



Resolute

Quarterly Activities Report

for the period ended 31 March 2017

20 April 2017

Production Up, Costs Down, More Treasure

FY17 guidance upgraded to 325,000oz @ A\$1,150/oz

Gold sales of 325,000oz expected for FY17

Major gold discovery confirmed at Nafolo

Outstanding results from Bibiani phase 2 drilling

A\$291M in cash, bullion and listed investments

Highlights

- Gold production for the March Quarter 2017 of **88,622 ounces** achieved at an All-In Sustaining Cost (AISC) of **A\$1,091 per ounce (US\$827 per ounce)**.
- FY17 year to date gold production of 259,180 ounces at an AISC of A\$1,031 per ounce (US\$778 per ounce).
- Due to continued strong operational performance the original FY17 gold production guidance of 300,000 ounces at an AISC of A\$1,280 per ounce (US\$934 per ounce) has now been upgraded to **325,000 ounces** at an AISC of **A\$1,150 per ounce (US\$865 per ounce)**.
- Gold shipped guidance is maintained at 325,000 ounces and gold sales are expected to reconcile with gold shipped by the end of FY17.
- Syama underground mine development ahead of schedule, continuing to mine development ore during the June Quarter 2017, in line with recent guidance.
- Final approval received for the amended Environmental Authority allowing the recommencement of mining at Sarsfield, a major milestone in the governmental approval process for the Ravenswood Expansion Project.
- Further high grade intercepts confirmed a major gold discovery at the Nafolo prospect located 250m south of the 8 million ounce Syama orebody.
- Bibiani phase 2 drilling program intersected a number of broad high grade intersections at grade and widths better than predicted by the inferred resource estimate.
- Cash, bullion and listed investments of **A\$291 million** and net cash of A\$273 million.

Resolute Mining Limited (Resolute or the Company) (ASX: RSG) is pleased to present its Quarterly Activities Report for the quarter ended 31 March 2017.

Managing Director and Chief Executive Officer, Mr. John Welborn, was delighted with another strong quarter of consistent operational performance augmented by excellent exploration results and steady progress in delivery of key growth projects: "Resolute has again delivered excellent quarterly production and cost results which have allowed us to significantly improve guidance for the full financial year.

"We now expect to produce 325,000 ounces of gold at an AISC of A\$1,150 per ounce. This represents a material improvement of 25,000 ounces of production and a reduction in AISC of A\$130 per ounce. I am very proud that this



Resolute

Quarterly Activities Report for the period ended 31 March 2017

excellent result is being achieved at the same time as we are engaged in transforming both our Syama and Ravenswood operations to new long life mines.

“The March quarter results in both production and cost were significantly improved by the investment we have been making in processing improvements at Syama. While the full benefits of Project 85 will not be delivered until March 2018, the excellent progress of Project Reprise (see details attached) has resulted in increased production as a result of proven recovery improvements, which has in turn reduced unit costs. These projects are part of a comprehensive effort to improve our operations and reduce the cost of our operations while increasing efficiency and production.

“Resolute’s excellent operational performance was supported by more exciting drilling results from Nafolo at Syama and Bibiani in Ghana. With cash, bullion and listed investments now totalling A\$291M we continue to be in a strong position to support our investments in development and exploration. This investment will continue for the remainder of FY17 and into FY18.”

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Figure 1: Syama open pit with main decline box cut being developed on right of picture



Quarterly Summary

A strong performance in the March Quarter 2017 delivered total quarterly gold production of 88,622 ounces (oz) achieved at an AISC of A\$1,091 per ounce (US\$827 per ounce). Due to the consistent operational performance from the Ravenswood Gold Mine (Ravenswood) and Syama Gold Mine (Syama) the original FY17 gold production guidance of 300,000 ounces at an AISC of A\$1,280 per ounce (US\$934 per ounce) has now been upgraded to 325,000 ounces at an AISC of A\$1,150 per ounce (US\$865 per ounce).



