



**Resolute**

# Quarterly Activities Report

for the period ended 30 September 2017

**19 October 2017**

## Steady production quarter for Resolute

**Gold production of 76koz at AISC of A\$1,397/oz**

**Strong operating cash flow of A\$54M**

**96,000 ounces forward sold at US\$1,330/oz**

**A\$230M in cash, bullion and listed investments**

### Highlights

- Gold production of 76,168 ounces of gold (June 2017: 70,654 ounces)
- All-In Sustaining Cost of A\$1,397 per ounce / US\$1,133 per ounce (June 2017: A\$1,502 / US\$1,127)
- Average gold price received of A\$1,682 per ounce from gold sales of 61,480 ounces
- Strong operating cash flow of A\$54 million (unaudited)
- FY18 gold production guidance maintained at 300,000 ounces at an All-In Sustaining Cost of A\$1,280 per ounce (US\$960 per ounce)
- Bibiani Mineral Resource increased by 40% to 2.5 million ounces at 3.6g/t Au
- Syama Underground mine development continues on schedule with pre-production ore of 28,408 tonnes at 2.8 grams per tonne Au delivered to the processing plant
- US\$ hedging contracts locked in with 96,000 ounces forward sold at US\$1,330 per ounce to December 2018
- Cash, bullion and listed investments of A\$230 million / US\$180 million as at 30 September 2017
- Gold in circuit inventory as at 30 September 2017 of 83,148 ounces worth A\$136 million / US\$107 million

Resolute Mining Limited (Resolute or the Company) (ASX: RSG) is pleased to present its Quarterly Activities Report for the period ended 30 September 2017.

Managing Director and Chief Executive Officer, Mr. John Welborn, congratulated Resolute's operating team for a positive start to the financial year:

"The current financial year is challenging for the Company as we are undertaking the transition of our gold mines at both Syama and Ravenswood to new long life futures. It is important we continue to deliver production consistent with guidance while we work to improve the quality of our assets. Positive cash flows of more than \$50 million were generated during the quarter which is a strong start to the financial year. The Syama Underground project is progressing on schedule. During the quarter we processed the first development ore from the underground mine. While this was a relatively minor contributor to overall production it is a significant milestone in the development of the Company's flagship asset. The completion of a revised resource estimate for the Bibiani Gold Mine is a key step in the pathway towards its redevelopment as a low cost long life operation. We continue to maintain a strong balance sheet and remain well prepared to fund our exciting development projects and expanded exploration efforts."



## Quarterly Summary

### September Quarter 2017 production and costs (unaudited)

September 2017 Quarter	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravenswood	GROUP Total
UG lateral development	m	1,724	-	1,724	-	1,724
UG vertical development	m	338	-	338	210	548
Total UG lateral development	m	2,062	-	2,062	210	2,272
UG ore mined	t	28,408	-	28,408	102,265	130,673
UG grade mined	g/t	2.80	-	2.80	2.94	2.91
OP operating waste	BCM	49,457	666,451	715,908	201,569	917,477
OP ore mined	BCM	62,368	236,140	298,508	125,809	424,317
OP grade mined	g/t	3.53	2.12	2.52	0.69	1.87
Total ore mined	t	202,228	457,810	660,038	449,113	1,109,151
Total tonnes processed	t	454,939	325,372	780,311	614,932	1,395,243
Grade processed	g/t	1.99	2.32	2.13	1.16	1.70
Recovery	%	74.6	71.9	73.4	93.8	82.4
Gold recovered	oz	21,699	17,501	39,200	21,537	60,737
Gold in circuit drawdown/(addition)	oz	8,494	9,747	18,241	(2,811)	15,430
<b>Gold produced (poured)</b>	<b>oz</b>	<b>30,193</b>	<b>27,248</b>	<b>57,441</b>	<b>18,726</b>	<b>76,168</b>
Gold bullion in metal account movement (increase)/decrease	oz	(7,960)	(5,746)	(13,706)	(981)	(14,687)
Gold sold	oz	22,233	21,502	43,735	17,745	61,480
Achieved gold price	A\$/oz	1,676	1,676	1,676	1,695	1,682
	US\$/oz	1,330	1,330	1,330	1,347	1,335
<b>Cost Summary</b>						
Mining	A\$/oz	584	392	493	682	539
Processing	A\$/oz	466	256	366	659	438
Administration	A\$/oz	181	148	165	291	196
Stockpile Adjustments	A\$/oz	215	(188)	24	(27)	11
Gold in Circuit Movement	A\$/oz	591	262	435	(240)	269
Amortisation/(Deferral) of stripping costs	A\$/oz	(12)	269	121	(21)	86
Transfer of underground development costs to development	A\$/oz	(539)	-	(283)	-	(214)
<b>Cash Cost</b>	<b>A\$/oz</b>	<b>1,486</b>	<b>1,139</b>	<b>1,321</b>	<b>1,343</b>	<b>1,327</b>
	<b>US\$/oz</b>	<b>1,168</b>	<b>897</b>	<b>1,047</b>	<b>1,062</b>	<b>1,052</b>
Royalties	A\$/oz	76	77	77	80	81
By-product credits	A\$/oz	(5)	(5)	(5)	(12)	(7)
Amortisation/(Deferral) of stripping costs	A\$/oz	12	(269)	(121)	21	(86)
Sustaining capital + others	A\$/oz	36	30	33	50	40
Overhead costs	A\$/oz	28	30	30	(3)	44
Administration Costs	A\$/oz	-	-	-	-	28
<b>All-In Sustaining Cost (AISC)*</b>	<b>A\$/oz</b>	<b>1,633</b>	<b>999</b>	<b>1,332</b>	<b>1,478</b>	<b>1,397</b>
*AISC is calculated on gold produced (poured)	<b>US\$/oz</b>	<b>1,295</b>	<b>810</b>	<b>1,065</b>	<b>1,169</b>	<b>1,113</b>
Depreciation and amortisation	A\$/oz	220	-	122	48	59

Table 1: Detailed Production and Cost data September Quarter 2017



## Mali

### Operations

#### Syama, Mali

##### Sulphide operations

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	AISC A\$/oz
Sep Quarter	202,228	454,939	1.99	74.6	30,193	1,486	1,633

