | - | 1,097,480 |
| UG Grade Mined | g/t | 2.45 | - | 2.45 | - | 2.45 |
| OP Operating Waste | BCM | - | 2,833,794 | 2,833,794 | 3,211,103 | 6,044,897 |
| OP Ore Mined | BCM | - | 440,253 | 440,253 | 478,350 | 918,603 |
| OP Grade Mined | g/t | - | 1.21 | 1.21 | 1.91 | 1.63 |
| Total Ore Mined | t | 1,097,480 | 900,011 | 1,997,491 | 1,345,862 | 3,343,353 |
| Total Tonnes Processed | t | 960,940 | 804,594 | 1,765,534 | 997,666 | 2,763,200 |
| Grade Processed | g/t | 2.52 | 1.31 | 1.97 | 2.26 | 2.07 |
| Recovery | % | 77.3 | 88.7 | 82.5 | 93.0 | 86.3 |
| Gold Recovered | oz | 60,083 | 30,216 | 90,299 | 67,628 | 157,927 |
| Gold in Circuit Drawdown/(Addition) | oz | 13,142 | 238 | 13,380 | (404) | 12,976 |
| Gold Poured | oz | 73,225 | 30,454 | 103,679 | 67,224 | 170,903 |
| Gold Bullion in Metal Account Movement (Increase)/Decrease | oz | 3,243 | 174 | 3,417 | (603) | 2,814 |
| Gold Sold | oz | 76,468 | 30,628 | 107,096 | 66,621 | 173,717 |
| Achieved Gold Price | \$/oz | - | - | - | - | 1,824 |
| Mining | \$/oz | 486 | 672 | 541 | 527 | 535 |
| Processing | \$/oz | 503 | 612 | 535 | 345 | 460 |
| Site Administration | \$/oz | 139 | 293 | 185 | 125 | 161 |
| Site Operating Costs | \$/oz | 1,128 | 1,577 | 1,261 | 997 | 1,156 |
| Royalties | \$/oz | 107 | 127 | 113 | 91 | 106 |
| By-Product Credits + Corp Admin | \$/oz | (2) | (2) | (2) | - | 55 |
| Total Cash Operating Costs | \$/oz | 1,233 | 1,702 | 1,372 | 1,088 | 1,317 |
| Sustaining Capital + Others | \$/oz | 194 | 183 | 191 | 113 | 160 |
| Total Cash Expenditure | \$/oz | 1,427 | 1,885 | 1,563 | 1,201 | 1,477 |
| Stockpile Adjustments | \$/oz | (76) | 36 | (43) | (47) | (44) |
| Gold in Circuit Movement | \$/oz | 50 | (46) | 22 | (7) | 10 |
| Asset Reclamation & Remediation | \$/oz | 13 | 13 | 13 | 31 | 20 |
| Total Non-Cash Adjustments | \$/oz | (13) | 3 | (8) | (23) | (14) |
| All-In Sustaining Cost (AISC) AISC is calculated on gold poured | \$/oz | 1,414 | 1,888 | 1,555 | 1,178 | 1,463 |

Directors' Report

Syama Gold Mine

At the Syama Gold Mine in Mali (Syama), gold production for 6 months to 30 June 2022 production was 103,679oz at an AISC of \$1,555/oz.

Sulphide Operations

During the first half of 2022, gold production from the Syama sulphide circuit was 73,225oz at an AISC of \$1,414/oz. Gold production from the sulphide circuit increased by 4% in H1 2022 compared to H1 2021 despite the major shutdown occurring during 2022. The consistent improvement in H1 2022 gold production is driven by record levels of processing and roaster throughput, which have been achieved post the major maintenance shut down in February and March 2022. In addition, there has been a significant increase in the recovery of gold in circuit (GIC) from concentrate ponds and equipment cleanout.

Oxide Operations

During H1 2022, production was 30,454oz at an AISC of \$1,888/oz. Oxide mining continued at the Tabakoroni Splay pit and Syama North at Beta and BA04. The focus for Q2 was on pre-stripping activity and preparation for the wet season.

During H1 2022, total tonnes processed from the Syama oxide circuit was 7% higher compared to H1 2021 despite the 7 day planned shutdown for the Oxide reline during 2022. Oxide AISC of \$1,888/oz was impacted by higher diesel and consumables costs, lower grades and higher pre-strip undertaken ahead of the wet season.

Mining recommenced at Tabakoroni with the preparation work underway, this orebody will be the principal ore source for oxide for the remainder of 2022.

Exploration

At Syama, drilling programs continued to evaluate the Sulphide resources located below the historic Oxide open pits at Syama North, with drilling planned for the remainder of 2022. The exploration drilling program at Syama North, initiated in late 2021, recorded significant Oxide and Sulphide gold mineralisation intersections in and around the originally mined out Oxide pits of A21 and Beta/BA-01 located within 4-8 km of the main Syama mining and processing complex.

Diamond and RC drilling recommenced in early 2022 at the A21 and Beta pits. The drilling program targeted the down-dip extensions of the identified zones, with most of the holes intersecting Sulphide mineralisation.

In Senegal, the focus was on near mine exploration to extend the mine life. RC drilling continued at the Petowal West prospect with encouraging intersection of 13m @ 1.4 g./t Au from 7m. The Group also recently signed a joint venture on Laminia permit located 15km from Mako.

Mako Gold Mine

During H1 2022, production from the Mako Gold Mine was 67,224oz at an AISC of \$1,178/oz. During H1 2022, Mako continued to perform to plan, grade was 14% higher in H1 2022 compared to H1 2021 after the completion of the planned cut-back of the main pit that provided access to deeper sections of the deposit in line with the updated Life of Mine Plan.