Figure 2: Location map of Resolute's gold mines

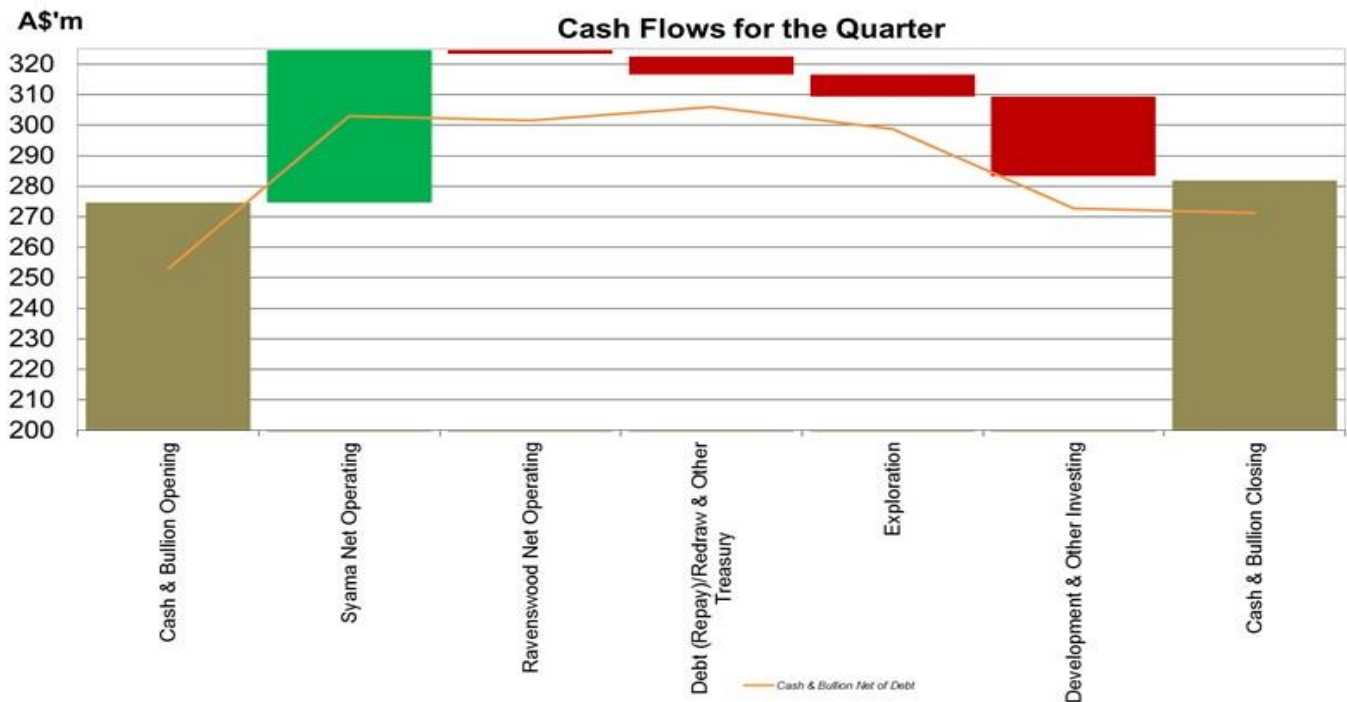


Table 1: Cash flow waterfall for March Quarter 2017



March Quarter 2017 production and costs

March 2017 Quarter	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravens-wood	GROUP Total
UG decline development	m	1,012	-	1,012	-	1,012
UG lateral development	m	-	-	-	-	-
UG vertical development	m	-	-	-	-	-
UG ore mined	t	1,700	-	1,700	230,014	231,714
UG grade mined	g/t	1.98	-	1.98	2.34	2.34
OP operating waste	BCM	60,312	1,402,146	1,462,458	347,978	1,810,436
OP ore mined	BCM	129,584	95,034	224,618	164,294	388,912
OP grade mined	g/t	2.19	2.08	2.15	0.63	1.51
Total ore mined	t	360,323	180,068	540,391	711,397	1,251,787
Total tonnes processed	t	503,139	351,405	854,544	485,880	1,340,424
Grade processed	g/t	2.62	2.75	2.67	1.35	2.19
Recovery	%	65.4	89.4	75.5	91.8	79.2
CEC Recovery Adjustment**	oz	13,834	-	13,834	-	13,834
Gold produced	oz	41,510	27,784	62,294	19,328	88,622
Gold in circuit drawdown/(addition)	oz	(11,000)	3,226	(7,774)	(607)	(8,381)
Gold shipped	oz	30,510	31,010	61,520	18,721	80,241
Gold bullion in metal account movement (increase)/decrease	oz	2,434	2,046	4,480	(8,721)	(4,241)
Gold sold	oz	32,944	33,056	66,000	10,000	76,000
Achieved gold price	A\$/oz	1,644	1,644	1,644	1,654	1,645
	US\$/oz	1,242	1,242	1,242	1,260	1,245
Cost Summary						
Mining	A\$/oz	338	496	401	810	490
Processing	A\$/oz	368	234	314	546	365
Administration	A\$/oz	138	111	128	193	142
Stockpile Adjustments	A\$/oz	45	135	81	(33)	56
Amortisation/(Deferral) of stripping costs	A\$/oz	53	(135)	(22)	(71)	(33)
Transfer of underground development costs to development	A\$/oz	(279)	-	(167)	-	(131)
Cash Cost	A\$/oz	664	841	735	1,444	890
	US\$/oz	504	635	556	1,094	673
Royalties	A\$/oz	93	91	93	43	85
By-product credits	A\$/oz	-	-	-	(8)	(2)
Amortisation/(Deferral) of stripping costs	A\$/oz	(53)	135	22	71	33
Sustaining capital + others	A\$/oz	49	21	38	76	46
Overhead costs	A\$/oz	14	15	14	(1)	39
AISC*	A\$/oz	767	1,103	902	1,626	1,091
<small>* AISC has been calculated in accordance with World Gold Council guidelines</small>	US\$/oz	583	836	684	1,231	827
Depreciation and amortisation	A\$/oz	51	20	38	87	49

Table 2: Detailed Production and Cost data March Quarter 2017

**Increase in recoverable gold in Carbon Enriched Concentrates (CEC) arising from confirmation of Project Reprise Low Carbon Roast recoveries



Year to Date Summary

FY17 YTD production and costs

FY17 YTD Summary	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravens-wood	GROUP Total
UG decline development	m	1,623	-	1,623	-	1,623
UG lateral development	m	-	-	-	-	-
UG vertical development	m	-	-	-	-	-
UG ore mined	t	1,700	-	1,700	781,211	782,911
UG grade mined	g/t	1.98	-	1.98	2.50	2.50
OP operating waste	BCM	431,208	2,700,489	3,131,697	989,485	4,121,182
OP ore mined	BCM	441,933	510,008	951,941	328,325	1,280,266
OP grade mined	g/t	2.44	2.40	2.42	0.65	1.97
Total ore mined	t	1,208,564	957,283	2,165,847	1,664,422	3,830,268
Total tonnes processed	t	1,551,041	990,005	2,541,046	1,451,020	3,992,066
Grade processed	g/t	2.79	3.03	2.88	1.57	2.41
Recovery	%	70.7	81.6	75.2	93.3	79.5
CEC Recovery Adjustment**	oz	13,834	-	13,834	-	13,834
Gold produced	oz	112,089	78,639	190,728	68,452	259,180
Gold in circuit drawdown/(addition)	oz	(12,207)	1,930	(10,277)	(3,835)	(14,112)
Gold shipped	oz	99,882	80,569	180,451	64,616	245,067
Gold bullion in metal account movement (increase)/decrease	oz	(25,423)	(16,828)	(42,251)	(32,736)	(74,987)
Gold sold	oz	74,459	63,741	138,200	31,880	170,080
Achieved gold price	A\$/oz	1,717	1,717	1,717	1,745	1,722
	US\$/oz	1,299	1,299	1,299	1,326	1,304
Cost Summary						
Mining	A\$/oz	301	442	359	692	447
Processing	A\$/oz	408	258	346	470	379
Administration	A\$/oz	157	93	131	182	144
Stockpile Adjustments	A\$/oz	(11)	(81)	(40)	(23)	(35)
Amortisation/(Deferral) of stripping costs	A\$/oz	20	227	105	(67)	59
Transfer of underground development costs to development	A\$/oz	(176)	-	(103)	-	(76)
Cash Cost	A\$/oz	699	940	798	1,255	919
	US\$/oz	528	708	602	946	693
Royalties	A\$/oz	73	74	73	40	71
By-product credits	A\$/oz	0	0	0	(8)	(2)
Amortisation/(Deferral) of stripping costs	A\$/oz	(20)	(227)	(105)	67	(59)
Sustaining capital + others	A\$/oz	68	54	62	80	68
Overhead costs	A\$/oz	13	14	13	8	35
AISC*	A\$/oz	834	854	843	1,442	1,031
	US\$/oz	630	646	637	1,087	778
Depreciation and amortisation	A\$/oz	55	22	41	125	63