Table 2: Syama Sulphide Production and Cost Summary

Gold production at Syama increased from the previous quarter with an increase in overall recoveries combining with a drawdown in the gold in circuit (GIC) inventory. Ore tonnes milled decreased as a result of the processing plant shutdown during the industrial action in July 2017 (refer to Australian Securities Exchange (ASX) announcement dated 28 July 2017). The head grade was in line with previous quarters as the underground ore and satellite open pit ore continues to augment the declining grade from the ore stockpiles. AISC included a drawdown in GIC stocks in the sulphide circuit. These ounces had a relatively high historical cost. The head grade will continue to be managed with the blending of sulphide feed from existing sulphide stockpiles, mined ore from satellite deposits, and ore produced from the underground mine during development. Development ore production has commenced and pre-production underground ore of 28,408 tonnes at 2.8 grams per tonne (g/t) Au was mined during the quarter. At the end of the quarter the sulphide ore stockpiles from the Syama open pit contained approximately 138,397 ounces (oz) (3.17 million tonnes (Mt) at 1.36g/t Au) while the sulphide ore stockpiled from the A21 satellite pit contained approximately 23,314oz (0.43Mt at 1.68g/t Au). Total sulphide ore stockpiles at Syama are approximately 161,711oz (3.60Mt at 1.40g/t Au).

##### Oxide Operations

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	AISC A\$/oz
Sep Quarter	457,810	325,372	2.12	71.9	27,248	1,139	999

Table 3: Syama Oxide Production and Cost Summary

During the quarter Resolute continued mining the BA-01 satellite pit and head grades continued in line with the previous quarter. Overall recoveries were affected by increased levels of organic carbon and sulphide mineralisation associated with the transitional ore from the BA-01 satellite pit. Ore tonnes milled were lower due to the increased moisture content of the ore causing blockages in the comminution circuit.

##### Underground mine development

Underground mine development remains on schedule for first sublevel cave ore production to commence in December 2018. During the quarter, underground development commenced on the third production level (the 1080 level) and underground development ore production continued from the first and second production levels (the 1130 and 1105 levels). The incline and decline continued to advance simultaneously and at the end of the quarter the incline was located approximately 200m from the box-cut breakthrough location. Lateral development rates continue to exceed expectations with automated drilling delivering longer rounds, rapid development and less overbreak than conventional drilling. As the underground development continues development ore will ramp up towards ~500ktpa over the coming quarters. Development ore will continue to augment the stockpiled sulphide material and satellite open pit sulphide sources. Online readers can click on Figure 1 to launch Resolute's interactive visualiser and view the underground mine development progress as at 30 September 2017. The interactive visualiser is also available



on Resolute’s website at [www.rml.com.au](http://www.rml.com.au) . Figure 2 below shows development of the Syama Underground progress to plan.

