

# APPENDIX 4D

Half year ended 31 December

01

## HIGHLIGHTS

- **Reported half year net profit after tax attributable to members of \$23m.**
- **Positive cash flow from operations in excess of \$50m despite weaker gold price environment.**
- **Half year gold production was 182,405 ounces at a cash cost of \$937/oz.**
- **Full year gold production guidance reaffirmed at 345,000 ounces at a cash cost of \$890/oz, and All-in-Sustaining Cost of \$1,175/oz for FY2014.**
- **Total market value of group cash, bullion and investments of \$50m at 31 December 2013.**
- **Modified Syama expansion project delivers US\$31m in capital expenditure savings.**
- **Progressing towards 100% ownership of Bibiani Gold Project in Ghana.**
- **Unhedged production with strong leverage to gold price – profitable and cash generating over wide gold price range.**

## FINANCIAL RESULTS

- Revenue from gold sales down 14% to \$286m (1H 2013: \$334m) due to weaker gold price.
- Average cash price received on 202,965 ounces of gold sold (1H 2013: 205,892 ounces) was \$1,406/oz (1H 2013: \$1,619/oz).
- Average cash cost per ounce of gold produced was \$937/oz (\$787/oz). A weaker AUD contributed towards the increase in reported AUD costs per ounce.
- Profit margins were impacted by a lower gold price and higher cash costs.
- Net profit after tax attributable to members of \$23.3m (1H 2013: \$96.1m).
- Net operating cash inflows (including exploration expenditure) during the half year were \$52.7m (1H 2013: \$87.9m).
- Net investing cash outflows of \$69.4m (1H 2013: \$87.2m) included \$45.0m of development expenditure, primarily for the Syama Expansion Project, and \$18.4m of evaluation expenditure, mostly for the acquisition of the remaining 40% interest in the Finkolo prospecting area in Mali.
- Net financing inflows of \$19.8m (1H 2013: \$37.9m outflow) including \$24.0m received from new borrowings.

## OPERATIONS

- The Group gold production for the half year was 182,405 ounces (1H 2013: 222,943) at an average cash cost of \$937/oz (1H 2013: \$787/oz).

- Syama gold mine in Mali, Africa, produced 72,528 ounces (1H 2013: 91,460) of gold at a cash cost of \$1,079/oz (or US\$992/oz) (1H 2013: \$831/oz or US\$863/oz). Both gold production and cash costs during the half year were adversely impacted by a major planned maintenance shutdown at Syama in July 2013.
- Ravenswood gold mine in Queensland, Australia, produced 72,680 ounces (1H 2013: 69,071) of gold at a cash cost of \$811/oz (1H 2013: \$785/oz).
- Golden Pride gold mine in Tanzania, Africa, produced 37,197 ounces (1H 2013: 62,412) of gold at a cash cost of \$906/oz (or US\$831/oz) (1H 2013: \$727/oz or US\$755/oz). Gold production at Golden Pride ceased in December, and the mine is now in care and maintenance with rehabilitation and restoration works underway.
- All In Sustaining Costs (“AISC”) for the half year were Syama – \$1,346/oz, Ravenswood – \$1,017/oz, Golden Pride – \$1,052/oz and for the Group – \$1,162/oz. Syama’s AISC included \$5.9m of waste stripping expenditure capitalised during the year.

## DEVELOPMENT

### *Mali*

- Syama Expansion Project (“SEP”) well progressed with total forecast capital spend reduced to US\$235m (previously US\$266m). Project reached 55% completion at 31 December 2013 with total expenditure to that date of US\$121m.
- Parallel oxide circuit remains on schedule for January 2015 commissioning.
- Resolute completed a major portion of the purchase of the remaining 40% interest in the Finkolo Joint Venture south of Syama that includes the 800,000oz Au Tabakoroni deposit and commenced infill and extension drilling.

### *Queensland*

- At Mt Wright an updated life of mine plan was prepared which incorporated scenarios for mining below the 600RL.

## EXPLORATION

Exploration drilling was carried out in Mali, Tanzania and Queensland while target definition work continued in Cote d’Ivoire.

### *Mali*

- A regional air core program commenced to explore an untested 16km portion of the Syama mineralised corridor between the Syama and Tabakoroni deposits.

### *Queensland*

- Reverse circulation drilling was carried out on the Nolans East and Buck Reef West Prospects as part of a program of building new open pit resources for the Sarsfield Expansion Project.

## CORPORATE

- The market value of group cash, bullion and liquid investments at the end of the period was \$50m (1H 2013: \$108m) comprising of \$7m in cash, gold bullion held in metal accounts with a market value of \$8m, and liquid investments of \$35m.

- In October 2013, Resolute drew down on a newly established US\$20 million extension to the existing secured loan facility jointly provided by Barclays Bank Plc and Investec Bank (Australia). The additional loan is repayable in gold ounces in 24 equal instalments of 660oz per month between November 2013 and October 2015 inclusive.
- Deed of Company Arrangement (“DOCA”) was signed regarding Noble Mineral Resources Limited (ASX: NMG, “Noble”) in November 2013. Execution of the DOCA will see Resolute move to become the 100% owner and operator of the Bibiani gold project in Ghana, subject to satisfaction of certain outstanding conditions. Resolute has also entered into an interim funding agreement with the Deed Administrator in order to support the Scheme of Arrangement process with respect to Noble’s Ghanaian subsidiaries. Resolute has advanced \$8.5 million under this agreement. The investment in Bibiani has been carefully considered by Resolute and it continues to believe in the underlying value of the Bibiani gold project. Additional restructuring and holding costs since Resolute last assessed the carrying value of the Noble investment (30 June 2013) has caused an additional impairment charge to the investment of \$18m in the six month period.

## OUTLOOK

### *Operations*

- The Company’s production guidance of 345,000 ounces at an average cash cost of \$890 per ounce and All-In-Sustaining Cost of \$1,175 per ounce for FY2014 is reaffirmed.
- Increased gold production at Syama operation in Mali in the second half of FY 2014 is the key driver for the projected lower cash costs per ounce in the second half.
- At Golden Pride, Tanzania closure activities will continue during the second half FY2014 as decommissioning of the treatment plant commences.