Table 3: Detailed Production and Cost data YTD

**Increase in recoverable gold in Carbon Enriched Concentrates (CEC) arising from confirmation of Project Reprise Low Carbon Roast recoveries



Mali

Operations

Syama, Mali

Syama is located in the south of Mali, West Africa, approximately 30km from the Côte d'Ivoire border and 300km southeast of the capital Bamako. The Syama operation comprises two separate processing plants: a 2.1 million tonne per annum (Mtpa) sulphide processing circuit and a 1.3Mtpa oxide processing circuit. Mining at the main Syama open pit was completed in May 2015 with ore for the sulphide circuit currently being sourced from stockpiled material. Ore for the oxide circuit is provided by the mining of satellite open pits. A definitive feasibility study (refer to ASX announcement dated 30 June 2016) outlined a plan for the new underground operation to extend the mine life at Syama beyond 2028.

Sulphide Operations

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	CEC** Recovery (Gold oz)	Total Production (Gold oz)	Cash Cost A\$/oz	*AISC A\$/oz
Mar Quarter	360,323	503,139	2.62	65.4	13,834	41,510	664	767
Dec Quarter	803,923	527,539	2.91	72.8	-	35,850	644	687
Sep Quarter	44,318	520,363	2.83	73.4	-	34,729	798	1,048
FY17 YTD	1,208,564	1,551,041	2.79	70.7	13,834	112,089	699	834

**Carbon Enriched Concentrates (CEC), increase in recoverable gold arising from confirmation of Project Reprise Low Carbon Roast recoveries.

* AISC has been calculated in accordance with World Gold Council guidelines.

Table 4: Syama Sulphide Production and Cost Summary

During the quarter a significant mill reline led to a reduction in milled tonnes compared to previous quarters. Gold production from processed sulphide ore was lower than the previous quarter due to the anticipated fall in head grade from the ore stockpiles. Overall recoveries were affected by lower flotation recoveries from the A21 satellite pit sulphide ore. At the end of the quarter the sulphide ore stockpile from the Syama open pit contained approximately 157,456oz (3.49Mt at 1.40g/t) while the sulphide ore stockpiled from the A21 satellite pit contained approximately 56,221oz (0.89Mt at 1.96g/t). Total sulphide ore stockpiles at Syama are approximately 213,677oz (4.39Mt at 1.51g/t). These stockpiles will continue to provide feed material for the sulphide processing circuit while the Syama underground mine is being established.

Syama holds substantial stockpiles of sulphide concentrates. Included in this concentrate inventory is a quantity of carbon enriched concentrate (CEC). Past work has indicated that the high carbon levels in this material will result in a recovery of 60% when treated conventionally through the roaster. Recent detailed test work and engineering studies have demonstrated that after modifications to develop a low carbon roaster, recoveries of gold from these concentrates will increase to at least 90%. This increase in recovery has resulted in the recognition of additional production during the quarter.

Oxide Operations

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	*AISC A\$/oz
Mar Quarter	180,068	351,405	2.75	89.4	27,784	841	1,103
Dec Quarter	300,179	307,451	3.54	74.8	26,151	936	451
Sep Quarter	477,036	331,149	2.85	81.4	24,704	1,054	983
FY17 YTD	957,283	990,005	3.03	81.6	78,639	940	854

* AISC has been calculated in accordance with World Gold Council guidelines.

Table 5: Syama Oxide Production and Cost Summary



During the quarter mining of the A21 satellite pits was completed and the BA01 satellite pit commenced. The waste to ore strip ratio was higher than the previous quarter as the BA01 satellite pit was established. Milled tonnes increased with better utilisation delivering the targeted 1.5Mtpa milling rate during March. Oxide circuit recoveries increased considerably with typically lower recovery transitional ore stockpiles performing better than expected.

Underground Mine Development

Surface excavation of the box-cut commenced during the quarter and is expected to be completed during the December Quarter 2017. Mine development has commenced on the first production level (1130 Level) of the Syama Underground mine. The underground excavation also advanced on the incline and decline. Development of the 1130 Level Access began and geological sampling commenced with some low grade ore identified and mined. Figure 2 and Table 6 below show the current underground mine development progress to plan. Figure 2 shows the development progress (blue) and the current mine design.