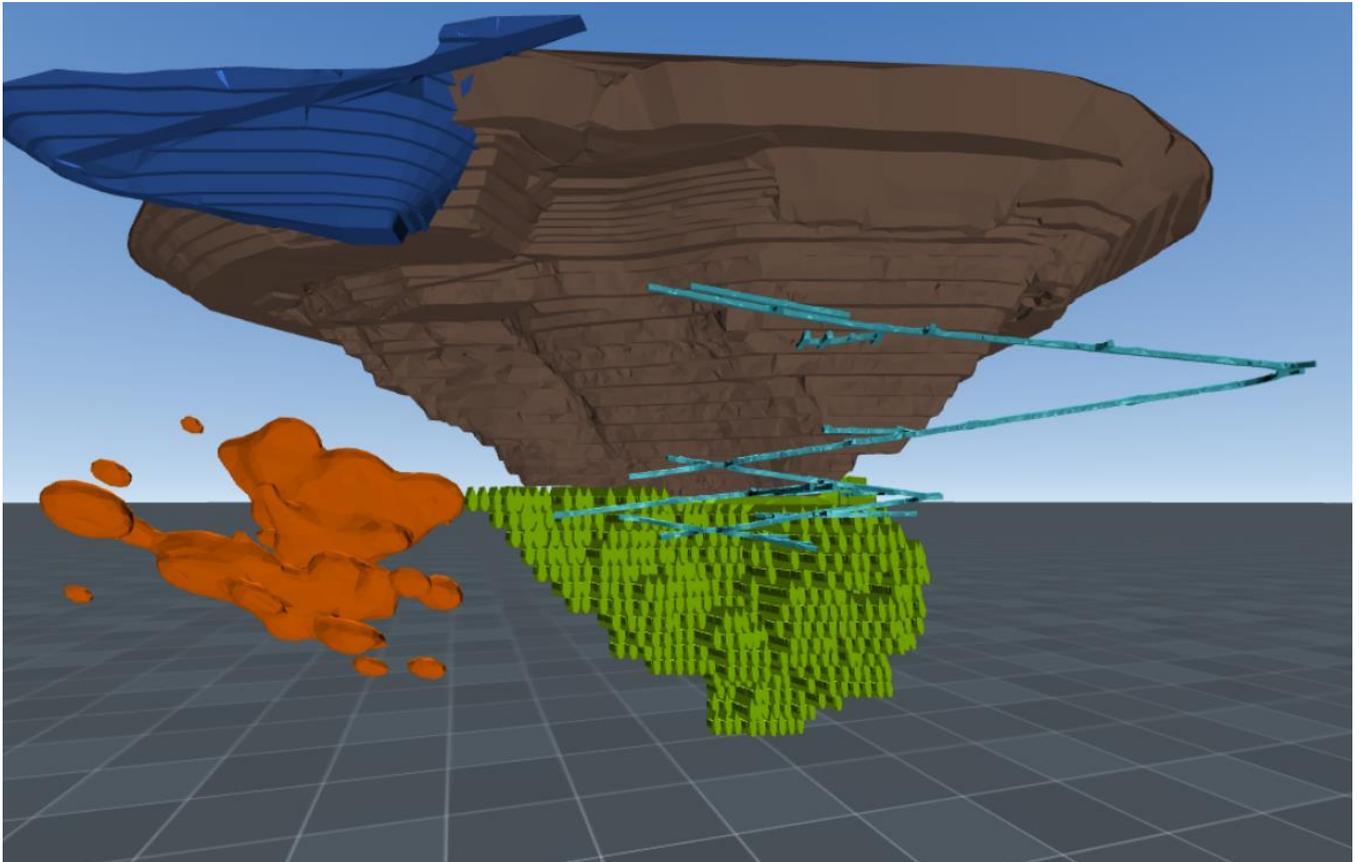


Figure 1: Syama Underground development progress as at 30 September 2017

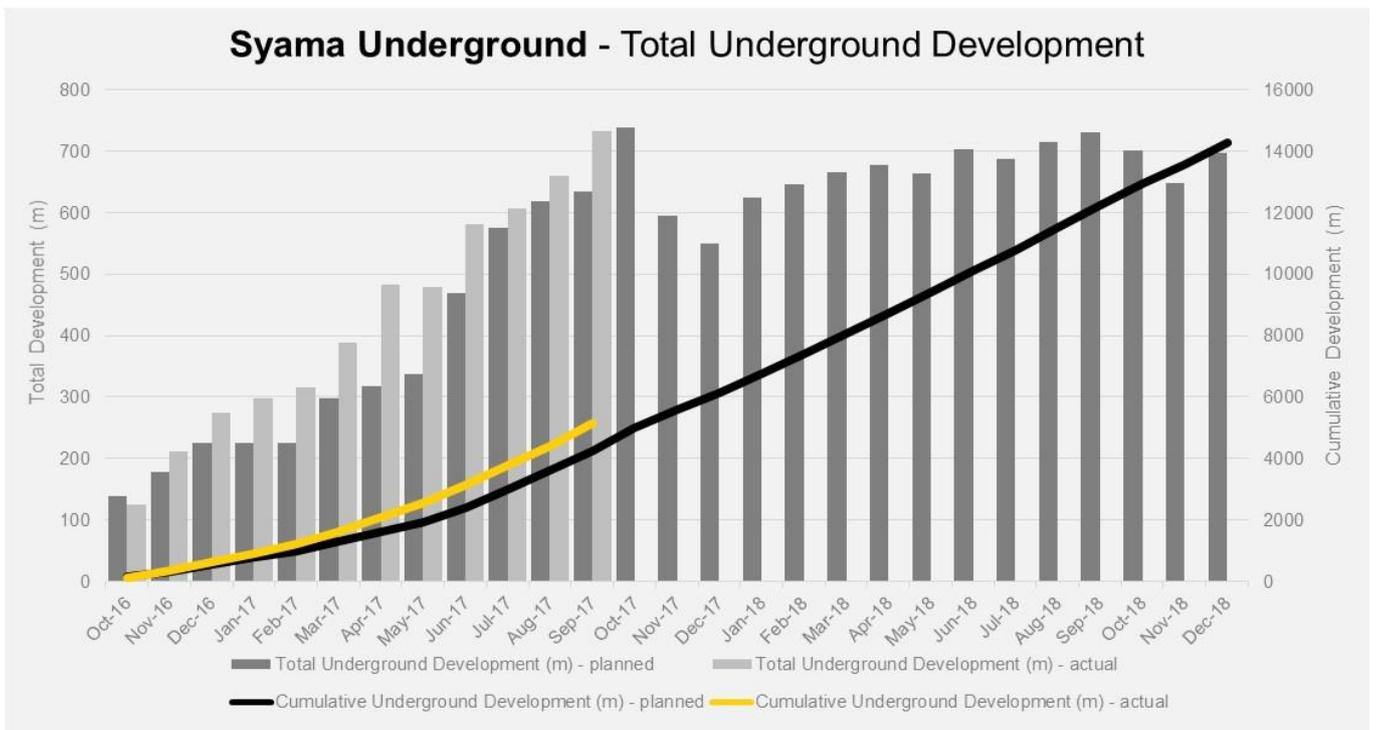


Figure 2: Syama Underground development progress



## Health and safety

The Syama operation had a single lost time injury (LTI) during the quarter. The 12 month rolling LTI Frequency Rate at the end of the quarter was 0.45 and the 12 month rolling Total Recordable Injury Frequency rate (TRIFR) was 1.34.

## Outlook

Open pit mining will continue at the BA-01 pit with increased oxide ore production from the BA-01 North pit. Mill feed grades are expected to increase as the underground development ore ramps up towards ~500ktpa over the coming quarters. The underground development ore is expected to grade in a range of 2.5-3.0g/t Au and the higher sulphide content from the underground ore will result in improved overall recoveries from the sulphide circuit.

## Development

### 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 quarter the project design, procurement and construction remained on schedule with construction now 77% completed. The staged commissioning of the project remains on track for the end of March 2018.

### Project Reprise (Low Carbon Roast)

Project Reprise involves reclaiming the carbon enriched concentrate (CEC) and processing with the innovative low carbon roast (LCR) technology. The LCR technology will deliver a significant reduction in the preg-robbing organic carbon content of the CEC. During the quarter Outotec completed the detailed design of the LCR tie-ins and procurement of long lead items. The staged commissioning of Project Reprise remains on track for mid-2019.

## Australia

## Operations

### Ravenswood, Australia

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	Cash Cost A\$/oz	AISC A\$/oz
Sep Quarter	449,113	614,932	1.16	93.8	18,726	1,343	1,478

Table 4: Ravenswood Production and Cost Summary

A lower head grade for the quarter was a result of a decrease in tonnes mined from the Mt Wright Underground mine compared to the previous quarter. An increase in tonnes milled resulted from the reduction in Mt Wright ore and the run of mine beneficiation plant providing a fine crusher feed to the plant. Production from Mt Wright was affected by an underground fire and an uncontrolled rill event causing significant downtime during the quarter.

Ore production from Nolans East was 346,848t @ 0.60g/t Au for 6,691oz (June 2017: 481,881t @ 0.60g/t Au for 9,248oz). Ore production from Mt Wright was 102,265t @ 2.94g/t Au for 9,670oz (June 2017: 219,856t @ 2.55g/t Au for 18,019oz).

## Health & safety

The Ravenswood operation had a single LTI during the quarter. The 12 month rolling LTI Frequency Rate at the end of the quarter was 2.55 and the 12 month rolling TRIFR was 7.66.



## Outlook

Mined ore tonnes from Mt Wright are expected to continue at current levels as the number of available drawpoints decreases over the remaining life of the underground mine. Mine production and processing from Nolans East is expected to reduce as the Nolans East open pit is completed over the coming quarters. Ore feed will continue to be sourced from Nolans East, existing Sarsfield stockpiles, and Mt Wright until completion of the underground mine occurs in late-FY18.