### *Development and Exploration*

- In Mali, SEP expenditure for the second half of FY2014 is estimated to be US\$28m. Expenditure post FY 2014 is projected to be US\$86m and approximately half of this is related to the 72km High Voltage Grid Connection. While the construction schedule for the connection is 12 months, its commencement depends on concluding several agreements with various Malian authorities.
- Independent technical advisors, Snowden Mining Consultants (“Snowden”) are expected to complete a Prefeasibility Study (“PFS”) for the underground development of the 2.9M ounces of gold resource beneath the Syama open pit. During their review of all the geotechnical information, Snowden was able to determine that the ore body could support an underground caving mining method. Work is continuing on selection of the optimal stoping method, mine layout and mine production rate on the basis of the current resource inventory. Snowden are expected to complete the PFS in the March 2014 quarter.
- A first phase 5,000m diamond core drill program to increase drilling density at depth and assist in improving the resource model definition has commenced. By 31 December, two diamond holes had been completed for 977m and drilling was progressing on the third hole. Results of this drill program are expected in the June 2014 quarter.
- In Queensland, subsequent to the half year end, Resolute announced a 46% increase in ore reserves at the Mt Wright gold mine. The additional 1.7Mt of ore and 137,000oz of

gold defined extend mining and processing operations at Mt Wright until at least the September quarter 2016.

- The Company is also continuing to seek opportunities which improve project economics for the re-development of the Sarsfield open cut pit including the potential to identify further increases in the mineral resource base. Evaluation drilling programs to identify resource increases were completed along strike both in the Nolans East area and nearby at the Buck Reef West deposit.
- A reverse circulation drilling campaign commenced in September 2013 at Buck Reef West is continuing. Results to date suggest that a resource amenable to open pit mining is likely to be defined. On completion of the drill program a new resource calculation will be made.

### **Corporate**

- Positive cash flow generation from operations is expected to enable a conservative balance sheet to be maintained. This provides a strong base for an active but disciplined examination of new growth opportunities, including funding feasibility studies for the Bibiani project in Ghana.
- Work will continue towards seeking Ghanaian ministerial consent to the change of control of the Bibiani mining licence to Resolute and approval of the Schemes of Arrangement by creditors and the High Court of Ghana. These outstanding conditions precedent to the DOCA are to be satisfied or waived by 31 March 2014 or such later date as agreed by the Deed Administrator and Resolute.



P.R. SULLIVAN  
Chief Executive Officer  
21 February 2014

Resolute is an unhedged gold miner with three operating mines in Africa and Australia. The Company is one of the largest gold producers by volume listed on the ASX. Resolute's flagship Syama project in Mali is on track for an increase in production to 270,000oz of gold a year following an approved expansion to be undertaken through FY2016. At its Ravenswood mine in Queensland Resolute is investigating a number of opportunities to add value by increasing gold production and lowering operating costs. The Company controls an extensive footprint along the highly prospective Syama Shear and Greenstone Belts in Mali and Cote d'Ivoire. Resolute has also identified a number of highly promising exploration targets at its Ravenswood operations and holds a number of exploration projects in Tanzania surrounding its Golden Pride mine.

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 Australian 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 have consented to the inclusion of the matters in this report based on their information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, with the exception of Mount Wright Ore Reserves which have been updated to comply with the JORC code 2012.

# APPENDIX 4D

FOR THE SIX MONTHS ENDED 31 DECEMBER 2013



## REPORTING PERIOD

The reporting period is for the half year ended 31 December 2013 with the corresponding reporting period being for the half year ended 31 December 2012.

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

Results				A\$'000
Revenue from gold and silver sales	down	14%	to	286,009
Profit before tax attributable to members of the parent	down	76%	to	28,161
Net profit after tax attributable to members of the parent	down	76%	to	23,336

Dividends	Amount per security	Franked amount per security
Final dividend	n/a	n/a
Interim dividend	n/a	n/a
Record date for determining entitlements to the dividend	n/a	

This half year report should be read in conjunction with the most recent annual financial report.

**Resolute Mining Limited**  
4th Floor, The BGC Centre  
28 The Esplanade  
Perth, Western Australia 6000

ACN 097 088 689  
Telephone: + 61 8 9261 6100  
Facsimile: + 61 8 9322 7597  
E-mail: [contact@rml.com.au](mailto:contact@rml.com.au)

[www.rml.com.au](http://www.rml.com.au)

A proven gold producer

# HALF YEAR REPORT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2013



**Resolute**  
Mining Limited

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**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
**For the six months ended 31 December 2013**

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**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
**For the six months ended 31 December 2013**

**CORPORATE DIRECTORY**

**Directors**

Chairman – PE Huston  
Chief Executive Officer – PR Sullivan  
Non-Executive Director – TC Ford  
Non-Executive Director – HTS Price

**Secretary**

GW Fitzgerald

**Registered Office and Business Address**

4<sup>th</sup> Floor, The BGC Centre  
28 The Esplanade  
Perth, Western Australia 6000

*Postal*

PO Box 7232 Cloisters Square  
Perth, Western Australia 6850

Telephone: + 61 8 9261 6100

Facsimile: + 61 8 9322 7597

Email: [contact@rml.com.au](mailto:contact@rml.com.au)

**ABN 39 097 088 689**

**Website**

RML maintains a website where all major announcements to the ASX are available  
[www.rml.com.au](http://www.rml.com.au)

**Share Registry**

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
Applecross, Western Australia 6153  
Telephone: + 61 8 9315 2333  
Facsimile: + 61 8 9315 2233  
Email: [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

**Home Exchange**

Australian Securities Exchange Limited  
Exchange Plaza  
2 The Esplanade  
Perth, Western Australia 6000

Quoted on the official lists of the  
Australian Securities Exchange  
ASX Ordinary Share Code: "RSG"

**Securities on Issue (31/12/2013)**

Ordinary Shares	640,994,224
Unlisted Options	4,629,065
Performance Rights	5,172,206