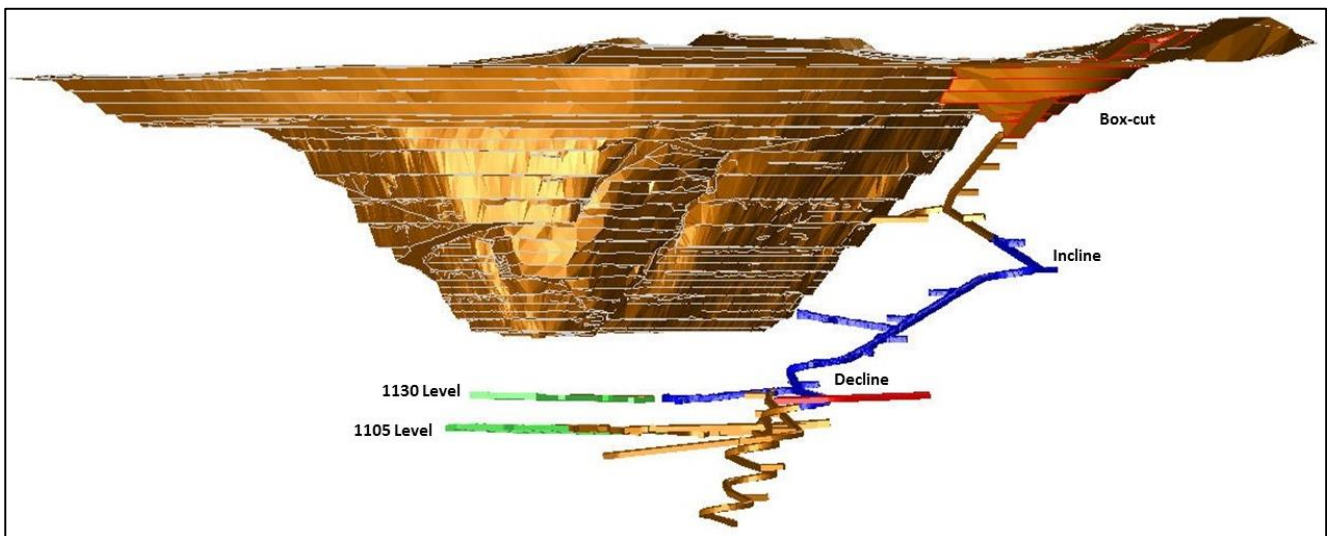


Figure 3: Syama Underground development progress (blue) vs mine design

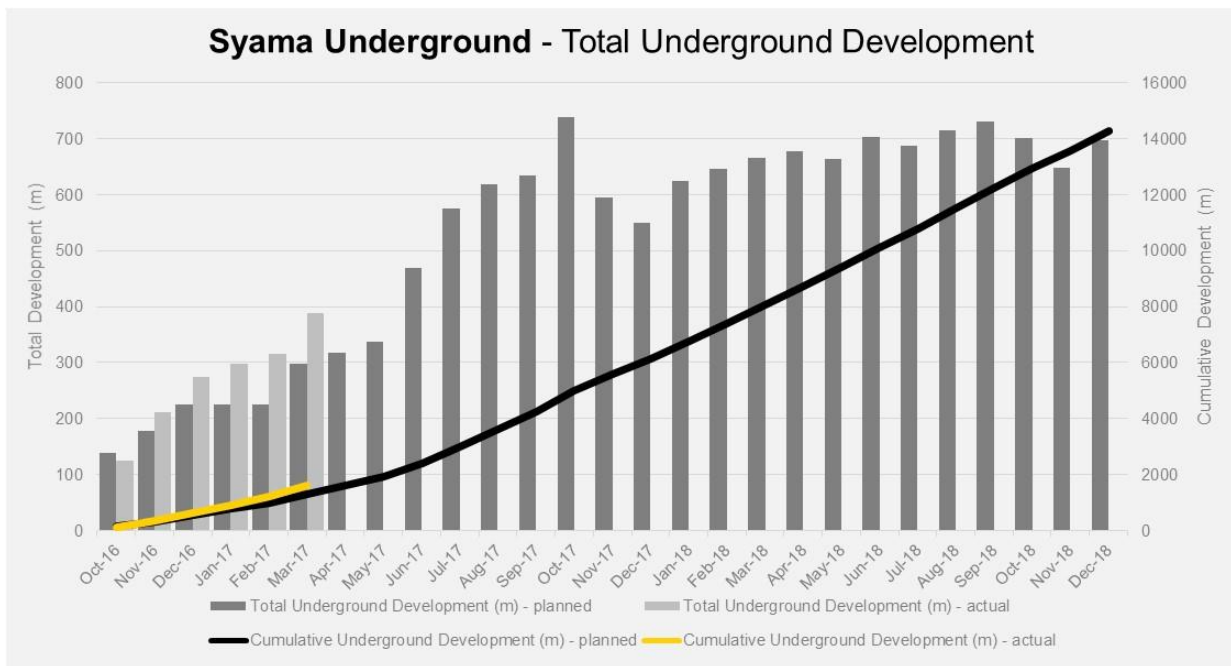


Table 6: Syama Underground development progress



Health and Safety

The Syama operation had zero lost time injuries (LTI) during the quarter. The 12 month rolling LTI Frequency Rate at the end of the quarter was 0.25.

Outlook

Sulphide ore stockpiles will continue to be managed to maintain a consistent feed to the sulphide plant. Processing of a portion of underground ore from ore drive development will commence during the June Quarter 2017. Ore drive development will ramp up over the coming quarters while the sublevel cave is being established. Open pit mining will continue at the BA01 South pit with ore supply increasing as the pit deepens. Mill feed grades at both the sulphide and oxide plants are expected to reduce to levels in line with the current stockpile and reserve grades.

Development

Syama Underground Mine of the Future

Resolute continues to investigate technology and innovation enhancements that have potential to increase efficiency and productivity of the Syama Underground mine. Equipment manufacturers have been engaged to give advice on mine design improvements to capture the latest underground mining technology with a focus on automation. The Syama underground conveyor study continues to assess the viability of underground crushing and conveying in comparison with the current dual decline truck haulage system.

Project 85

Project 85 is targeting an increase in overall recovery levels to above 85% based on the average feed grade of the underground ore. At the end of the March Quarter 2017 the project design, procurement and construction remained on schedule with construction now 35% completed. The staged commissioning of the project remains on track for the end of March 2018.