Directors' Report

Financial Overview

| Profit and Loss Analysis (\$'000s) | H1 2022 Group | H1 2021 Group |
|---|------------------|------------------|
| Revenue | 317,658 | 261,311 |
| Cost of sales excluding depreciation and amortisation | (193,116) | (132,689) |
| Royalties and other operating expenses | (30,030) | (30,173) |
| Administration and other corporate expenses | (7,853) | (9,035) |
| Exploration and business development expenditure | (8,187) | (11,694) |
| EBITDA | 78,472 | 77,720 |
| Depreciation and amortisation | (43,566) | (60,626) |
| Net interest and finance costs | (5,725) | (7,222) |
| Fair value movements and unrealised treasury transactions | (35,440) | (26,282) |
| Other | 3,702 | (2,281) |
| Impairment expense | - | (172,460) |
| Indirect tax expense | (5,451) | (13,101) |
| Net loss before tax | (8,008) | (204,252) |
| Income tax expense | (16,138) | (15,538) |
| Net loss after tax | (24,146) | (219,790) |

Financial Performance

Revenue for H1 2022 was \$318 million, from gold sales of 173,717oz at an average realised price of \$1,824/oz. Earnings before interest tax and depreciation and amortisation (EBITDA) was \$78 million. Resolute reported a Net Loss After Tax of \$24 million. Resolute continued to invest in the business in H1 2022 with capital expenditures on development, property, plant and equipment totalling \$36 million and exploration and evaluation expenditure of \$9 million.

Directors' Report

Financial Position

As at 30 June 2022, Resolute had cash of \$66 million and bullion of \$16 million. In addition at 30 June 2022 the Company had listed investments valued at \$16 million and Promissory notes and asset sale receivables valued at \$69 million. The Group's net debt inclusive of the syndicated facilities in-country overdraft facilities was \$183 million at 30 June 2022. Resolute also held receivables of \$10 million associated with Malian VAT paid and refundable.

Significant Events After Balance Date

On 24 August 2022, Resolute agreed with Asante Gold Corporation (Asante) a deferred payment arrangement for the final tranche of \$30 million (plus \$2.7 million in respect of an environmental bond) previously due on 22 August 2022. The revised payment terms as follows:

- payment of \$10 million on or before 19 September 2022
- payment of \$10 million on or before 19 October 2022
- payment of \$12.7 million and all interest payable on or before 18 November 2022

The terms of the revised pay arrangements under the Share Sale Agreement include payment by Asante of interest on outstanding amounts at commercial rates, Upon receipt of these amounts, \$30 million will be applied to the Company's Revolving Credit Facility (RCF) as a mandatory prepayment (see announcement dated 10 March 2022 for further details).

Other than as disclosed above, no matter or circumstance has occurred subsequent to half-year end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group or economic entity in subsequent financial period.

Auditor's Independence

Refer to page 9 for a copy of the Auditor's Independence Declaration to the Directors of Resolute Mining Limited.

Rounding

Resolute is a company of the kind specified in Australian Securities and Investments Commission Corporations (Rounding in Financial Directors' Reports) Instrument 2016/191. In accordance with that Instrument, amounts in the financial report and the Directors' Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

Signed in accordance with a resolution of the directors.



Terence Holohan
Managing Director & CEO

Perth, Western Australia
25 August 2022



**Building a better
working world**

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Auditor's independence declaration to the directors of Resolute Mining Limited

As lead auditor for the review of the half-year financial report of Resolute Mining Limited for the half-year ended 30 June 2022, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Resolute Mining Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Philip Teale
Partner
25 August 2022

Consolidated Statement of Comprehensive Income

| | Note | For the half year ended 30 June 2022 \$'000 | For the half year ended 30 June 2021 \$'000 |
|---|------|--|--|
| Revenue from contracts with customers for gold and silver sales | 3 | 317,658 | 261,311 |
| Costs of production relating to gold sales | 3 | (193,116) | (132,689) |
| Gross profit before depreciation, amortisation and other operating costs | | 124,542 | 128,622 |
| Depreciation and amortisation relating to gold sales | 3 | (42,411) | (59,421) |
| Other operating costs relating to gold sales | 3 | (30,030) | (30,173) |
| Gross profit from operations | | 52,101 | 39,028 |
| Interest income | 3 | 3,743 | 1,186 |
| Other income | 3 | 4,549 | 264 |
| Exploration and business development expenditure | 3 | (8,187) | (11,694) |
| Impairment of exploration and evaluation assets | 3 | - | (5,087) |
| Impairment of mine properties and property, plant and equipment | 3 | - | (167,373) |
| Administration and other corporate expenses | 3 | (7,562) | (8,511) |
| Share-based payments expense | 3 | (291) | (524) |
| Treasury - realised gains | 3 | 51 | (1,333) |
| Fair value movements and unrealised treasury transactions | 3 | (35,440) | (26,282) |
| Share of associates' losses | 3 | (898) | (1,212) |
| Depreciation of non-mine site assets | 3 | (1,155) | (1,205) |
| Finance costs | 3 | (9,468) | (8,408) |
| Indirect tax expense | 3 | (5,451) | (13,101) |
| Loss before tax | | (8,008) | (204,252) |
| Tax expense | 3&5 | (16,138) | (15,538) |
| Loss for the period | | (24,146) | (219,790) |
| Profit/(Loss) attributable to: | | | |
| Members of the parent | | (24,286) | (183,851) |
| Non-controlling interest | | 140 | (35,939) |
| Loss for the period | | (24,146) | (219,790) |