## Development

### Ravenswood Expansion Project

In August the Company executed two significant Heritage Agreements (Heritage Agreements) with the Queensland Government which support the Ravenswood Expansion Project (REP) (refer ASX Announcement 15 August 2017). The Heritage Agreements apply to land and structures registered in the Queensland Heritage Register and collectively cover areas of the proposed REP mining landscape including the historic Chinese Settlement Area and the Ravenswood School and Residence. As part of the Heritage Agreements the Department of Environment and Heritage Protection has granted the required Exemption Certificates which will enable the REP to proceed.

The Heritage Agreements are an important component of the approvals required to commence mining at the Buck Reef West open pit which is a crucial component of the Ravenswood Expansion Project. The Buck Reef West Environmental Authority Amendment Application and the associated Buck Reef West Mining Lease Applications have since been lodged with the Queensland Government. These applications represent the final primary legislative approvals required for the REP. Receipt of these approvals is expected to be received during 2018 and will allow mining operations to commence at Buck Reef West. Resolute will continue to work collaboratively with the Queensland Government to obtain these approvals.

## Exploration

### Mali

#### Nafolo

Drilling continued at the Nafolo discovery (Nafolo or the discovery) during the quarter with all holes drilled to date intersecting gold mineralisation and alteration. The drilling has defined an initial strike length of greater than 300m and is continuing to deliver intersections of gold mineralisation with similar characteristics to the 8Moz Syama orebody.

A significant area under the southern waste dump remains untested and further drilling is likely to extend the mineralisation at Nafolo. The discovery demonstrates potential for further lenses of mineralisation to be identified along strike to the south or north of the main Syama orebody. Figure 3 shows the location of Nafolo to the south of the Syama Underground mine development with all drillholes completed to date. Better results since the previous Syama exploration update (refer to ASX announcement dated 11 July 2017) include:

- SYDD466      13m @ 1.71g/t Au from 360m; and  
                         21m @ 1.96g/t Au from 445m
- SYDD467      20m @ 2.00g/t Au from 543m
- SYDD470      8m @ 2.19g/t from 801m

Nafolo is located 250m south of the current underground mine design at Syama and has potential to be accessed in the early years of the underground mine. Drilling is ongoing with two diamond drill rigs currently located on the waste dump. Further drilling results will be released over the coming quarters. A maiden resource for Nafolo is being prepared as part of an updated Mineral Resource Estimate for the Syama Underground deposit and is expected to be announced during the current quarter.

During the quarter a drillhole located on section 23000N returned two strong intercepts directly to the south of the main Syama orebody in an area located in the gap between Nafolo and the main Syama orebody. This intercept is located outside of the current underground mine plan and highlights the significant potential for increased ore tonnes along strike of the main orebody at Syama. The drillhole intersected the main Syama lens and a footwall lens with the following intercepts:

- SYDD473      19m @ 10.02g/t Au from 338m; and  
                    11m @ 4.77g/t Au from 402m

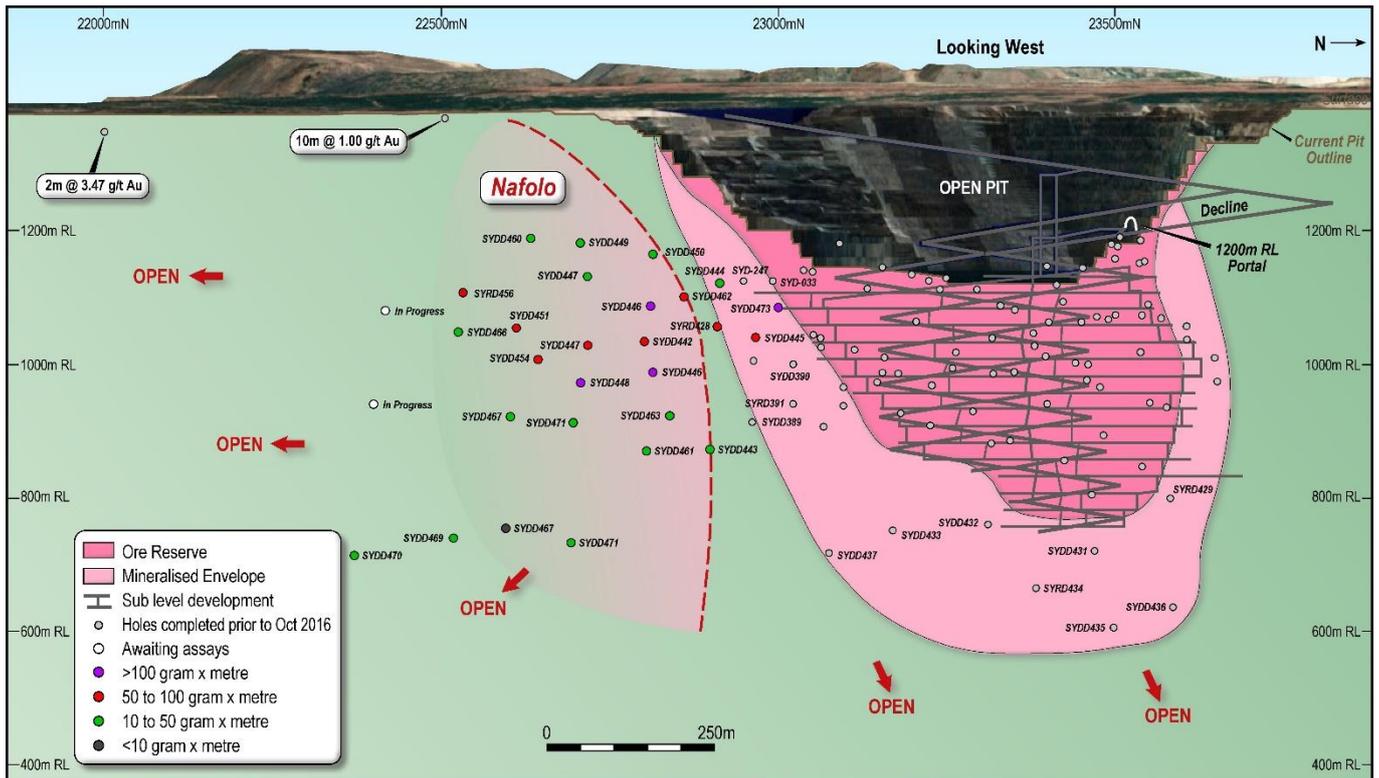


Figure 3: Longitudinal projection showing location of all diamond drillhole pierce points, results and designed underground development