**Legal Advisor**

Hardy Bowen  
Level 1, 28 Ord Street  
West Perth, Western Australia 6005

**Auditor**

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

**Bankers**

Barclays Bank Plc  
Level 42  
225 George Street  
Sydney, New South Wales 2000

Investec Bank (Australia) Limited  
Level 31, Chifley Tower  
2 Chifley Square  
Sydney, NSW 2000

Citibank Limited  
Level 23, Citigroup Centre  
2 Park Street  
Sydney, New South Wales 2000

Shareholders wishing to receive copies of Resolute Mining Limited ASX announcements by e-mail should register their interest by contacting the Company at [contact@rml.com.au](mailto:contact@rml.com.au)



**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
**For the six months ended 31 December 2013**

**DIRECTORS' REPORT**

Your directors present their half year report on the consolidated entity (referred to hereafter as the "Group") consisting of Resolute Mining Limited and the entities it controlled at the end of or during the half year ended 31 December 2013.

**CORPORATE INFORMATION**

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

**DIRECTORS**

The names of the Company's directors in office during the half year and until the date of this report are as follows. Directors were in office for this entire period.

PE Huston (Chairman)  
PR Sullivan (Chief Executive Officer)  
TC Ford (Non-Executive Director)  
HTS Price (Non-Executive Director)

**COMPANY SECRETARY**

GW Fitzgerald

**FINANCIAL POSITION AND PERFORMANCE**

- Revenue from gold sales down 14% to \$286m (1H 2013: \$334m).
- Average cash price received on 202,965 ounces of gold sold during the half year (1H 2013: 205,892 ounces) was \$1,406/oz (\$1,619/oz).
- Average cash cost<sup>1</sup> per ounce of gold produced during the half year was \$937/oz (1H 2013: \$787/oz). A weaker AUD contributed towards the increase in reported AUD costs per ounce.
- Profit margins were impacted by a lower gold price and higher cash costs.
- Net profit after tax attributable to members of \$23.3m (1H 2013: \$96.1m).
- Net operating cash inflows during the half year were \$52.7m (1H 2013: \$87.9m).
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1 – Cash cost per ounce of gold produced is calculated as costs of production relating to gold sales excluding gold in circuit inventory movements divided by gold ounces produced.

This measure is included to assist investors to better understand the performance of the business. Cash cost per ounce of gold produced is non-International Financial Reporting Standards financial information and where included in this Directors' Report have not been subject to review by the Group's external auditors.

**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
**For the six months ended 31 December 2013**

**DIRECTORS' REPORT (continued)**

**REVIEW OF OPERATIONS**

Production

- The Group gold production for the half year was 182,405 ounces (1H 2013: 222,943) at an average cash cost<sup>1</sup> of \$937/oz (1H 2013: \$787/oz).
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- All in sustaining costs<sup>2</sup> ("AISC") for the half year were Syama – \$1,346/oz, Ravenswood – \$1,017/oz, Golden Pride – \$1,052/oz and for the Group – \$1,162/oz. Syama's AISC included \$5.9m of waste stripping expenditure capitalised during the year.

Development

*Mali*

- Syama Expansion Project ("SEP") well progressed with total forecast capital spend reduced to US\$235m (previously US\$266m). Project reached 55% completion at 31 December 2013 with total expenditure to that date of US\$121m.
- Parallel oxide circuit remains on schedule for January 2015 commissioning.
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*Queensland*

- At Mt Wright an updated life of mine plan was prepared which incorporated scenarios for mining below the 600RL.

Exploration

Exploration drilling was carried out in Mali, Tanzania and Queensland while target definition work continued in Cote d'Ivoire.

*Mali*

- A regional air core program commenced to explore an untested 16km portion of the Syama mineralised corridor between the Syama and Tabakoroni deposits.

1 – Cash cost per ounce of gold produced is calculated as costs of production relating to gold sales excluding gold in circuit inventory movements divided by gold ounces produced.

2 – AISC and AIC per ounce of gold produced is calculated in accordance with World Gold Council guidelines.

These measures are included to assist investors to better understand the performance of the business. Cash cost per ounce of gold produced, AISC, and AIC are non-International Financial Reporting Standards financial information and where included in this Directors' Report have not been subject to review by the Group's external auditors.

**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
**For the six months ended 31 December 2013**

**DIRECTORS' REPORT (continued)**

*Queensland*

- Reverse circulation drilling was carried out on the Nolans East and Buck Reef West Prospects as part of a program of building new open pit resources for the Sarsfield Expansion Project.

Corporate

- The market value of group cash, bullion and liquid investments at the end of the period was \$49.6m (1H 2013: \$108.1m) comprising of \$7.2m in cash, gold bullion held in metal accounts with a market value of \$7.5m, and liquid investments of \$34.9m.
- In October 2013, Resolute drew down on a newly established US\$20.0 million extension to the existing secured loan facility jointly provided by Barclays Bank Plc and Investec Bank (Australia). The additional loan is repayable in gold ounces in 24 equal instalments of 660oz per month between November 2013 and October 2015 inclusive.
- Deed of Company Arrangement ("DOCA") was signed regarding Noble Mineral Resources Limited (ASX: NMG, "Noble") in November 2013. Execution of the DOCA will see Resolute move to become the 100% owner and operator of the Bibiani gold project in Ghana, subject to satisfaction of certain outstanding conditions. Resolute has also entered into an interim funding agreement with the Deed Administrator in order to support the Scheme of Arrangement process with respect to Noble's Ghanaian subsidiaries. Resolute has advanced \$8.5 million under this agreement. The investment in Bibiani has been carefully considered by Resolute and it continues to believe in the underlying value of the Bibiani gold project. Additional restructuring and holding costs since Resolute last assessed the carrying value of the Noble investment (30 June 2013) has caused an additional impairment charge to the investment of \$18.0m in the six month period.

**SIGNIFICANT EVENTS AFTER BALANCE DATE**

No significant events have occurred since balance date on 31 December 2013 and the date of this Directors' Report.