Consolidated Statement of Comprehensive Income (continued)

| | Note | For the half year ended 30 June 2022 \$'000 | For the half year ended 30 June 2021 \$'000 |
|---|------|--|--|
| Loss for the period (brought forward) | | (24,146) | (219,790) |
| Other comprehensive income/(loss) | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | |
| Exchange differences on translation of foreign operations: | | | |
| - Members of the parent | | (6,363) | (9,143) |
| <i>Items that may not be reclassified subsequently to profit or loss</i> | | | |
| Exchange differences on translation of foreign operations: | | | |
| - Non-controlling interest | | 6,362 | 1,829 |
| Changes in the fair value/realisation of financial assets at fair value through other comprehensive income, net of tax | | (1,045) | (10,981) |
| Other comprehensive loss for the period, net of tax | | (1,046) | (18,295) |
| Total comprehensive loss for the period | | (25,192) | (238,085) |
| Total comprehensive income/ (loss) attributable to: | | | |
| Members of the parent | | (31,694) | (203,975) |
| Non-controlling interest | | 6,502 | (34,110) |
| Total comprehensive loss for the period | | (25,192) | (238,085) |
| Loss per share for net loss attributable for operations to the ordinary equity holders of the parent: | | | |
| Basic loss per share | | (2.20) cents | (16.65) cents |
| Diluted loss per share | | (2.20) cents | (16.65) cents |
| Loss per share for net loss attributable for continuing operations to the ordinary equity holders of the parent: | | | |
| Basic earnings/(loss) per share | | (2.20) cents | (16.65) cents |
| Diluted earnings/(loss) per share | | (2.20) cents | (16.65) cents |

Consolidated Statement of Financial Position

| | Note | 30 June 2022 \$'000 | 31 December 2021 \$'000 |
|---|------|------------------------|-------------------------------|
| Current assets | | | |
| Cash and cash equivalents | | 65,613 | 67,607 |
| Other financial assets – restricted cash | | 1,406 | 9,443 |
| Receivables | 6 | 36,528 | 27,812 |
| Inventories | 7 | 158,925 | 156,589 |
| Financial assets at fair value through other comprehensive income | | 5,429 | 20,828 |
| Prepayments and other assets | | 17,342 | 12,868 |
| Asset sale receivable | 14 | 29,431 | 56,495 |
| Total current assets | | 314,674 | 351,642 |
| Non current assets | | | |
| Income tax asset | | 16,870 | 18,273 |
| Inventories | 7 | 50,425 | 53,918 |
| Investments in associates | | 416 | 1,365 |
| Promissory note receivable | 14 | 39,288 | 40,207 |
| Contingent consideration receivable | 14 | 13,784 | 14,524 |
| Exploration and evaluation | | 2,646 | 2,909 |
| Mine Properties | 8 | 243,776 | 264,491 |
| Property, plant and equipment | | 221,327 | 229,164 |
| Right-of-use assets | | 5,712 | 7,708 |
| Total non current assets | | 594,244 | 632,559 |
| Total assets | | 908,918 | 984,201 |
| Current liabilities | | | |
| Payables | | 79,919 | 91,542 |
| Interest bearing liabilities | 9 | 167,601 | 92,726 |
| Provisions | 10 | 70,640 | 55,717 |
| Current tax liability | | 18,219 | 7,137 |
| Lease liabilities | | 1,815 | 2,991 |
| Total current liabilities | | 338,194 | 250,113 |
| Non current liabilities | | | |
| Interest bearing liabilities | 9 | 99,256 | 223,979 |
| Provisions | 10 | 68,617 | 74,872 |
| Deferred tax liabilities | | 383 | 1,591 |
| Lease liabilities | | 6,950 | 8,086 |
| Total non current liabilities | | 175,206 | 308,528 |
| Total liabilities | | 513,400 | 558,641 |
| Net assets | | 395,518 | 425,560 |

Consolidated Statement of Financial Position (continued)

| | Note | 30 June 2022 \$'000 | 31 December 2021 \$'000 |
|--|------|------------------------|-------------------------------|
| Equity attributable to equity holders of the parent | | | |
| Contributed equity | 11 | 777,021 | 777,021 |
| Reserves | | (11,566) | (3,706) |
| Retained earnings/(accumulated losses) | | (301,968) | (277,682) |
| Total equity attributable to equity holders of the parent | | 463,487 | 495,633 |
| Non-controlling interest | | (67,969) | (70,073) |
| Total equity | | 395,518 | 425,560 |

Consolidated Statement of Changes in Equity

| | Contributed equity | Net unrealised gain/(loss) reserve | Employee equity benefits reserve | Foreign currency translation reserve | Retained earnings/ accumulated losses | Non-controlling interest | Non-controlling interest of disposal group held for sale | Total |
|---|--------------------|------------------------------------|----------------------------------|--------------------------------------|---------------------------------------|--------------------------|--|-----------------|
| At 1 January 2022 | 777,021 | (8,631) | 19,813 | (19,040) | (273,530) | (70,073) | - | 425,560 |
| Profit/(Loss) for the period | - | - | - | - | (24,286) | 140 | - | (24,146) |
| Other comprehensive (loss)/income, net of tax | - | (1,045) | - | (6,363) | - | 6,362 | - | (1,046) |
| Total comprehensive (loss)/income for the period, net of tax | - | (1,045) | - | (6,363) | (24,286) | 6,502 | - | (25,192) |
| Dividend paid | - | - | - | - | - | (4,398) | - | (4,398) |
| Share-based payments to employees | - | - | (452) | - | - | - | - | (452) |
| At 30 June 2022 | 777,021 | (9,676) | 19,361 | (25,403) | (297,816) | (67,969) | - | 395,518 |