Figure 4: Syama Project 85 calcine CIL tanks installed



Project Reprise (Low Carbon Roast)

Project Reprise involves reclaiming deslime tailings from a dedicated storage facility and processing this material through the roaster and the sulphide treatment plant. Since 2015 Resolute have been engaged in developing Low Carbon Roast (LCR) technology. Pilot plant testwork and basic engineering has been completed with detailed engineering to be initiated in the June Quarter 2017.

The LCR technology will deliver a significant reduction in the organic carbon (COrg) value of the calcine, with a commensurate increase in calcine leach recovery due to a reduction in preg-robbing. In addition to providing a general increase in calcine leach recovery, the process will result in improved recoveries from the stockpiled CEC, a by-product of the deslime circuit. The LCR will reduce the contained COrg value of the CEC to <0.5% which will result in an increase in calcine CIL recoveries from circa 60% to 90%.

This increase in recovery has required the Gold in Circuit recoverable ounces to be restated to reflect the increase in gold recovery from the CEC compared to previous assumptions. This adjustment is reflected with the addition of 13,834oz produced in the March Quarter 2017.

Australia

Operations

Ravenswood, Australia

Ravenswood is located approximately 95km south-west of Townsville and 65km east of Charters Towers in north-east Queensland, Australia. Ore sources for the Ravenswood operation include the Mt Wright underground mine and the Nolans East open pit mine. The Mt Wright underground mine uses the Sub-Level Shrinkage with Continuous Fill (SLS) mining method which has been successfully pioneered by the Resolute team.

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	*AISC A\$/oz
Mar Quarter	711,397	485,880	1.35	91.8	19,328	1,444	1,626
Dec Quarter	656,695	549,129	1.77	93.6	29,223	1,097	1,276
Sep Quarter	296,330	416,011	1.58	94.6	19,901	1,302	1,508
FY17 YTD	1,664,422	1,451,020	1.57	93.3	68,452	1,255	1,442

* AISC has been calculated in accordance with World Gold Council guidelines.

Table 7: Ravenswood Production and Cost Summary

A reduced head grade for the quarter was a result of a higher proportion of the lower grade Nolans East ore being processed while lower grade areas were mined at Mt Wright. Mill throughput during the quarter was affected by lower mill utilisation associated with Cyclone Debbie and an unplanned shutdown following a lightning strike which affected power supply to the plant. Gold recovery was in line with lower recovery rates expected from the Nolans East ore.

Ore production from Nolans East was 481,383 t @ 0.63 g/t for 9,793oz (December 2016: 356,561 t @ 0.68 g/t for 7,810oz). Ore production from Mt Wright was 230,014 t @ 2.34 g/t for 17,305oz (December 2016: 300,134 t @ 2.65 g/t for 25,537oz). Mined ore tonnes from Mt Wright were lower than the previous quarter given the reduced number of available draw points. The lower mined grade at Mt Wright was a result of scheduling lower grade mining areas and a higher proportion of tonnes than expected from the scheduled draw points.



Figure 5: Open Pit mining at Nolans East

Health & Safety

The Ravenswood operation had a single lost time injury during the quarter. The 12 month rolling LTI Frequency Rate at the end of the quarter was 2.79.

Outlook

Mined ore tonnes from Mt Wright are expected to be similar to the current quarter and mined grade will continue to fluctuate depending on the number of available drawpoints and overdraw as the Mt Wright mine approaches closure. Mine production from Nolans East and mill throughput are expected to continue at current levels during the June Quarter 2017.

Development

Ravenswood Expansion Project

Sarsfield Approval

During the quarter Resolute announced that the Queensland Department of Environment and Heritage Protection had issued the final approved amended Environmental Authority for the recommencement of mining at the Sarsfield open pit (see ASX announcement dated 7 March 2017). The Environmental Authority is a major milestone in the governmental approval process required to progress the Ravenswood Expansion Project (REP) and follows the granting of Prescribed Project status to the REP by the Queensland Government (see ASX Announcement dated 1 December 2016). Baseline environmental studies for the Buck Reef West Project are ongoing with the final approvals expected in mid-2018.



Exploration

Resolute reports its exploration activities and results in accordance with the JORC 2012 guidelines. Exploration results that are considered material to the Company are announced to the ASX separately to the quarterly report. Any activities below that do not refer to a separate ASX announcement are not considered material to the Company.

Mali

Nafolo Drilling

The exciting new Nafolo discovery (refer to ASX Announcement dated 25 October 2016) was updated (refer to ASX Announcement dated 19 January 2017) during the quarter with additional high grade intercepts confirming a major gold discovery. Significant results from holes drilled since the discovery hole (SYDD442: 19m @ 2.57g/t Au & 18m @ 3.02g/t Au) included the following intercepts:

- SYDD446 41m @ 4.9g/t Au from 281m; and 37m @ 3.1g/t Au from 372m
- SYDD447 13m @ 6.9g/t Au from 434m; and 11m @ 2.4g/t Au from 472m
- SYDD448 10m @ 3.6g/t Au from 385m; and 29m @ 4.7g/t Au from 446m [hole ended in mineralisation]