**AUDITOR'S INDEPENDENCE**

Refer to page 12 for a copy of the Auditor's Independence Declaration to the Directors of Resolute Mining Limited.

**ROUNDING**

RML is a Company of the kind specified in Australian Securities and Investments Commission Class Order 98/0100. In accordance with that class order, 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.



PR Sullivan  
Director  
Perth, Western Australia

20 February 2014



Ernst & Young  
11 Mounts Bay Road  
Perth WA 6000 Australia  
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222  
Fax: +61 8 9429 2436  
ey.com/au

## Auditor's Independence Declaration to the Directors of Resolute Mining Limited

In relation to our review of the financial report of Resolute Mining Limited for the half-year ended 31 December 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Peter McIver  
Partner  
Perth  
20 February 2014

**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
**For the six months ended 31 December 2013**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	For the half year ended 31-Dec-13	For the half year ended 31-Dec-12
		\$'000	\$'000
<b>Continuing Operations</b>			
Revenue from gold and silver sales	4(a)	286,009	334,080
Costs of production relating to gold sales	4(b)	(189,912)	(157,333)
Gross profit before depreciation, amortisation and other operating costs		96,097	176,747
Depreciation and amortisation relating to gold sales	4(c)	(34,016)	(29,733)
Other operating costs relating to gold sales	4(d)	(17,058)	(19,892)
Gross profit		45,023	127,122
Other revenue	4(e)	23	739
Other income	4(f)	3,839	3,002
Exploration and business development expenditure		(7,110)	(8,771)
Share of associates' losses		(704)	(1,319)
Administration and other corporate expenses	4(g)	(3,648)	(3,366)
Treasury - realised (losses)/gains	4(h)	(246)	136
Asset impairment expenses, fair value movements, and unrealised treasury gains/(losses)	4(i)	(942)	10,530
<b>Profit before interest and tax</b>		<b>36,235</b>	<b>128,073</b>
Finance costs	4(j)	(4,417)	(1,506)
<b>Profit before tax</b>		<b>31,818</b>	<b>126,567</b>
Tax expense		(4,825)	(24,410)
<b>Profit for the period</b>		<b>26,993</b>	<b>102,157</b>
<b>Profit attributable to:</b>			
Members of the parent		23,336	96,108
Non-controlling interest		3,657	6,049
		<b>26,993</b>	<b>102,157</b>

**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
For the six months ended 31 December 2013

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)**

	For the half year ended 31-Dec-13	For the half year ended 31-Dec-12
	\$'000	\$'000
<b>Profit for the period (brought forward)</b>	26,993	102,157
<b>Other comprehensive income/(loss)</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations:		
- Members of the parent	11,112	(2,629)
- Non-controlling interest	(969)	(278)
Changes in the fair value of available for sale financial assets, net of tax	9,556	(21,206)
<b>Other comprehensive income/(expense) for the period, net of tax</b>	19,699	(24,113)
<b>Total comprehensive income for the period</b>	<b>46,692</b>	<b>78,044</b>
<b>Total comprehensive income attributable to:</b>		
Members of the parent	44,004	72,273
Non-controlling interest	2,688	5,771
	<b>46,692</b>	<b>78,044</b>
<b>Earnings per share for net profit attributable to the ordinary equity holders of the parent:</b>		
Basic earnings per share	3.64	15.16
Diluted earnings per share	3.61	15.14

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
For the six months ended 31 December 2013

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at 31-Dec-13 \$'000	As at 30-Jun-13 \$'000
<b>Current assets</b>			
Cash		7,167	3,040
Receivables		6,290	9,147
Inventories		172,823	202,913
Available for sale financial assets		33,386	28,909
Other		6,063	4,156
<b>Total current assets</b>		<b>225,729</b>	<b>248,165</b>
<b>Non current assets</b>			
Other financial assets		49,055	64,788
Receivables		10,028	1,875
Exploration and evaluation expenditure		30,253	11,539
Development expenditure		449,916	395,914
Property, plant and equipment		185,827	181,734
Investment in associates		-	604
<b>Total non current assets</b>		<b>725,079</b>	<b>656,454</b>
<b>Total assets</b>		<b>950,808</b>	<b>904,619</b>
<b>Current liabilities</b>			
Payables		44,407	71,329
Interest bearing liabilities		36,056	34,941
Unearned revenue	6	10,169	-
Tax liabilities		4,932	2,266
Provisions		31,220	26,126
<b>Total current liabilities</b>		<b>126,784</b>	<b>134,662</b>
<b>Non current liabilities</b>			
Interest bearing liabilities		58,473	56,384
Unearned revenue	6	9,543	-
Provisions		49,880	54,970
<b>Total non current liabilities</b>		<b>117,896</b>	<b>111,354</b>
<b>Total liabilities</b>		<b>244,680</b>	<b>246,016</b>
<b>Net assets</b>		<b>706,128</b>	<b>658,603</b>



**RESOLUTE MINING LIMITED**  
**HALF YEAR REPORT**  
For the six months ended 31 December 2013

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

	Note	As at 31-Dec-13 \$'000	As at 30-Jun-13 \$'000
<b>Equity attributable to equity holders of the parent</b>			
Contributed equity	7	380,225	380,225
Reserves		55,317	33,816
Retained earnings		282,475	259,139
		<hr/>	<hr/>
<b>Parent interest</b>		<b>718,017</b>	<b>673,180</b>
		<hr/>	<hr/>
<b>Non-controlling interest</b>		(11,889)	(14,577)
		<hr/>	<hr/>
<b>Total equity</b>		<b>706,128</b>	<b>658,603</b>
		<hr/> <hr/>	<hr/> <hr/>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Contributed equity \$'000	Net unrealised gain/(loss) reserve \$'000	Share options equity reserve \$'000	Employee equity benefits reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Non-controlling interest \$'000	Total \$'000
<b>At 1 July 2013</b>	380,225	-	5,987	6,018	21,811	259,139	(14,577)	658,603
Profit for the period	-	-	-	-	-	23,336	3,657	26,993
Other comprehensive income/(loss), net of tax	-	9,556	-	-	11,112	-	(969)	19,699
Total comprehensive income for the period, net of tax	-	9,556	-	-	11,112	23,336	2,688	46,692
<b>Transactions with owners</b>								
Share-based payments to employees	-	-	-	833	-	-	-	833
<b>At 31 December 2013</b>	380,225	9,556	5,987	6,851	32,923	282,475	(11,889)	706,128