| | Contributed equity | Net unrealised gain/(loss) reserve | Employee equity benefits reserve | Foreign currency translation reserve | Retained earnings/ accumulated losses | Non-controlling interest | Non-controlling interest of disposal group held for sale | Total |
|---|--------------------|------------------------------------|----------------------------------|--------------------------------------|---------------------------------------|--------------------------|--|------------------|
| At 1 January 2021 | 777,021 | 4,350 | 18,607 | (2,934) | 45,673 | (20,629) | (6,981) | 815,107 |
| Loss for the period | - | - | - | - | (183,851) | (35,667) | (272) | (219,790) |
| Other comprehensive (loss)/income, net of tax | - | (10,981) | - | (9,143) | - | 1,829 | - | (18,295) |
| Total comprehensive (loss)/income for the period, net of tax | - | (10,981) | - | (9,143) | (183,851) | (33,838) | (272) | (238,085) |
| Share-based payments to employees | - | - | 561 | - | - | - | - | 561 |
| At 30 June 2021 | 777,021 | (6,631) | 19,168 | (12,077) | (138,178) | (54,467) | (7,253) | 577,583 |

Consolidated Cash Flow Statement

| | For the half year ended 30 June 2022 \$'000 | For the half year ended 30 June 2021 \$'000 |
|---|--|--|
| Cash flows from operating activities | | |
| Receipts from customers | 317,200 | 261,224 |
| Payments to suppliers, employees and others | (249,904) | (204,504) |
| Exploration and business development expenditure | (7,268) | (8,632) |
| Net Interest | (7,834) | (8,106) |
| Indirect tax paid | (4,896) | - |
| Income tax paid | (2,549) | - |
| Net cash inflows from operating activities | 44,749 | 39,984 |
| Cash flows used in investing activities | | |
| Payments for property, plant & equipment | (20,866) | (15,645) |
| Payments for development activities | (14,895) | (15,688) |
| Payments for evaluation activities | (1,305) | (2,999) |
| Proceeds from disposal of financial assets at fair value through other comprehensive income | 18,121 | 1,686 |
| Payments for financial assets at fair value through other comprehensive income | - | (1,210) |
| Other investing activities | (356) | (461) |
| Refund of deposit relating to assets held for sale | - | (5,445) |
| Proceeds from sale of assets held for sale | 30,000 | 1,000 |
| Net cash flows From/(used in) investing activities | 10,699 | (38,762) |
| Cash flows from/(used in) financing activities | | |
| Repayment of borrowings | (55,000) | (23,462) |
| Proceeds from drawdown of finance facilities | - | - |
| Subsidiary dividend paid to non-controlling interest | (3,069) | - |
| Repayment of lease liability | (1,960) | (6,115) |
| Net cash flows used in financing activities | (60,029) | (29,577) |
| Net decrease in cash and cash equivalents | (4,581) | (28,355) |
| Cash and cash equivalents at the beginning of the period | 25,237 | 55,226 |
| Exchange rate adjustment | 381 | (284) |
| Cash and cash equivalents at the end of the period | 21,038 | 26,587 |
| Cash and cash equivalents comprise the following: | | |
| Cash at bank and on hand | 65,613 | 52,732 |
| Bank overdraft | (44,575) | (26,145) |
| Cash and cash equivalents at the end of the period | 21,038 | 26,587 |

Notes to the Financial Statements

Note 1: Corporate Information

The financial report of Resolute Mining Limited and its controlled entities ("Resolute", the "Group" or "consolidated entity") for the half year ended 30 June 2022 was authorised for issue in accordance with a resolution of directors on 25 August 2022.

Resolute Mining Limited (the parent) is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange and the London Stock Exchange.

The principal activities of entities within the consolidated entity during the half year were:

- gold mining; and,
- prospecting and exploration for minerals.

There has been no significant change in the nature of those activities during the half year.

Note 2: Basis of Preparation and Summary of Significant Accounting Practices

a) Basis of Preparation

This interim financial report for the half year ended 30 June 2022 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

It is recommended that the half year financial report be read in conjunction with the Annual Report for the year ended 31 December 2021 and considered together with any public announcements made by Resolute Mining Limited during the half year ended 30 June 2022 in accordance with the continuous disclosure obligations of the Australian Securities Exchange listing rules and London Stock Exchange rules. The consolidated financial report is presented in United States dollars ("US\$") rounded to the nearest thousand dollars, unless otherwise stated.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

At 30 June 2022, Resolute has total current assets of \$315 million and total current liabilities of \$338 million representing a net current liability position of \$24 million. The Group generated cash inflow of \$45 million from operating activities for the half-year ended 30 June 2022 and forecasts to continue generating positive operating cash inflows for the remainder of the financial year. At 30 June 2022, the Group had cash on hand of \$66 million and available undrawn funds of \$30 million on its Revolving Credit Facility. Considering the available cash, undrawn facility and forecast positive operating cash flows the Group expects to fund this net current asset shortfall.