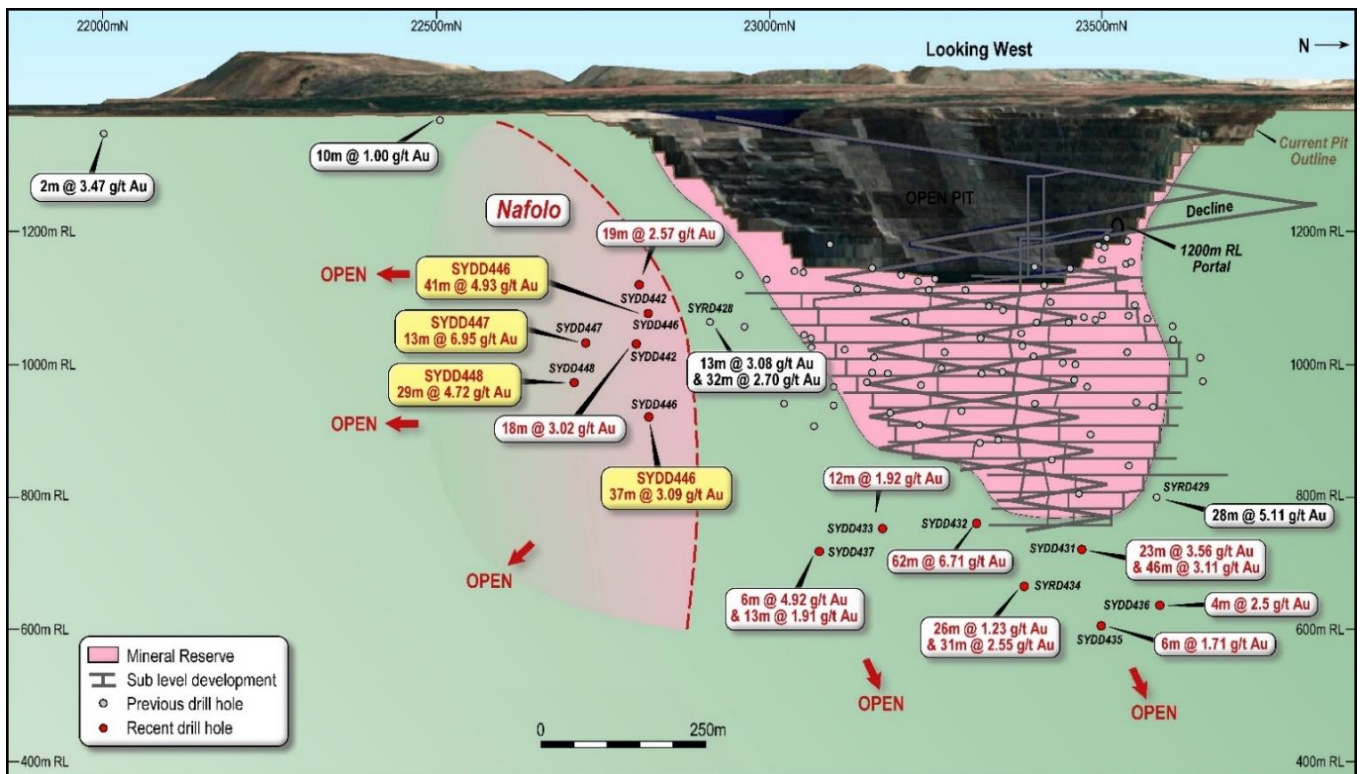


Figure 6: Longitudinal Projection showing location of new diamond drillholes and designed underground development

Drilling at Nafolo was accelerated during the quarter with two diamond rigs operating on double shifts. The drilling rate is slow due to the difficulties collaring through the 80m deep waste rock dump which is obscuring the surface expression of the new discovery. During the quarter nine holes were completed in up-dip and down-dip positions relative to the previously reported mineralised intersections. All holes to date display zones of alteration and sulphide mineralisation however results are only available for half of these holes. An updated announcement on Nafolo is



planned to be released during the June Quarter 2017. The drilling program will continue to focus on outlining the full strike extent of the new zone of mineralisation as well as extending the resource at depth.

Syama South

Infill RC drilling was undertaken at the Tellem oxide gold resource located 12km south of Syama. The gold resource is modest however its proximity to Syama justifies further delineation to calculate an oxide reserve. Drilling was completed to convert the resource to indicated and measured categories. Overall the infill drilling results were better than expected and should positively impact the Tellem resource model.

Tabakoroni

A program of resource infill RC drilling was designed for the Tabakoroni gold deposit to bring the overall drill spacing down to 25 x 25m with an expected total of 7,000m of drilling. This program commenced in late 2016 and was completed in the March Quarter 2017. An additional program of deeper RC drilling is now planned to test the depth extents of high grade sulphide mineralisation intersected in previous drilling.

Ghana

Bibiani

Resolute commenced the current second phase of resource drilling at Bibiani in December 2016 (refer to ASX Announcement dated 23 March 2017) with the program continuing throughout the March Quarter 2017. The drilling program is expected to comprise of at least 3,500m of underground and 17,500m of surface diamond drilling. Drilling is expected to take approximately six months at which time an updated resource will be compiled. The updated resource will underpin further project studies and ultimately, a future decision to mine.

Results received from completed holes are very encouraging with particularly impressive results from the Central Lode drilling from underground positions. Excellent high grade results in the southern Central Lode between 5150N and 5600N suggests the mineralisation in this area is better than predicted by the inferred resource estimate.

Better than 50 gram x metre gold intersections include:

- BSDD035 14m @ 4.36g/t from 454m;
- BSDD040 30.3m @ 8.92g/t from 499m;
- BSDD042 23.7m @ 3.15g/t from 426m;
- BUDD071 34m @ 1.6g/t from 139m;
- BUDD072 48m @ 3.58g/t from 171m;
- BUDD072 5.9m @ 16.51g/t from 227m;
- BUDD074 47m @ 2.26g/t from 130m;
- BUDD074 17m @ 3.53g/t from 182m;
- BUDD077 51m @ 4.3g/t from 117m;
- BUDD078 37m @ 3.86g/t from 152m; and
- BUDD080 20m @ 2.71g/t from 68m.

The high-grade intersections in all the reported underground holes (BUDD prefix) and two surface holes BSDD040 and BSDD042 are all located within the down dip extensions of the Central Lode. These down dip extensions are likely to add resources and increase the ore reserve within this underground mining panel. The remainder of the program will concentrate on exploring for new zones of mineralisation along strike to the north and also targeting parallel shear structures to the west of the current lenses.