**RESOLUTE MINING LIMITED**  
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

	Contributed equity \$'000	Net unrealised gain/(loss) reserve \$'000	Share options equity reserve \$'000	Employee equity benefits reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Non-controlling interest \$'000	Total \$'000
<b>At 1 July 2012</b>	368,047	(252)	5,987	4,626	(7,937)	205,861	(33,339)	542,993
Profit for the period	-	-	-	-	-	96,108	6,049	102,157
Other comprehensive loss, net of tax	-	(21,206)	-	-	(2,629)	-	(278)	(24,113)
Total comprehensive (loss)/income for the period, net of tax	-	(21,206)	-	-	(2,629)	96,108	5,771	78,044
<b>Transactions with owners</b>								
Shares issued	23,208	-	-	-	-	-	-	23,208
Share issue costs	(37)	-	-	-	-	-	-	(37)
Share buy-backs	(9,312)	-	-	-	-	-	-	(9,312)
Dividend paid	-	-	-	-	-	(31,527)	-	(31,527)
Share-based payments to employees	-	-	-	716	-	-	-	716
<b>At 31 December 2012</b>	<b>381,906</b>	<b>(21,458)</b>	<b>5,987</b>	<b>5,342</b>	<b>(10,566)</b>	<b>270,442</b>	<b>(27,568)</b>	<b>604,085</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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**CONSOLIDATED CASH FLOW STATEMENT**

	<b>Consolidated</b>	
	<b>For the half year ended 31-Dec-13 \$'000</b>	<b>For the half year ended 31-Dec-12 \$'000</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	285,961	334,080
Payments to suppliers, employees and others	(219,766)	(229,049)
Income tax paid	(2,444)	(8,488)
Exploration expenditure	(7,832)	(8,771)
Interest paid	(3,278)	(457)
Interest received	23	568
Net cash flows from operating activities	<u>52,664</u>	<u>87,883</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant & equipment	(8,239)	(11,487)
Proceeds from sale of available for sale financial assets	11,464	6,309
Payments for acquisition of available for sale financial assets	-	(13,243)
Payments for other financial assets	-	(575)
Payments for development activities	(45,036)	(51,506)
Payments for evaluation activities	(18,374)	(1,604)
Proceeds from sale of property, plant & equipment	127	-
Loan to associate	(8,524)	(14,376)
Other	(793)	(686)
Net cash flows from investing activities	<u>(69,375)</u>	<u>(87,168)</u>
<b>Cash flows from financing activities</b>		
Dividends paid	-	(31,527)
Proceeds from issuing ordinary shares	-	2,562
Costs of issuing ordinary shares	-	(37)
Payments for share buy backs	-	(9,312)
Repayment of borrowings	(1,690)	-
Repayment of lease liability	(2,510)	(1,456)
Proceeds from finance facilities	24,033	1,894
Net cash flows from financing activities	<u>19,833</u>	<u>(37,876)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,122</b>	<b>(37,161)</b>
Cash and cash equivalents at the beginning of the financial period	(28,143)	43,143
Exchange rate adjustment	225	33
<b>Cash and cash equivalents at the end of the period</b>	<b><u>(24,796)</u></b>	<b><u>6,015</u></b>
Cash and cash equivalents comprise the following:		
Cash	7,167	16,310
Bank overdraft	(31,963)	(10,295)
	<u>(24,796)</u>	<u>6,015</u>

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

**RESOLUTE MINING LIMITED**  
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**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 31 December 2013 was authorised for issue in accordance with a resolution of directors on 20 February 2014.

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.

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 POLICIES**

This interim financial report for the half year ended 31 December 2013 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 30 June 2013 and considered together with any public announcements made by Resolute Mining Limited during the half year ended 31 December 2013 in accordance with the continuous disclosure obligations of the Australian Securities Exchange listing rules.

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

**Significant accounting judgements**

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates, deferred stripping costs and provisions for decommissioning and restoration. In line with the Group’s usual practice as occurs twice yearly, the Group has applied the effects of updated life of mine modelling to this reporting period, effective from 1 July 2013.

**New accounting standards and UIG interpretations**

From 1 July 2013 the Group has adopted all new and revised Australian Accounting Standards and Interpretations mandatory for reporting periods beginning on or after 1 July 2013, including:

- *AASB 10 Consolidated Financial Statements*

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 2: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

AASB 10 establishes a new control model that applies to all entities. It replaces parts of AASB 127 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and UIG-112 Consolidation - Special Purpose Entities. The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control.

Consequential amendments were also made to this and other standards via AASB 2011-7 and AASB 2012-10.

Impact: The amendments have had no impact on the Group.

- *AASB 11 Joint Arrangements*

AASB 11 replaces AASB 131 Interests in Joint Ventures and UIG-113 Jointly- controlled Entities - Non-monetary Contributions by Ventures.

AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition it removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves is accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method.

Consequential amendments were also made to this and other standards via AASB 2011-7, AASB 2010-10 and amendments to AASB 128.

Impact: The amendments have had no impact on the Group.

- *AASB12 Disclosure of Interests in Other Entities*

AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. New disclosures have been introduced about the judgments made by management to determine whether control exists, and to require summarised information about joint arrangements, associates, structured entities and subsidiaries with non-controlling interests.

Impact: The amendments have no impact on the Group.

- *AASB 13 Fair Value Measurement*

AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.

Consequential amendments were also made to other standards via AASB 2011-8.

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 2: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Impact: Additional disclosure required as follows.

The group's other financial assets are convertible notes held in Noble Mineral Resources Limited ("NMRL"). The notes are carried at fair value with adjustments to fair value recorded in the statement of comprehensive income.