Notes to the Financial Statements

Note 3: Segment revenue and expenses

| For the half year ended 30 June 2022 | Mako (Senegal) \$'000 | Syama (Mali) \$'000 | Unallocated (b) Corp/Other \$'000 | Total \$'000 |
|--|-----------------------------|------------------------|--|------------------|
| Revenue | | | | |
| Gold and silver sales at spot to external customers | 122,746 | 194,912 | - | 317,658 |
| Total segment gold and silver sales revenue | 122,746 | 194,912 | - | 317,658 |
| Costs of production | (58,976) | (124,190) | - | (183,166) |
| Gold in circuit inventories movement | 342 | (10,292) | - | (9,950) |
| Costs of production relating to gold sales | (58,634) | (134,482) | - | (193,116) |
| Royalty expense | (6,137) | (12,865) | - | (19,002) |
| Operational support costs | (8,986) | (2,042) | - | (11,028) |
| Other operating costs relating to gold sales | (15,123) | (14,907) | - | (30,030) |
| Administration and other corporate expenses | (2,543) | (748) | (4,271) | (7,562) |
| Share-based payments expense | - | - | (291) | (291) |
| Exploration and business development | (2,928) | (5,075) | (184) | (8,187) |
| Earnings/(loss) before interest, tax, depreciation | 43,518 | 39,700 | (4,746) | 78,472 |
| Amortisation of evaluation, development and rehabilitation costs | (15,228) | (12,459) | - | (27,687) |
| Depreciation of mine site properties, plant and equipment | (6,017) | (8,707) | - | (14,724) |
| Depreciation and amortisation relating to gold | (21,245) | (21,166) | - | (42,411) |
| Segment operating result before treasury, other income/(expenses) and tax | 22,273 | 18,534 | (4,746) | 36,061 |
| Interest income | - | - | 3,743 | 3,743 |
| Other Income | - | 15 | 4,534 | 4,549 |
| Interest and fees | (47) | (1,619) | (7,170) | (8,836) |
| Rehabilitation and restoration provision accretion | (199) | (433) | - | (632) |
| Finance costs | (246) | (2,052) | (7,170) | (9,468) |
| Realised foreign exchange gain (loss) | 660 | 1,393 | (2,002) | 51 |
| Treasury - realised gains (loss) | 660 | 1,393 | (2,002) | 51 |
| Inventories net realisable value movements and obsolete consumables | (1,638) | (155) | - | (1,793) |
| Unrealised foreign exchange gain/(loss) | (2,252) | - | (8,134) | (10,386) |
| Unrealised foreign exchange loss on intercompany balances | - | - | (23,261) | (23,261) |
| Fair value movements and unrealised treasury transactions | (3,890) | (155) | (31,395) | (35,440) |
| Share of associates' losses | - | - | (898) | (898) |
| Depreciation of non-mine site assets | (78) | - | (1,077) | (1,155) |
| Indirect tax expense | - | (5,389) | (62) | (5,451) |
| Income tax (expense)/benefit | (11,388) | (2,057) | (2,693) | (16,138) |
| (Loss)/profit for the period | 7,331 | 10,289 | (41,766) | (24,146) |

Notes to the Financial Statements

Note 3: Segment revenue and expenses (continued)

| For the half year ended 30 June 2021 | Mako (Senegal) \$'000 | Syama (Mali) \$'000 | Unallocated (b) Corp/Other \$'000 | Total \$'000 |
|--|-----------------------------|---------------------------|--|------------------|
| Revenue | | | | |
| Gold and silver sales at spot to external customers (a) | 103,292 | 158,019 | - | 261,311 |
| Total segment gold and silver sales revenue | 103,292 | 158,019 | - | 261,311 |
| Costs of production | (30,652) | (122,023) | - | (152,675) |
| Gold in circuit inventories movement | 1,411 | 18,575 | - | 19,986 |
| Costs of production relating to gold sales | (29,241) | (103,448) | - | (132,689) |
| Royalty expense | (5,165) | (10,591) | - | (15,756) |
| Operational support costs | (8,749) | (2,932) | (2,736) | (14,417) |
| Other operating costs relating to gold sales | (13,914) | (13,523) | (2,736) | (30,173) |
| Administration and other corporate expenses | (2,286) | (774) | (5,451) | (8,511) |
| Share-based payments expense | - | - | (524) | (524) |
| Exploration and business development expenditure | (1,525) | (1,811) | (8,358) | (11,694) |
| Earnings/(loss) before interest, tax, depreciation and amortisation | 56,326 | 38,463 | (17,069) | 77,720 |
| Amortisation of evaluation, development and rehabilitation costs | (7,199) | (3,035) | - | (10,234) |
| Depreciation of mine site properties, plant and equipment | (21,741) | (27,446) | - | (49,187) |
| Depreciation and amortisation relating to gold sales | (28,940) | (30,481) | - | (59,421) |
| Segment operating result before treasury, other income/(expenses) and tax | 27,386 | 7,982 | (17,069) | 18,299 |
| Interest income | - | - | 1,186 | 1,186 |
| Other Income | - | - | 264 | 264 |
| Interest and fees | (314) | (1,283) | (6,882) | (8,479) |
| Gain on remeasurement for debt modification | - | - | 316 | 316 |
| Rehabilitation and restoration provision accretion | (82) | (163) | - | (245) |
| Finance costs | (396) | (1,446) | (6,566) | (8,408) |
| Realised foreign exchange gain | (878) | (193) | (262) | (1,333) |
| Realised gain on fair value movement | - | - | - | - |
| Treasury - realised gains | (878) | (193) | (262) | (1,333) |
| Inventories net realisable value movements and obsolete consumables | (19,036) | (705) | - | (19,741) |
| Unrealised foreign exchange gain/ (loss) | 1,163 | (3) | (5,986) | (4,826) |
| Unrealised foreign exchange loss on intercompany | - | - | (1,715) | (1,715) |
| Fair value movements and unrealised treasury transactions | (17,873) | (708) | (7,701) | (26,282) |
| Share of associates' losses | - | - | (1,212) | (1,212) |
| Depreciation of non-mine site assets | (72) | - | (1,133) | (1,205) |
| Impairment of exploration and evaluation assets | (4,827) | - | (260) | (5,087) |
| Impairment of mine properties and property, plant and equipment | - | (167,373) | - | (167,373) |
| Indirect tax expense | (7,000) | (5,586) | (515) | (13,101) |
| Income tax (expense)/benefit | (230) | (11,462) | (3,846) | (15,538) |
| Loss for the period | (3,890) | (178,786) | (37,114) | (219,790) |

Notes to the Financial Statements

Note 3: Segment revenue and expenses (continued)

- (a) Revenue from external sales for each reportable segment is derived from several customers.
- (b) This information does not represent an operating segment as defined by AASB 8 and forms part of the reconciliation of the results and positions of the operating segments to the financial statements.

