



Resolute

ASX Announcement

20 April 2016

Early Redemption of Convertible Notes

Resolute Mining Limited ("Resolute" or the "Company") (ASX:RSG) is pleased to advise the Company intends to accelerate repayment of the A\$15 million of Convertible Notes ("Notes") currently on issue.

The unsecured Notes were issued on 12 December 2014 at an issue price of \$1 each to raise gross proceeds of A\$15 million. The unsecured Notes are listed on the Australian Securities Exchange ("ASX") under the ticker code RSGG, have a three year term and pay a 10% coupon. The Notes are fully subordinated to Resolute's secured credit facilities and are not due to be repaid until the Notes expire in December 2017.

Due to strong operating performance from the Company's mines in Australia and Africa, combined with a company-wide focus on reducing costs, Resolute is generating strong consistent cash flows. These cash flows are being used to strengthen the Company's balance sheet by a rapid reduction of debt. Since the start of the financial year Resolute has settled in full the Company's US\$20 million Gold Prepay Loan Facility and has negotiated an accelerated repayment schedule with the Company's secured lenders for the total repayment of the US\$50 million Cash Advance Facility by 30 June 2016 (see ASX announcement dated 23 October 2015).

The Notes represent the Company's most expensive debt and are no longer considered necessary to support the Company's liquidity. The Trust Deed governing the Convertible Notes allows for the Company to elect for early redemption of the Notes from 14 December 2016 onwards (12 months prior to expiry). To redeem the Notes prior to this date, Resolute will seek an amendment to the Trust Deed to change the early redemption date to June 2016 with all other terms remaining the same. The amendment will need to be supported by a special resolution of Note holders and the early redemption will require the approval of the Company's secured lenders. Resolute has already received support for the amendment from more than 75% of the Note holders and is confident it will receive the support of the Company's secured creditors.

Subject to the receipt of approvals from Note holders and the Company's secured lenders, it is planned to redeem the Notes prior to 30 June 2016. Early redemption of the Notes is expected to save the Company approximately A\$2.2 million in future interest coupon payments. Managing Director and CEO, Mr John Welborn, indicated the accelerated repayment of the Notes was another significant milestone in the transformation of Resolute:

"Resolute is changing to become a company that is totally committed to rewarding our shareholders. Strengthening the balance sheet by debt reduction has been a priority as we prepare for investments in growth. In this context the ability for our operating performance at Syama and Ravenswood to allow for a rapid debt reduction program is extremely pleasing. Our ambition is that as at 30 June 2016 Resolute will have strong cash and bullion reserves and total borrowings of less than A\$30 million represented by unsecured subsidiary level debt.

Capital management discipline is extremely important for gold companies. The early repayment of the Convertible Notes, along with other debt reduction strategies and the generation of strong ongoing cash flows, places Resolute in an excellent position to fund the organic growth opportunities we are working on at Syama, Ravenswood, and Bibiani. Feasibility studies are due to be completed on all three of these large scale gold projects before the end of the financial year."

For further information, contact:

John Welborn, Managing Director & CEO



Resolute

ASX Announcement

About Resolute

Resolute is a successful gold miner with more than 25 years of continuous production. The Company is an experienced explorer, developer, and operator having operated nine gold mines across Australia and Africa which have produced in excess of 7 million ounces of gold. The Company currently operates two mines, the Syama gold mine in Africa and the Ravenswood gold mine in Australia, and is one of the largest gold producers listed on the Australian Securities Exchange with FY16 guidance of 315,000 ounces of gold production at a cash cost of A\$990/oz.

Resolute's flagship Syama gold mine in Mali is a robust long life asset benefitting from fully operational parallel sulphide and oxide processing plants. The move to underground mining will continue the asset's history of strong cash generation and extend the mine life to out beyond 2028. The Ravenswood gold mine in Queensland demonstrates Resolute's significant underground expertise in the ongoing success in mining the Mt Wright ore body. In Ghana, the Company is completing a feasibility study on the Bibiani gold project focused on the development of an underground operation requiring very low capital and using existing plant infrastructure. Resolute also controls an extensive exploration footprint along the highly prospective Syama Shear and greenstone belts in Mali and Cote d'Ivoire and is active in reviewing new opportunities to build shareholder value.

ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 641,582,994
Current Share Price: A\$0.81, 18 April 2016
Market Capitalisation: A\$519.7M
FY16 Guidance: 315,000oz @ AISC A\$1280/oz

Board of Directors

Mr Peter Huston *Non-Executive Chairman*
Mr John Welborn *Managing Director & CEO*
Mr Peter Sullivan *Non-Executive Director*
Mr Martin Botha *Non-Executive Director*
Mr Bill Price *Non-Executive Director*

Contact

John Welborn, Managing Director & CEO
4th Floor, BGC Centre | 28 The Esplanade
Perth, Western Australia 6000
T: +61 8 9261 6100 | F: +61 8 9322 7597
E: contact@rml.com.au