The fair value of the investment has been determined following a consideration of fair value less cost to sell ("fair value"), and the underlying Bibiani Gold Project's ("the project") enterprise value.

Fair value is estimated based on discounted cash flows using a market based gold price, estimated quantities of recoverable minerals, production levels, and operating costs and capital requirements based on a scoping study of the project. Furthermore, the fair value calculation includes an estimate for the value of resources outside of the scoping study. The Group considers this valuation approach to be consistent with the approach taken by market participants.

The fair value of convertible notes held in NMRL is dependent on some unobservable inputs including a gold price of US\$1,225 per ounce, a pre-tax discount rate of 15%, and unmined resources valued at \$12.50 per ounce. The discount rate applied takes into consideration the geographic location, nature and risk of the project. A change in one or more of the unobservable inputs used to estimate fair value could result in an increase or a further reduction in the asset's carrying value.

- *AASB119 Employee Benefits*

The main change introduced by this standard is to revise the accounting for defined benefit plans. The amendment removes the options for accounting for the liability, and requires that the liabilities arising from such plans is recognised in full with actuarial gains and losses being recognised in other comprehensive income. It also revised the method of calculating the return on plan assets. The revised standard changes the definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date.

Consequential amendments were also made to other standards via AASB 2011-10.

Impact: The amendments have had no impact on the Group.

- *AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities*

AASB 2012-2 principally amends AASB 7 Financial Instruments: Disclosures to require disclosure of the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position, when all the offsetting criteria of AASB 132 are not met.

Impact: The amendments have had no impact on the Group.

- *AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*

AASB 2012-5 makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The standard addresses a range of improvements, including the following:

- ▶ Repeat application of AASB 1 is permitted (AASB 1)
- ▶ Clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 Presentation of Financial Statements).



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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 2: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Impact: The amendments have had no impact on the Group.

- *AASB 2012-9 Amendment to AASB 1048 arising from the withdrawal of Australian Interpretation 1039*

AASB 2012-9 amends AASB 1048 Interpretation of Standards to evidence the withdrawal of Australian Interpretation 1039 Substantive Enactment of Major Tax Bills in Australia.

Impact: The amendments have had no impact on the Group.

- *AASB 2011-4 Amendment to Australian Accounting Standards to remove Individual Key Management Personnel Disclosure Requirements [AASB 124]*

This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.

Impact: The amendments have had no impact on the Group.

**RESOLUTE MINING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3: OPERATING SEGMENTS**

For the six months ended 31 December 2013	RAVENSWOOD (AUSTRALIA) \$'000	GOLDEN PRIDE (TANZANIA) \$'000	SYAMA (MALI) \$'000	UNALLOCATED (b)		TOTAL \$'000
				CORP/OTHER \$'000	TREASURY \$'000	
<b>Revenue</b>						
Gold and silver sales at spot to external customers (a)	100,750	91,645	93,597	-	17	286,009
<b>Total segment gold and silver sales revenue</b>	<b>100,750</b>	<b>91,645</b>	<b>93,597</b>	<b>-</b>	<b>17</b>	<b>286,009</b>
Cash costs	(58,961)	(33,700)	(78,265)	-	-	(170,926)
Depreciation and amortisation	(21,677)	271	(12,610)	-	-	(34,016)
Other operating costs (including gold in circuit movement)	(3,349)	(35,093)	741	(661)	-	(38,362)
Other corporate/admin costs	(35)	-	-	(1,295)	-	(1,330)
<b>Segment operating result before treasury, other income/(expenses) and tax</b>	<b>16,728</b>	<b>23,123</b>	<b>3,463</b>	<b>(1,956)</b>	<b>17</b>	<b>41,375</b>
Other income	121	-	-	3,718	23	3,862
Exploration and business development expenditure	(1,485)	(2,141)	(1,173)	(2,311)	-	(7,110)
Finance costs	-	-	-	-	(4,417)	(4,417)
Share of associates' losses, asset impairment expenses and fair value movements	-	(7,104)	(14,837)	(18,704)	-	(40,645)
<b>Segment operating result before treasury and tax</b>	<b>15,364</b>	<b>13,878</b>	<b>(12,547)</b>	<b>(19,253)</b>	<b>(4,377)</b>	<b>(6,935)</b>
Treasury - realised losses	-	-	-	-	(246)	(246)
Treasury - unrealised gains	-	-	-	-	38,999	38,999
Tax expense	-	(4,825)	-	-	-	(4,825)
<b>Profit/(loss) for the period</b>	<b>15,364</b>	<b>9,053</b>	<b>(12,547)</b>	<b>(19,253)</b>	<b>34,376</b>	<b>26,993</b>

**RESOLUTE MINING LIMITED**  
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For the six months ended 31 December 2013

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3: OPERATING SEGMENTS (continued)**

<u>For the six months ended 31 December 2013</u>	RAVENSWOOD (AUSTRALIA) \$'000	GOLDEN PRIDE (TANZANIA) \$'000	SYAMA (MALI) \$'000	UNALLOCATED (b)		TOTAL \$'000
				CORP/OTHER \$'000	TREASURY \$'000	
Cash flow by segment, including gold bullion, and gold shipped but unsold and held in metal accounts	29,286	5,413	(80,743)	(11,598)	31,212	(26,430)
<b>Reconciliation of cash flow by segment to the cash flow statement:</b>						
Movement in gold shipped but unsold and held in metal accounts						35,435
Mark to market movement in gold unsold						(4,878)
Movement in bank overdraft						(780)
Exchange rate adjustment						(225)
<b>Movement in cash and cash equivalents per consolidated cash flow statement</b>						<b>3,122</b>
Capital expenditure	7,296	64	60,113	65	-	67,538
Segment assets	114,969	30,302	678,951	126,586	-	950,808
Segment liabilities	41,876	31,871	84,580	22,443	63,910	244,680

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3: OPERATING SEGMENTS (continued)**