Note 4: Dividend

There were no interim dividends paid or provided for Resolute Mining Limited during the half year end up to the date of this report (half year ended 30 June 2021: \$nil).

Note 5: Taxes

At 30 June 2022, the Group recognised an income tax expense of \$16 million (30 June 2021: \$16 million). The Income tax expense comprises current income tax of \$15 million and \$1 million of deferred tax expense.

Note 6: Receivables

Current receivables of \$37 million at 30 June 2022 (31 December 2021: \$28 million) primarily relate to indirect taxes owing to the Group by the Republic of Mali and Senegal.

Note 7: Inventories

| | 30 June 2022 \$'000 | 31 December 2021 \$'000 |
|--|------------------------|----------------------------|
| Current | | |
| Ore stockpiles - at cost | 31,391 | 47,054 |
| Ore stockpiles - at net realisable value | 27,841 | 6,381 |
| Gold in circuit - at cost | 11,949 | 22,353 |
| Gold in circuit - at net realisable value | 3,626 | 1,503 |
| Gold bullion on hand - at cost | 10,992 | 15,697 |
| Gold bullion on hand - at net realisable value | 1,472 | 1,722 |
| Consumables at cost | 71,654 | 61,879 |
| Total Inventory (current) | 158,925 | 156,589 |
| Non Current | | |
| Ore stockpiles - at cost | 3,136 | 1,935 |
| Ore stockpiles - at net realisable value | 4,153 | 6,559 |
| Gold in circuit - at cost | 43,136 | 45,424 |
| Total Inventory (non current) | 50,425 | 53,918 |

Note 8: Mine properties

At 30 June 2022, the Group's mine properties amount to \$244 million (31 December 2021: \$264 million). During the six-month period to 30 June 2022, further payments for development activities were made of \$15 million.

Notes to the Financial Statements

Note 9: Interest bearing liabilities

| | 30 June 2022 | 31 December 2021 |
|---|----------------|------------------|
| | \$'000 | \$'000 |
| Interest bearing liabilities (current) | | |
| Bank overdraft | 44,575 | 42,370 |
| Insurance premium funding | 2,869 | 109 |
| Borrowings | 120,157 | 50,247 |
| Total Interest bearing liabilities (current) | 167,601 | 92,726 |
| Interest bearing liabilities (non current) | | |
| Borrowings | 99,256 | 223,979 |
| Total Interest bearing liabilities (non current) | 99,256 | 223,979 |
| Total | 266,857 | 316,705 |

On 28 March 2022, the Group extended the due date of the Revolving Credit Facility (RCF). Details of the revised repayment terms of the RCF are as follows:

- \$30.0 million in August 2022 upon receipt of the third tranche of the Bibiani sale consideration*
- \$20.0 million in January 2023
- \$20.0 million in March 2023 in line with the original RCF maturity date
- the final \$80.0 million in March 2024.

*The \$30.0 million August 2022 payment is only payable if Resolute receives the third payment instalment under the sale agreement between it and Asante Gold Corporation in respect of the sale of the Bibiani Gold Mine. Should this not be received, the Group will instead be required to make three \$10.0 million repayment instalments in June 2023, September 2023 and December 2023.

The interest rate under the SFA has also been amended so that reference to the Screen Rate for Facility A (currently, LIBOR) is changed to Secured Overnight Financing Rate ("SOFR").

There are no changes to the repayment schedule of the \$150 million Term Loan Facility, with amortisation remaining in line with the previous biannual repayment schedule (each March and September).

In the six months to 30 June 2022, the Group made voluntary repayment of the RCF of \$30 million.

Note 10: Provisions

| | 30 June 2022 | 31 December 2021 |
|---|---------------|------------------|
| | \$'000 | \$'000 |
| Current | | |
| Site restoration | 2,244 | 1,795 |
| Employee entitlements | 3,769 | 2,511 |
| Provision for indirect taxes ¹ | 62,800 | 50,381 |
| Other provision | 1,827 | 2,478 |
| Total provisions (current) | 70,640 | 57,165 |
| Non Current | | |
| Site restoration | 67,712 | 72,172 |
| Employee entitlements | 905 | 1,252 |
| Total provisions (non current) | 68,617 | 73,424 |

1. Based on the facts and circumstances at 30 June 2022 and in line with requirements of the accounting standards, the Group has provided an additional \$6 million in respect of a withholding tax claim by the Senegalese tax authority. The factual basis and validity of these demands are being strongly disputed by Resolute due to fundamental misinterpretations of the application of certain tax. Resolute continues to work with its legal and tax advisors to contest the demand and will resist any efforts to enforce payment. The demand for Income Tax has been disclosed as a contingent liability.

Notes to the Financial Statements

Note 11: Contributed Equity

| | Total Number | Number Quoted | \$'000 |
|---|----------------------|----------------------|----------------|
| At 1 January 2022 | 1,103,931,520 | 1,103,931,520 | 777,021 |
| Changes during current period, net of issue costs: | | | |
| Issue of shares to employees upon vesting of performance rights | 287,849 | 287,849 | - |
| At 30 June 2022 | 1,104,219,369 | 1,104,219,369 | 777,021 |