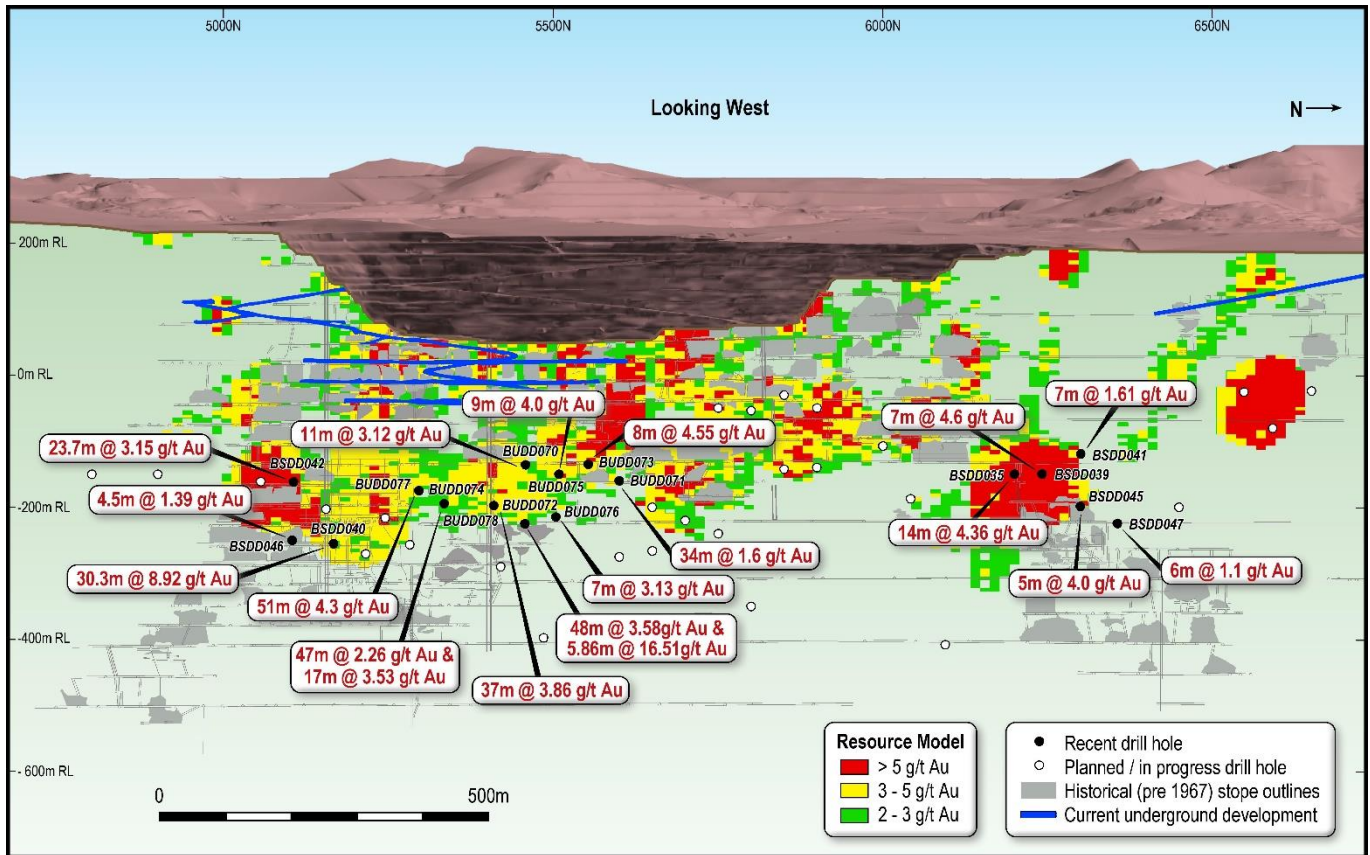


Figure 7: Bibiani Phase 2 drilling results

Côte d'Ivoire

New Projects (Resolute 100%)

The Cote d'Ivoire Ministry for Mines and Industry granted two new Research Permits, Satama and Gogokro during the quarter. Resolute now has five 100% owned granted Research Permits and two JV Research Permits. Field activities resumed this quarter on the Nielle, Somavogo, Satama, Gogokro and Pongala permits, with anomaly checking, orpailler definition and regolith/geological mapping. A follow up program of auger drilling has been planned for these permits with drilling commencing in late March 2017. The auger drilling program is designed to test the main 3km x 1.5km strike Au anomaly zone at Niele.

Detailed geological mapping of the Pongala, Somavogo, Satama, and Gogokro permits was undertaken however outcrop was limited. An aeromagnetic survey is planned to cover the newly acquired permits and the three Resolute permits north of Tongon due to the lack of outcrop on these projects.

Australia

Ravenswood - Buck Reef West

Diamond drilling continued at Buck Reef West during the quarter with two main target areas. Six diamond drillholes were completed targeting the extensions of the high grade quartz lode of the Sunset South area. The holes intersected patchy high grade gold mineralisation relating to the interpreted positions of the Sunset South lode.

Diamond drilling also targeted the Buck Reef Fault zone which was mined in recent times from open pit and underground positions. The mineralised fault zone has the potential to host high grade gold resources suitable for underground mining. The current program is following up good intercepts from the 2016 drilling program which identified mineralised extensions of the Buck Reef Fault to the west of the historic open pit. Encouraging assay results



from the first holes led to an acceleration of the program. Additional drill holes were planned to provide approximately 40m x 40m coverage along the mineralisation adjacent to the Buck Reef fault at depth.

Ravenswood - Welcome Breccia

The analytical results were received for the diamond drilling undertaken at Welcome in late 2016. The drillholes indicate that the breccia is thicker than previously modelled on the south eastern side, however, the north western breccia contact was intersected earlier than previously modelled and may provide further evidence for a late fault or shear offset. The geology will be remodelled and a new resource calculation will be undertaken.

Corporate

During the quarter Ms Lee-Anne de Bruin was appointed as Chief Financial Officer. Ms de Bruin most recently held the position of Regional Chief Financial Officer in Australia for Newmont Mining Corporation, one of the world's leading gold producers. Prior to joining Newmont, Ms de Bruin was the Head of Project Function for BHP Billiton Limited. Previous roles include Managing Director of Kimberley Diamond Company where she was promoted from the Chief Financial Officer role.