<u>For the six months ended 31 December 2012</u>	RAVENSWOOD (AUSTRALIA) \$'000	GOLDEN PRIDE (TANZANIA) \$'000	SYAMA (MALI) \$'000	UNALLOCATED (b)		TOTAL \$'000
				CORP/OTHER \$'000	TREASURY \$'000	
<b>Revenue</b>						
Gold and silver sales at spot to external customers (a)	102,953	122,612	109,127	-	(612)	334,080
<b>Total segment gold and silver sales revenue</b>	<b>102,953</b>	<b>122,612</b>	<b>109,127</b>	<b>-</b>	<b>(612)</b>	<b>334,080</b>
Cash costs	(54,206)	(45,351)	(75,985)	-	-	(175,542)
Depreciation and amortisation	(17,249)	(3,646)	(8,838)	-	-	(29,733)
Other operating costs	363	(15,547)	12,642	(1,225)	-	(3,767)
Other corporate/admin costs	(34)	-	-	(1,248)	-	(1,282)
<b>Segment operating result before treasury, other income/(expenses) and tax</b>	<b>31,827</b>	<b>58,068</b>	<b>36,946</b>	<b>(2,473)</b>	<b>(612)</b>	<b>123,756</b>
Other income	-	-	-	3,002	739	3,741
Exploration expenditure	(3,062)	(2,907)	(2,006)	(686)	-	(8,661)
Finance costs	-	-	-	-	(1,506)	(1,506)
Other	-	-	-	(1,962)	-	(1,962)
<b>Segment operating result before treasury and tax</b>	<b>28,765</b>	<b>55,161</b>	<b>34,940</b>	<b>(2,119)</b>	<b>(1,379)</b>	<b>115,368</b>
Treasury - realised losses	-	-	-	-	136	136
Treasury - unrealised gains	-	-	-	-	11,063	11,063
Tax expense	-	(18,939)	(3,755)	(1,716)	-	(24,410)
<b>Profit/(loss) for the period</b>	<b>28,765</b>	<b>36,222</b>	<b>31,185</b>	<b>(3,835)</b>	<b>9,820</b>	<b>102,157</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3: OPERATING SEGMENTS (continued)**

<u>For the six months ended 31 December 2012</u>	RAVENSWOOD (AUSTRALIA) \$'000	GOLDEN PRIDE (TANZANIA) \$'000	SYAMA (MALI) \$'000	UNALLOCATED (b)		TOTAL \$'000
				CORP/OTHER	TREASURY	
				\$'000	\$'000	
Cash flow by segment, including receivables - gold bullion sales	25,887	39,892	(34,843)	(75,433)	(32,881)	(77,378)
<b>Reconciliation of cash flow by segment to the cash flow statement:</b>						
Movement in gold shipped but unsold and held in metal accounts						4,135
Mark to market movement in gold unsold						(1,201)
Prior period Other Financial Assets - Restricted Cash used to acquire Available For Sale Financial Assets						42,758
Movement in bank overdraft						(4,477)
Exchange rate adjustment						(998)
<b>Movement in cash and cash equivalents per consolidated cash flow statement</b>						<b>(37,161)</b>
Capital expenditure	17,934	1,214	46,530	113	-	65,791
Segment assets	141,853	60,917	445,453	94,439	2	742,664
Segment liabilities	41,063	36,282	50,629	4,405	6,200	138,579

**RESOLUTE MINING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3: OPERATING SEGMENTS (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, however this information is analysed in this format by the Chief Operating Decision Maker, and forms part of the reconciliation of the results and positions of the operating segments to the financial statements.

**NOTE 4: PROFIT FROM CONTINUING OPERATIONS**

		Consolidated	
		For the half year ended 31-Dec-13 \$'000	For the half year ended 31-Dec-12 \$'000
<b>(a)</b>	<b>Revenue from gold and silver sales</b>		
	Gold and silver sales	286,009	334,080
<b>(b)</b>	<b>Costs of production relating to gold sales</b>		
	Costs of production (excluding gold in circuit inventories movement)	170,926	175,542
	Gold in circuit inventories movement	18,986	(18,209)
		<u>189,912</u>	<u>157,333</u>
<b>(c)</b>	<b>Depreciation and amortisation relating to gold sales</b>		
	Amortisation of evaluation, development and rehabilitation costs	17,881	15,766
	Depreciation of mine site properties, plant and equipment	16,135	13,967
		<u>34,016</u>	<u>29,733</u>
<b>(d)</b>	<b>Other operating costs relating to gold sales</b>		
	Royalty expense	15,237	17,268
	Operational support costs	1,821	2,624
		<u>17,058</u>	<u>19,892</u>
<b>(e)</b>	<b>Other revenue</b>		
	Interest income	23	739
<b>(f)</b>	<b>Other income</b>		
	Profit on sale of non operating mine sites	107	1,178
	Profit on sale of shares	3,718	1,775
	Other	14	49
		<u>3,839</u>	<u>3,002</u>

**RESOLUTE MINING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 4: PROFIT FROM CONTINUING OPERATIONS (continued)**

	Consolidated	
	For the half year ended 31-Dec-13 \$'000	For the half year ended 31-Dec-12 \$'000
<b>(g) Administration and other corporate expenses</b>		
Other management and administration expenses	2,347	1,824
Non mine site insurance costs	121	169
Operating lease expenses	439	446
Share based payments expense	611	716
Rehabilitation and restoration provision adjustment from non operating mine sites	-	61
Depreciation of non mine site assets	58	52
Other	72	98
	3,648	3,366
<b>(h) Treasury - realised (losses)/gains</b>		
Realised foreign exchange (loss)/gain	(296)	136
Realised gain on repayment of gold prepay loan	50	-
	(246)	136
<b>(i) Asset impairment expenses, fair value movements, and unrealised treasury gains/(losses)</b>		
Impairment of accounts receivable	(751)	(533)
Impairment of inventories (i)	(21,190)	-
Fair value movement on convertible notes held in associate (ii)	(18,000)	-
Unrealised loss on financial derivative assets	-	(2,364)
Unrealised foreign exchange (loss)/gain	(1,619)	839
Unrealised foreign exchange gain on intercompany balances (iii)	40,618	12,588
	(942)	10,530

- (i) \$14.804m of this impairment expense relates to ore stockpile and gold in circuit inventory write-downs. The lower gold price at period end has impacted the market value of the gold inventories held by Resolute at the reporting date. Due to the lower gold price used for this assessment, a non-cash impairment charge has been recorded against the ore stockpile and gold in circuit inventory values. These inventories are recorded on the Statement of Financial Position at the lower of cost and net realisable value. The remaining balance of this impairment charge relates to the write-down of warehouse inventory and critical spares to their recoverable value.