| | Issue Date | Total Number | Fair Value per Right at Grant Date | Vesting Date |
|------------------------------------|------------|-------------------|------------------------------------|--------------|
| Performance rights on issue | | | | |
| Band A1 and A2 | 26/10/2018 | 25,853 | \$0.92 | 30/06/2021 |
| Band A1 and A2 | 21/05/2019 | 111,509 | \$0.93 | 31/12/2021 |
| Band A1 and A2 | 22/05/2020 | 942,280 | \$0.85 | 31/12/2022 |
| Band A0 | 22/05/2020 | 194,352 | \$0.56 | 31/12/2022 |
| Band A1 and A2 | 14/07/2021 | 443,716 | \$0.43 | 31/12/2023 |
| Band A1, A2 and B1 | 14/07/2021 | 1,703,599 | \$0.57 | 31/12/2023 |
| Band B1 | 06/12/2021 | 211,276 | \$0.37 | 31/12/2023 |
| Band B1 | 06/12/2021 | 219,942 | \$0.31 | 31/12/2023 |
| Band A1 and A2 | 06/12/2021 | 264,171 | \$0.32 | 31/12/2023 |
| Band A0, A1, A2 and B1 | 22/06/2022 | 8,516,376 | \$0.26 | 31/12/2024 |
| As at 30 June 2022 | | 12,633,074 | | |

| | Date of Change | Total Number | Fair Value per Right at Grant Date | Vesting Date |
|---|----------------|-------------------|------------------------------------|--------------|
| Opening number of performance rights | | 7,742,733 | | |
| Decrease through lapsing of performance rights (Band A1 to A2) | 28/06/2022 | (9,708) | \$0.92 | 30/06/2021 |
| Decrease through lapsing of performance rights (Band A0) | 09/05/2022 | (320,233) | \$0.88 | 31/12/2021 |
| Decrease through conversion of shares upon vesting of performance rights (Band A0) | 28/06/2022 | (106,744) | \$0.88 | 31/12/2021 |
| Decrease through lapsing of performance rights (Band A1 to A2) | 09/05/2022 | (440,967) | \$0.93 | 31/12/2021 |
| Decrease through conversion of shares upon vesting of performance rights (Band A1 to A2) | 28/06/2022 | (35,480) | \$0.93 | 31/12/2021 |
| Decrease through lapsing of performance rights (Band A0) | 09/05/2022 | (375,000) | \$0.49 | 31/12/2021 |
| Decrease through conversion of shares upon vesting of performance rights (Band A0) | 28/06/2022 | (125,000) | \$0.49 | 31/12/2021 |
| Decrease through lapsing of performance rights (Band A1 to A2) | 09/05/2022 | (32,751) | \$0.78 | 31/12/2021 |
| Decrease through conversion of shares upon vesting of performance rights (Band A1 to A2) | 28/06/2022 | (10,917) | \$0.78 | 31/12/2021 |
| Decrease through lapsing of performance rights (Band A1 to A2) | 06/05/2022 | (264,343) | \$0.85 | 31/12/2022 |
| Decrease through lapsing of performance rights (Band A0) | 06/05/2022 | (904,892) | \$0.57 | 31/12/2023 |
| Decrease through lapsing of performance rights (Band A0) | 06/05/2022 | (1,000,000) | \$0.48 | 31/03/2024 |
| Increase through issue of performance rights to eligible employees (Band A0, A1, A2 and B1) | 22/06/2022 | 8,516,376 | \$0.26 | 31/12/2024 |
| Closing number of performance rights | | 12,633,074 | | |

*The terms and conditions of the Remuneration Framework are consistent with those disclosed in the Annual Report for the year ended 31 December 2021 and the Notice of Annual General Meeting sent to shareholders on 14 April 2022.

Notes to the Financial Statements

Note 12: Gold forward contracts

As part of its risk management policy, the Group enters into gold forward contracts to manage the gold price of a proportion of anticipated sales of gold. Average Contracted Gold Sale Price per oz (\$)

Gold forward contracts commitment at 30 June 2022 (not recorded as derivatives):

| | Average Contracted Gold Sale Price per oz (\$) | Gold for Physical Delivery oz | Value of Committed sales \$'000 |
|--------------------------|--|-------------------------------|---------------------------------|
| 30 June 2022 | | | |
| Within one year | 1,856 | 175,000 | 324,725 |
| Within one and two years | 1,931 | 55,000 | 106,230 |
| Total | | 230,000 | 430,955 |

Note 13: Events Occurring after Balance Date

On 24 August 2022, Resolute agreed with Asante Gold Corporation (Asante) a deferred payment arrangement for the final tranche of \$30 million (plus \$2.7 million in respect of an environmental bond) previously due on 22 August 2022. The revised payment terms are over 90 days from the original payment date as follows:

- payment of \$10 million on or before 19 September 2022
- payment of \$10 million on or before 19 October 2022
- payment of \$12.7 million and all interest payable on or before 18 November 2022

The terms of the revised pay arrangements under the Share Sale Agreement include payment by Asante of interest on outstanding amounts at commercial rates. Upon receipt of these amounts, \$30 million will be applied to the Company's Revolving Credit Facility (RCF) as a mandatory prepayment (see announcement dated 10 March 2022 for further details).

Other than as disclosed above, no matter or circumstance has occurred subsequent to half-year end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group or economic entity in subsequent financial period.

Note 14: Asset sale receivable and Contingent consideration

At 30 June 2022, the Group's current asset sale receivable relates to the discounted amount for final \$30 million from the Bibiani disposal. The Group's non-current promissory note receivable and contingent consideration amounting to \$39 million and \$14 million (31 December 2021: \$40 million and \$15 million) pertains to the proceeds from the Ravenswood disposal.

Notes to the Financial Statements

Note 15: Impairment testing

In accordance with the Group's accounting policies, each asset or cash-generating unit (CGU) is evaluated to determine whether there are any indications of impairment. If any such indications of impairment exist, a formal estimate of the recoverable amount is performed.