Cash, Bullion and Listed Investments

Description	Mar '17 Quarter (A\$M)	Dec '16 Quarter (A\$M)
Cash	139.6	142.1
Bullion (Mar: 87,620oz @ A\$1,624/oz)	142.3	132.7
Cash and Bullion Sub-Total	281.9	274.7
Listed investments*	9.0	7.7
Total Cash, Bullion and Listed Investments	290.9	282.5

Table 8: Total Cash, Bullion and Listed Investments

* Listed investments includes equity accounted investments at end of quarter market value

The principal movements in the market value of cash and bullion balances during the quarter were as follows:

	Mar '17 Quarter (A\$M)	Dec '16 Quarter (A\$M)
Operating Cash Flows		
Gross operating cash flows from Syama and Ravenswood	54.6	54.9
Royalty payments	(3.8)	(5.2)
Overheads and operational support costs	(1.2)	(1.1)
Exploration expenditure	(7.2)	(4.8)
Interest expense/income net cash flows	0.3	(0.1)
Income taxes paid	(0.6)	
Working capital movements	4.9	11.7
Investing Cash Flows		
Development expenditure, incl. Syama UG development, feasibility studies,	(24.9)	(16.8)
Operational sustaining capital expenditure	(3.8)	(3.9)
Bibiani project care and maintenance	(2.2)	(2.0)
Other investing activities	0.3	(0.6)
Financing Cash Flows		
Capital raising (net of costs)	-	(0.2)
Dividend payments	-	(11.0)
Existing debt facility inflows/(outflows)	(11.8)	(12.4)
Foreign exchange fluctuations and market value changes of bullion on hand	2.7	(0.7)
Net cash inflows	7.2	
Opening cash and bullion	274.7	267.0
Closing cash and bullion	281.9	274.7

Table 9: Movements in Cash and Bullion balances



Gold in Circuit

As at 31 March 2017, Resolute had an estimated recoverable Gold in Circuit “GIC” inventory of approximately 70,000oz of gold with a market value of approximately A\$114M. Resolute intends to drawdown the GIC as roaster capacity allows and maintains the FY17 gold shipped forecast of 325,000oz. The A\$114M of recoverable GIC is in addition to the A\$291M of cash, bullion and listed investments.

Borrowings

Total borrowings at quarter end were A\$9M compared with A\$22M at 31 December 2016. These balances relate to the bank overdraft of Resolute’s Malian subsidiary. The weighted average interest rate payable on the borrowings at quarter end was 8.0% (8.0% at 31 December 2016). At 31 March 2017, Resolute’s net cash balance, after bullion and debt, had improved to positive A\$273M compared with positive A\$261M at the start of the quarter.

Gold Sales and Forward Sales Contracts

Gold sold for the quarter increased to 76,000oz (December 2016: 16,080oz) as the Company maintained a balance between its holdings of bullion and cash. Resolute expects gold sales to reconcile with gold shipped by the end of the financial year. The value of the Company’s bullion balances increased slightly during the quarter from A\$133M to A\$142M due primarily to the increased spot price. All capex requirements for the quarter were covered by free cashflow generation.

Resolute has 21,000oz (December 2016: 30,000oz) of forward sales contracts at an average price of A\$1,802/oz (December 2016: A\$1,800/oz) for delivery between April 2017 and October 2017 equivalent to approximately 50% of the Nolans East ounces of gold to be mined over that period.

Description	Unit	Mar '17 Quarter	Dec '16 Quarter
Gold sold	Ounces	76,000	16,080
Average selling price	A\$/oz	1,624	1,677
Profit on close out of forward sales contracts	A\$'M	1.6	1.2
Gold sales revenue (inc. profit on derivatives)	A\$'M	125.0	28.2
Gold sales revenue divided by oz sold	A\$/oz	1,645	1,752

Table 10: Summary of gold sales and forward contracts

Outlook – FY17 Production and Expenditure Guidance

Resolute’s focus on improving operations has resulted in improved production and out-performance on costs compared to previous guidance. In addition, major growth projects have been advanced with less capital expenditure than previously envisaged. Consequently guidance on production, costs, capital expenditure and exploration have been significantly upgraded. Guidance for FY17 is now:

- Gold production of 325,000oz;
- Gold shipped of 325,000oz;
- Gold sales are expected to reconcile with gold shipped;
- All-In-Sustaining Costs of A\$1,150/oz (US\$865/oz);
- Capital expenditure for major growth projects now forecast to total circa A\$100M (US\$75M) down from A\$170M (US\$124M);
- Exploration budget increased to A\$20M (US\$15M) at Syama, Ravenswood and Bibiani. Further increases in exploration expenditure are considered likely given further success with the Nafolo discovery.

For further information, contact:

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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 FY17 guidance of 325,000 ounces of gold production at All-In Sustaining Costs of A\$1,150/oz (US\$865/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, Australia demonstrates Resolute's significant underground expertise in the ongoing success in mining the Mt Wright ore body. In Ghana, the Company has completed a feasibility study on the Bibiani Gold Project focused on the development of an underground operation requiring modest 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.

Competent Persons Statement

The information in this report that relates to the Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr Andrew Goode who is a member of the Australasian Institute of Mining and Metallurgy and Mr Bruce Mowat, a member of The Australian Institute of Geoscientists. Mr Andrew Goode and Mr Bruce Mowat 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 Andrew Goode and Mr Bruce Mowat are full time employees of Resolute Mining Limited Group and each hold equity securities in the Company. They have consented to the inclusion of the matters in this report based on their information in the form and context in which it appears. This information was prepared and disclosed under the JORC code 2012 except where otherwise noted. Particular Reserves and Resources remain 2004 JORC compliant and not updated to JORC code 2012 on the basis that information has not materially changed since it was last reported.

ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 736,982,768
Current Share Price: A\$1.21 as at 19 April, 2017
Market Capitalisation: A\$892 Million
FY17 Guidance: 325,000oz @ AISC A\$1,150/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*

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