### Northern satellite pits (Alpha, Beta, BA-01)

A program of reverse circulation (RC) drilling continues at the northern satellite pits located approximately 6km north of Syama. Previous drilling identified potentially high grade sulphide zones at the BA-01, Beta and Alpha deposits. The ongoing RC drilling has returned excellent intercepts and reinforces the potential for additional high grade mineable resources in the northern satellite pits. These initial results suggest potential exists for a future underground mine or a significant extension of the open pit mine life of the northern satellite pits; better results from this drilling program include:

#### Alpha

- ALRC071      11m @ 6.77g/t Au from 138m
- ALRC073      3m @ 4.85g/t Au from 26m
- ALRC085      22m @ 4.01g/t Au from 86m

#### Beta

- SERC081      4m @ 5.32g/t Au from 48m; and  
                    10m @ 2.13g/t Au from 85m
- SERC088      10m @ 2.39g/t Au from 25m; and  
                    3m @ 14.89g/t Au from 83m
- SERC089      3m @ 7.08g/t Au from 33m; and



- SERC094 10m @ 4.91g/t Au from 69m
- SERC094 14m @ 4.93g/t Au from 11m; and
- SERC094 12m @ 1.92g/t Au from 60m

**BA-01**

- BARC150 8m @ 9.07g/t Au from 119m; and
- BARC150 13m @ 4.53g/t Au from 131m
- BARC152 5m @ 4.86g/t Au from 169m
- BARC156 13m @ 3.14g/t Au from 153m
- BARC157 13m @ 2.59g/t Au from 135m



Figure 4: Surface plan showing recent drilling at the Alpha, Beta BA01 satellite deposits



# Ghana

## Bibiani Resource Upgrade

The Company recently announced an updated Mineral Resource estimate for Bibiani of 2.5 million ounces (21.7Mt at 3.6g/t Au); a 40% increase over the previous estimate of 15.7Mt at 3.5g/t Au for 1.8Moz (refer to ASX announcement dated 18 October 2017). The resource upgrade included a 26% increase in indicated resources to 1.5Moz (13.3Mt at 3.5g/t Au). The updated resource estimate will now be incorporated into an updated feasibility study which is due to be completed by the end of 2017. Better results from the Phase 2 drilling program include:

- BSDD040 30m @ 8.9g/t Au from 498.7m
- BSDD060 26m @ 5.0g/t Au from 347m
- BSDD068 15m @ 8.5g/t Au from 488m
- BUDD072 48m @ 3.6g/t Au from 171m; and 6m @ 16.5g/t Au from 227.14m
- BUDD077 51m @ 4.3g/t Au from 117m
- BUDD087 29m @ 9.0g/t Au from 279m

**Bibiani Mineral Resources as at 18 October 2017 at 2g/t Au cut-off**

Classification	Tonnes (000s)	Grade (g/t)	Ounces (000s)
Indicated	13,255	3.50	1,493
Inferred	8,438	3.73	1,011
<b>Total</b>	<b>21,693</b>	<b>3.59</b>	<b>2,504</b>

Table 5: Bibiani Mineral Resources as at 18 October 2017

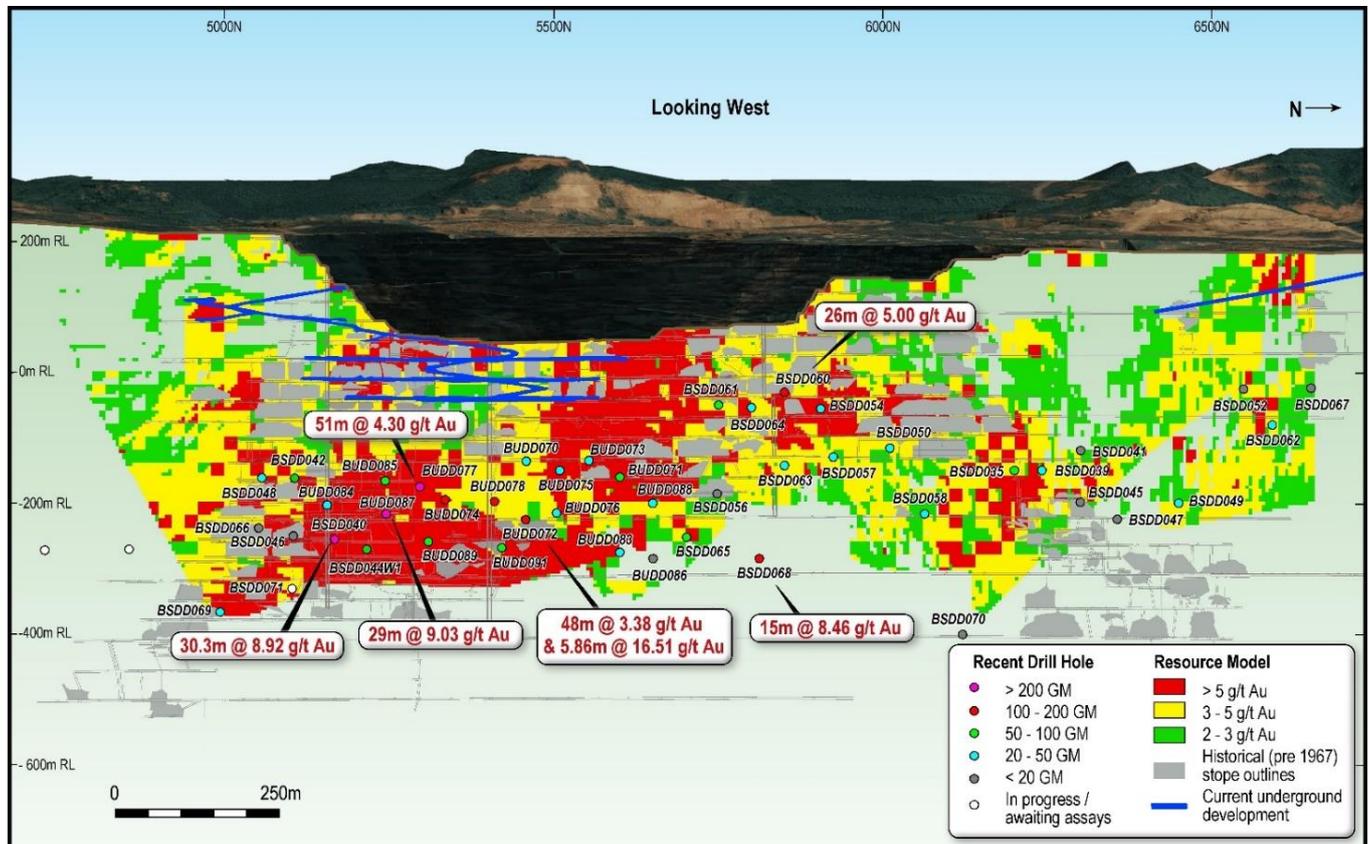


Figure 5: Long section of Bibiani updated resource model and Phase 2 drilling results