**RESOLUTE MINING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 4: PROFIT FROM CONTINUING OPERATIONS (continued)**

- (ii) A fair value adjustment of \$18.000m has been recorded in the statement of comprehensive income against the carrying value of convertible notes held in Noble Mineral Resources Limited (“NMRL”) to reflect the changes to the value of this asset that have occurred in the past 6 months including the crystallisation of previously unrecognised restructuring costs incurred by NMRL and its subsidiaries.
- (iii) Due to an accounting standard requirement the unrealised foreign exchange gains and losses on intercompany balances between entities in the Group are taken directly to the Group’s profit or loss.

	<b>Consolidated</b>	
	<b>For the half year ended 31-Dec-13 \$'000</b>	<b>For the half year ended 31-Dec-12 \$'000</b>
<b>(j) Finance costs</b>		
Interest and fees	3,552	835
Rehabilitation and restoration provision accretion	865	671
	<b>4,417</b>	<b>1,506</b>

**NOTE 5: DIVIDENDS**

There were no dividends paid or provided for during the half year and up to the date of this report.

**NOTE 6: UNEARNED REVENUE**

In October 2013, Resolute drew down on a newly established US\$20.000 million extension to the existing secured loan facility jointly provided by Barclays Bank PLC (“Barclays”) and Investec Bank (Australia) Limited (“Investec”). The additional loan is repayable in gold ounces in 24 equal instalments of 660 ounces per month between November 2013 and October 2015 inclusive.

The secured loan has been classified as unearned revenue on the Statement of Financial Position as Barclays and Investec have prepaid Resolute US\$20.000m for a fixed quantity of gold ounces. Resolute now has a legal obligation to deliver gold ounces, and will subsequently recognise revenue as and when it makes the repayments in gold ounces.

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 7: CONTRIBUTED EQUITY**

	Total Number	Number Quoted	\$'000
<b>Ordinary securities</b>			
As at 1 July 2013	640,994,224	640,994,224	380,225

There were no changes in ordinary securities during the period.

	Total Number	Number Quoted	Exercise Price	Expiry Date
<b>Options on issue</b>				
As at 31 December 2013	194,999	-	\$0.42	31/01/2014
	450,000	-	\$1.09	14/02/2015
	39,000	-	\$1.21	15/07/2015
	135,000	-	\$1.43	15/11/2015
	2,000,000	-	\$1.36	4/01/2016
	915,666	-	\$1.43	24/01/2016
	130,000	-	\$1.18	15/07/2016
	764,400	-	\$1.85	26/01/2017
	4,629,065	-	\$1.38	

	Total Number	Number Quoted	Exercise Price	Expiry Date
<u>Changes during current period</u>				
Lapsing of unlisted options	(51,000)	-	\$1.62	29/08/2013

	Total Number	Number Quoted	Exercise Price	Vesting Date
<b>Performance rights on issue</b>				
As at 31 December 2013	1,586,978	-	-	30/06/2015

<u>Changes during current period</u>				
Increase through issue of performance rights to eligible employees pursuant to the Remuneration Framework	3,585,228	-	-	30/06/2016
As at 31 December 2013	5,172,206	-	-	

**RESOLUTE MINING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 8: CONTINGENT LIABILITIES**

Except for the below mentioned changes to the contingent liability status, there have been no other changes to the contingent liabilities or contingent assets of the Group from those disclosed in the financial report for the year ended 30 June 2013.

*INPS Claim in Mali, Africa*

In November 2013, Societe des Mines de Syama SA (“SOMISY”) received a CFA 4.569b (A\$10.806m) notification from the Nationale de Prévoyance Sociale (“INPS”) alleging SOMISY owed taxes to INPS on salaries paid by SOMISY to its expatriate employees between August 2010 to July 2013. Malian Legislation requires the remittance of 24% of an employee’s gross salary to the government’s INPS department and is a form of social tax. In accordance with the Establishment Convention between the State of Mali and SOMISY, SOMISY is exempt from paying INPS on expatriate employees during the Syama Mine Development Period. SOMISY has correctly remitted INPS after the cessation of the Development Period. This claim is similar to an A\$7.7m assessment received in a prior year which resulted in SOMISY paying A\$3.8m to INPS. Negotiations with the State of Mali are ongoing to recover the INPS paid relating to the earlier assessment and to resolve this matter. This new assessment is in breach of the Establishment Convention and will be vigorously defended.

**NOTE 9: EVENTS OCCURRING AFTER BALANCE DATE**

No significant events have occurred since balance date on 31 December 2013 and the date of this Directors’ Report.

**NOTE 10: RELATED PARTY TRANSACTIONS**

During the period RML advanced A\$8.524m in funds to an associate, Noble Mineral Resources Limited. A security agreement is in place which provides RML with partial security over the loan. No interest has accrued on this loan to date in accordance with the interim funding agreement. RML holds a 19.67% interest in Noble’s shares on issue.

**RESOLUTE MINING LIMITED**  
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**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 31 December 2013 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.



P.R. Sullivan  
Director

Perth, Western Australia  
20 February 2014

To the members of Resolute Mining Limited

## Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Resolute Mining Limited, which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

### Directors' Responsibility 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 controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 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*. As the auditor of Resolute Mining Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

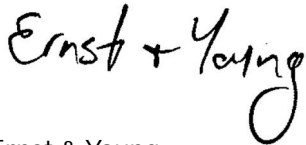
### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

## Conclusion

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 Resolute Mining Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its 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*.



Ernst & Young



Peter McIver  
Partner  
Perth  
20 February 2014