In assessing whether an impairment is required, the carrying value of the asset or CGU is compared with its recoverable amount. The recoverable amount is the higher of the CGU's fair value less costs of disposal (FVLCD) and value in use (VIU). Recoverable amount has been determined based on FVLCD. Given the nature of the Group's activities, information on the fair value of an asset is usually difficult to obtain unless negotiations with potential purchasers or similar transactions are taking place. Consequently, the FVLCD for each CGU is estimated based on discounted future estimated cash flows (expressed in real terms) expected to be generated from the continued use of the CGUs using market-based gold price assumptions, the level of proved and probable reserves and measured, indicated and inferred mineral resources, estimated quantities of recoverable gold, production levels, operating costs and capital requirements, including any expansion projects, and its eventual disposal, based on the CGU latest life of mine (LOM) plans. These cash flows are discounted using a real post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU. When LOM plans do not fully utilise existing mineral properties for a CGU, and options exist for the future extraction and processing of all or part of those resources, an estimate of the value of mineral properties is included in the determination of fair value.

The determination of FVLCD for each CGU are considered to be Level 3 fair value measurements, as they are derived from valuation techniques that include inputs that are not based on observable market data. The Group considers the inputs and the valuation approach to be consistent with the approach taken by market participants.

Impairment indicator assessment

At 30 June 2022, Resolute's quoted market capitalisation was lower than its net asset carrying value. This represents an indicators of impairment. As a result, an impairment test was performed to determine the recoverable amounts for all CGU's of the Group, being the Syama Gold Mine and the Mako Gold Mine using the FVLCD method.

Syama CGU

Syama indicator assessment

Whilst Syama's H1 2022 forecast production and cost remain in line with budget, as a result of the general indicator of impairment noted above, a formal impairment test was performed to determine the recoverable amount for the Syama CGU.

Key Assumptions used to determine recoverable amount

The table below summarises the key assumptions used in the carrying value assessment:

| | 30 June 2022 | 31 December 2021 |
|-------------------------------|--------------|------------------|
| Gold price (\$/oz) | 1,867-1,511 | 1,777-1,467 |
| Discount rate (post tax real) | 14.5% | 14.0% |
| Unmined resources (\$/oz) | \$20-\$54 | \$20-\$54 |

Notes to the Financial Statements

Note 15: Impairment testing (continued)

Gold prices

Gold prices are estimated with reference to external market forecasts based on a consensus view of market experts.

Unmined resources

Unmined resources which are not included in the life-of-mine plan as result of the current assessment of economic returns, timing of specific production alternatives and the prevailing economic environment have been valued and included in the assessed fair value.

Operating costs

Life-of-mine operating cost assumptions are based on the Group's latest budget and life-of mine plans. Operating cost assumptions reflect an assumption of maintaining current cost, over the long term, without including expected improvements over the life of mine.

Recognition

As a result of the analysis performed, there is no impairment loss recognised for Syama CGU for H1 2022.

Syama Sensitivity Analysis

It was estimated that reasonable possible changes in key assumptions, in isolation, would have had the following approximate impact on the (impairment loss) or reversal of impairment recognised for the Syama CGU as at 30 June 2022.

| | Increase in key assumption \$'000 | Decrease in key assumption \$'000 |
|--|--------------------------------------|--------------------------------------|
| 10% change in gold price (\$ per oz) | 187,951 | (110,939) |
| 10% change in value of unmined resources | 65,977 | - |
| 10% change in operating cost | (49,225) | 127,605 |

Notes to the Financial Statements

Note 15: Impairment testing (continued)

Mako CGU

Mako indicator assessment

Whilst Mako's 2022 forecast production and cost remain in line with budget, as a result of the general indicator of impairment noted above, a formal impairment test was performed to determine the recoverable amount for the Mako CGU.

Key Assumptions

The table below summarises the key assumptions used in the carrying value assessment:

| | 30 June 2022 | 31 December 2021 |
|-------------------------------|--------------|------------------|
| Gold price (\$/oz) | 1,867-1,511 | 1,777-1,467 |
| Discount rate (post tax real) | 12.7% | 10.5% |
| Unmined resources (\$/oz) | \$44 | \$44 |

Gold prices

Gold prices are estimated with reference to external market forecasts based on a consensus view of market experts.

Discount rate

In determining the recoverable amount of assets, the future cash flows were discounted using rates based on the CGU's estimated real weighted average cost of capital, with an additional premium applied having regard to the CGU's risk profile.

Operating costs

Life-of-mine operating cost assumptions are based on the Group's latest budget and life-of mine plans. Operating cost assumptions reflect an assumption of maintaining current cost, over the long term, without including expected improvements over the life of mine.

Recognition

As a result of the analysis performed, there is no impairment loss recognised for Mako CGU for H1 2022.

Mako Sensitivity Analysis

It was estimated that reasonable possible changes in key assumptions, in isolation, would have had the following approximate impact on the (impairment loss) or reversal of impairment recognised for the Mako CGU as at 30 June 2022.

| | Increase in key assumption \$'000 | Decrease in key assumption \$'000 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| 10% change in gold price (\$ per oz) | 60,937 | (61,277) |
| 2% change in discount rate | (6,491) | 6,718 |
| 10% change in operating cost | (36,697) | 36,393 |

Directors' Declaration

In the opinion of the directors:

- a) the financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance, as required by Accounting Standards, for the half year ended on that date.
- b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made in accordance with a resolution of the directors.



Terence Holohan
Managing Director & CEO

Perth, Western Australia
25 August 2022

Independent auditor's review report to the members of Resolute Mining Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Resolute Mining Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2022 and of its consolidated financial performance for the half year ended on that date; and
- b. Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half year financial report

The directors of the Company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

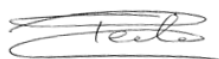
Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2022 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young



Philip Teale
Partner
Perth
25 August 2022