## Corporate

### Gold Dividend Policy

During the quarter, Resolute declared a final dividend for FY17 of 2.0c per share (refer to ASX Announcement dated 23 August 2017). The dividend payment is equal to 2.7% of FY17 gold sales revenue of A\$541M, consistent with Resolute's policy to pay a minimum dividend of 2% of gold sales revenue. Resolute is continuing its innovative partnership with The Perth Mint to offer shareholders the opportunity to receive dividends in either cash or gold. Shareholders registered on the record date of 29 September 2017 will receive their dividend payment on 27 October 2017.

### Gold forward sales contracts

During the quarter, Resolute took advantage of a strong US\$ gold price to establish a gold hedge position to support the Syama Underground mine development (refer to ASX announcement dated 1 September 2017). The additional hedging of 96,000oz at US\$1,330/oz with scheduled monthly deliveries of 6,000oz represents approximately 25% of expected gold production to December 2018. The average gold price received represents a significant premium above Resolute's budgeted gold price for the period of US\$1,200/oz. As at 30 September 2017, Resolute had the following forward sales contracts:

- 3,000oz (June 2017: 12,000oz) at an average price of A\$1,800/oz for delivery in October 2017; and
- 90,000oz (June 2017: nil) at an average price of US\$1,330/oz for delivery between October 2017 and December 2018

### Gold in circuit

As at 30 September 2017, Resolute had an estimated recoverable GIC inventory of approximately 83,148oz of gold with a market value of approximately A\$136M.

### Borrowings

Total borrowings at quarter end were A\$21M compared with A\$35M at 30 June 2017 (these balances relate to the bank overdraft of Resolute's Malian subsidiary, Société des Mines de Syama). At 30 September 2017, the Company's net cash balance, after bullion and debt, was A\$202M.

### Cash, Bullion and Listed Investments

Description	Sep '17 Quarter (A\$M)	Jun '17 Quarter (A\$M)
Cash	198.1	282.1
Bullion	24.5	0.4
Cash and bullion sub-total	222.6	282.5
Listed investments*	7.6	7.3
<b>Total cash, bullion and listed investments</b>	<b>230.2</b>	<b>289.8</b>

**Table 6: 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:

	Sep '17 Quarter (A\$M)	Jun '17 Quarter (A\$M)
<b>Operating Cash Flows</b>		
Gross operating cash flows from Syama and Ravenswood	54.0	33.9
Royalty payments	(9.6)	(10.7)
Overheads and operational support costs	(6.8)	(1.3)
Exploration expenditure	(7.4)	(9.0)
Interest expense/income net cash flows	0.7	0.5
Income taxes paid	(11.3)	-
Working capital movements	(30.9)	5.4
<b>Investing Cash Flows</b>		
Development expenditure, incl. Syama UG development, feasibility studies, resource development and other projects	(31.0)	(42.6)
Operational sustaining capital expenditure	(2.1)	2.3
Bibiani project care and maintenance	(2.3)	(2.4)
Other investing activities	0.1	0.1
<b>Financing Cash Flows</b>		
Existing debt facility inflows/(outflows)	(13.5)	25.8
Foreign exchange fluctuations and market value changes of bullion on hand	0.2	(1.4)
<b>Net cash inflows</b>	<b>(59.9)</b>	<b>0.6</b>
<b>Opening cash and bullion</b>	<b>282.5</b>	<b>281.9</b>
<b>Closing cash and bullion</b>	<b>222.6</b>	<b>282.5</b>

Table 7: Movements in cash and bullion balances

## Outlook – FY18 Production and Expenditure Guidance

Guidance for FY18 remains unchanged at:

- Gold production forecast of **300,000oz**
- AISC forecast of **A\$1,280/oz (US\$960/oz)**
- Capital expenditure for growth projects at Syama Underground and REP of A\$162M (US\$122M)
- Exploration budget of A\$38M (US\$29M)

	Gold Production* (oz)	AISC (A\$/oz)	AISC** (US\$/oz)
Syama Sulphide	130,000	1,050	788
Syama Oxide	90,000	1,260	945
Ravenswood	80,000	1,520	1,145
<b>Total</b>	<b>300,000</b>	<b>1,280</b>	<b>960</b>

Table 8: FY18 Production and Costs Guidance

\*Gold production metric for FY18 will be based on gold poured to provide greater transparency and direct reconciliation with gold sold

\*\*Guidance assumes AUD/USD exchange rate of 0.75

## Future Developments

### Updated Syama Mineral Resource Estimate

Work commenced during the quarter on an updated Mineral Resource Estimate for the Syama Underground deposit. Resolute has engaged Optiro Pty Ltd (Optiro) to undertake this work which is expected to be finalised in the coming days. The Syama deep drilling campaign and the associated discovery of Nafolo (refer to ASX announcements dated 1 August 2016, 25 October 2016, 18 January 2017, and 11 July 2017) has identified major extensions to the known mineralisation at Syama. The updated Syama Mineral Resource estimate will include drilling completed up to April



Resolute

# Quarterly Activities Report for the period ended 30 September 2017

2017 and focus primarily on the depth extensions to the main Syama Underground mineralisation and provide an initial resource for the Nafolo discovery.

## Business Development

Resolute pursues a strategy of continuously assessing internal and external business development opportunities for their potential to increase shareholder value. To date no such opportunity has advanced to a point where a transaction is considered likely. The Company will keep its shareholders and the wider market informed if this situation changes.

## Optimisation Studies - Syama and Ravenswood

Resolute continuously reviews Life of Mine plans for its key operating assets. This work has identified opportunities to enhance the current development plans at both Syama and Ravenswood. As a result the Company has commenced optimisation studies for both Ravenswood and Syama in order to assess the financial advantages and operational viability of these opportunities.

The Syama Underground definitive feasibility study (refer to ASX Announcement July 2016) was predicated on a 2.4Mtpa mining and processing rate. Recent work on autonomous trucking and bogging, in addition to ongoing exploration success, has identified options for expanding production rates from the underground mine. The Syama optimisation study will seek to identify a maximum, or unconstrained mine production rate, and then assess options for expanding processing capacity to accommodate this increased tonnage.

At Ravenswood, the REP study includes an expansion of processing capacity to the previous rate of 5.0Mtpa through a staged development process, with mining from three open pit source: Sarsfield, Buck Reef West and Nolans East. The Company will examine options for modifying mining schedules and tailings disposal strategies in the REP. This work has the aim of reducing project capital and operating costs by reducing the investment in dredging and filtration to remove and redeposit tailings presently stored in the Sarsfield pit.

Both the Syama and REP optimisation studies will be conducted over the next two quarters, and the result will be incorporated into updated Life of Mine plans. The Company will update the market with the results of this work when completed and its effects on future guidance.

## World Gold Council

During the quarter Resolute joined the World Gold Council (WGC) and Managing Director and CEO Mr John Welborn has been appointed a Director. The WGC is the market development organisation for the gold industry. Its purpose is to stimulate and sustain demand for gold, provide industry leadership, and be the global authority on the gold market.

For further information, contact:

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

### ASX:RSG Capital Summary

Fully Paid Ordinary Shares: 741,477,595

Current Share Price:

A\$1.07, 18 October, 2017

Market Capitalisation:

A\$793 Million

FY18 Guidance:

300,000oz @ AISC A\$1,280/oz

### Board of Directors

Mr Martin Botha *Non-Executive Chairman*

Mr John Welborn *Managing Director & CEO*

Mr Peter Sullivan *Non-Executive Director*

Mr Mark Potts *Non-Executive Director*

Mr Bill Price *Non-Executive Director*

Ms Yasmin Broughton *Non-Executive Director*

### Contact

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**Conference Call Details**

Resolute advises Managing Director and CEO, Mr John Welborn, will host a Conference Call for investors and media at 11:00AM AWST / 02:00PM AEST this morning to discuss the Quarterly Activities Report. The Conference Call will conclude with a question and answer session.

**Toll-free local dial-in number:** 1800 123 296

**Toll-free international access numbers:**

Canada	1855 5616 766	New Zealand	0800 452 782
China	4001 203 085 8008 702 411	Singapore	800 616 2288
Hong Kong	800 908 865	United Kingdom	0808 234 0757
India	1800 3010 6141	United States	1855 293 1544
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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 8 million ounces of gold. Resolute 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 FY18 guidance of 300,000 ounces of gold production at All-In Sustaining Costs of A\$1,280/oz (US\$960/oz).

Resolute's flagship Syama Gold Mine in Mali is a robust long life asset comprising parallel sulphide and oxide processing plants. The move to underground mining is expected to extend the mine life beyond 2028.

The Ravenswood Gold Mine in Queensland demonstrates Resolute's significant underground expertise in successfully mining the Mt Wright ore body, where operations are expected to cease in FY18. The Company's next stage of development in Queensland is the return to large scale open pit mining at the Ravenswood Expansion Project which will extend the Company's local operations for a further 13 years to at least 2029.

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 is also exploring over 6,600km<sup>2</sup> of potential world class tenure in West Africa and Australia with active drilling programs in Mali, Ghana, Cote d'Ivoire and Queensland, Australia. The Company is focused on growth through exploration and development 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 Bruce Mowat, a member of The Australian Institute of Geoscientists. Mr Bruce Mowat has more than 5 years' experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which he is 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 Bruce Mowat is a full time employee of Resolute Mining Limited Group and holds equity securities in the Company. He has consented to the inclusion of the matters in this report based on his 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.



## Nafolo

Hole_ID	North (WGS)	East (WGS)	RL (m)	Dip	Azi (WGS)	EOH (m)	From (m)	To (m)	Width (m)	Au (g/t)
SYDD466	1193710	819727	425	-63	104	656.7	360	373	13	1.71
							445	466	21	1.96
							582	586	4	1.61
							590	596	6	1.39
							606	609	3	2.07
SYDD467	1193836	819663	400	-68	104	780	520	523	3	1.02
							543	563	20	2.00
							731	735	4	1.13
SYDD469	1193726	819623	424	-68	106	800.4	767	778	11	1.74
							784	792	8	1.31
SYDD470	1193648	819592	424	-67	107	814.9	801	809	8	2.19
SYDD471	1193900	819735	387	-68	103	742.9	443	449	6	1.06
							474	480	6	2.16
							511	519	8	2.31
							530	540	10	1.77
							609	616	7	1.21
							628	631	3	1.96
SYDD473	1194163	819923	339	-54	104	520.4	123	127	4	3.62
							338	357	19	10.02
							402	413	11	4.77
							494	497	3	2.21

Table 9: Nafolo drilling intercepts

## Notes to Accompany Table:

- Grid coordinates are WGS84 Zone 29 North
- Intervals are HQ diamond core sampled every 1m by cutting the core in half to provide a 2-4kg sample
- Cut-off grade for reporting of intercepts is >1g/t Au with a maximum of 3m consecutive internal dilution included within the intercept; only intercepts >=3m are reported
- No top cut of individual assays prior to length weighted compositing of the reported intercept has been applied
- Samples are analysed for gold by Au-AA25 method which is a 30g fire assay fusion with AAS instrument finish

## BA-01

Hole_ID	North (WGS)	East (WGS)	RL (m)	Dip	Azi (WGS)	EOH (m)	From (m)	To (m)	Width (m)	Au (g/t)
BARC150	1198381	821790	369	-61	93	180	119	127	8	9.07
							131	147	16	3.93
BARC152	1198974	822222	403	-60	90	192	169	174	5	4.86
BARC156	1199032	822136	394	-63	90	202	153	166	13	3.14
BARC157	1198801	822150	397	-68	87	192	135	148	13	2.59

Table 10: BA-01 drilling intercepts

## Notes to Accompany Table:

- Grid coordinates are WGS84 Zone 29 North
- RC intervals are sampled every 1m by dry riffle splitting to provide a 1-3kg sample
- Cut-off grade for reporting of intercepts is >1g/t Au with a maximum of 3m consecutive internal dilution included within the intercept; only intercepts >=3m and >=20 grams x metres are reported
- No top cut of individual assays prior to length weighted compositing of the reported intercept has been applied
- Samples are analysed for gold by Au-AA25 method which is a 30g fire assay fusion with AAS instrument finish



## Alpha and Beta

Hole_ID	North (WGS)	East (WGS)	RL (m)	Dip	Azi (WGS)	EOH (m)	From (m)	To (m)	Width (m)	Au (g/t)
ALRC071	1197464	821811	351	-60	107	180	138	149	11	6.77
ALRC073	1197422	821839	352	-60	107	144	126	138	12	1.67
ALRC085	1197442	821894	353	-61	99	120	86	108	22	4.01
ALRC089	1197392	821886	352	-71	109	114	85	106	21	5.58
SERC081	1198092	821716	348	-62	107	110	48	52	4	5.32
							85	95	10	2.13
SERC083	1198115	821723	348	-60	107	120	52	63	11	2.13
							89	99	10	3.17
SERC088	1198043	821705	347	-62	104	114	25	35	10	2.39
							83	86	3	14.89
SERC089	1198374	822011	363	-50	180	120	33	36	3	7.08
							69	79	10	4.91
SERC090	1198374	822011	363	-50	160	120	63	66	3	7.85
SERC094	1198310	821861	354	-50	107	120	11	25	14	4.93
							60	72	12	1.92

Table 11: Alpha and Beta drilling intercepts

## Notes to Accompany Table:

- Grid coordinates are WGS84 Zone 29 North
- RC intervals are sampled every 1m by dry riffle splitting to provide a 1-3kg sample
- Cut-off grade for reporting of intercepts is >1g/t Au with a maximum of 3m consecutive internal dilution included within the intercept; only intercepts >=3m and >=20 grams x metres are reported
- No top cut of individual assays prior to length weighted compositing of the reported intercept has been applied
- Samples are analysed for gold by Au-AA25 method which is a 30g fire assay fusion with AAS instrument finish



**SYAMA GOLD MINE MALI: JORC Code, 2012 Edition – Table 1 report template**

**Section 1 Sampling Techniques and Data**

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
<p><b>Sampling techniques</b></p>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<p>The samples were collected from reverse circulation (RC) and diamond core (DD) drill holes.</p> <p>Diamond core was sampled at 1m intervals and cut in half, to provide a 2-4kg sample, which was sent to the laboratory for crushing, splitting and pulverising, to provide a 30g charge for analysis.</p> <p>Reverse circulation samples were collected on 1m intervals by riffle split (dry) or by scoop (wet) to obtain a 2-4kg sample, which was sent to the laboratory for crushing, splitting and pulverisation to provide a 30g charge for analysis.</p> <p>Sampling and sample preparation protocols are industry standard and are deemed appropriate by the Competent Person.</p>
<p><b>Drilling techniques</b></p>	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</li> </ul>	<p>Drill types used include reverse circulation and diamond core of PQ and HQ sizes.</p> <p>Core is oriented at 3m down hole intervals using a Reflex Act II RD Orientation Tool.</p>
<p><b>Drill sample recovery</b></p>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<p>Drill core interval recoveries are measured from core block to core block using a tape measure.</p> <p>Appropriate measures are taken to maximise sample recovery and ensure the representative nature of the samples.</p> <p>No apparent relationship exists between sample recovery and grade.</p>
<p><b>Logging</b></p>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<p>Drill holes were geologically logged by geologists for colour, grain size, lithology, minerals, alteration and weathering on geologically domained intervals.</p> <p>Geotechnical and structure orientation data was measured and logged for diamond core intervals.</p> <p>Diamond core was photographed (wet and dry).</p> <p>Diamond core were logged into Excel spread sheets, then validated and imported into the digital drill hole database.</p>



<p><b>Sub-sampling techniques and sample preparation</b></p>	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>Holes were logged in their entirety (100%) and considered reliable and appropriate.</p> <p>Core were sampled at 1m intervals and cut in half to obtain a 2-4kg sample which was sent to the laboratory for crushing, splitting and pulverising.</p> <p>Reverse circulation samples were collected on 1m intervals by riffle split (dry) or by scoop (wet) to obtain a 2-4kg sample, which was sent to the laboratory for crushing, splitting and pulverising.</p> <p>Sample preparation of diamond core and RC samples includes oven drying, crushing to 10mm and splitting, pulverising to 85% passing -75 microns. These preparation techniques are deemed to be appropriate to the material being sampled.</p> <p>ALS Inspection has the QMs framework either Certified to ISO 9001:2008 or Accredited to ISO 17025:2005 in all of its locations.</p> <p>Drill core coarse duplicates were split by the laboratory after crushing at a rate of 1:20 samples. Reverse circulation field duplicates were collected by the company at a rate of 1:20 samples.</p> <p>Sampling, sample preparation and quality control protocols are of industry standard and all attempts were made to ensure an unbiased representative sample was collected. The methods applied in this process were deemed appropriate by the Competent Person.</p>
<p><b>Quality of assay data and laboratory tests</b></p>	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>• Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<p>All samples were assayed for gold by 30g fire assay fusion with AAS instrument finish. The analysis was performed at ALS Bamako (method code Au-AA25). The analytical method was appropriate for the style of mineralisation.</p> <p>No geophysical tools were used to determine elemental concentrations.</p> <p>Quality control (QC) procedures include the use of certified standards and blanks (1:20), non-certified sand blanks (1:20), diamond core coarse duplicates (1:20) and reverse circulation field duplicates (1:20).</p> <p>Laboratory quality control data, including laboratory standards, blanks, duplicates, repeats, grind size results and samples weights were also captured into the digital database and analysed for accuracy and precision.</p> <p>Analysis of the QC sample assay results indicates that an acceptable level of accuracy and precision has been achieved.</p>
<p><b>Verification of sampling and assaying</b></p>	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<p>Verification of significant intersections has been completed by company personnel and the Competent Person.</p> <p>No drill holes within the project areas were twinned.</p> <p>Drill holes were logged onto paper templates or Excel templates with lookup codes, validated and then compiled into a relational SQL 2012 database using DataShed data management software. The database has a variety of verification protocols which are used to validate the data entry. The drill hole database is backed up on a daily basis to the head office server.</p>



		Assay result files were reported by the laboratory in CSV format and imported into the SQL database without adjustment or modification.
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<p>Collar coordinates were picked up in UTM (WGS84) by staff surveyors using an RTK DGPS with an expected accuracy of <math>\pm 0.05\text{m}</math>; elevations were height above EGM96 geoid.</p> <p>Down hole surveys were collected at intervals between 5m and 30m using either a Reflex EZGYRO north seeking gyro instrument or a Reflex EZTRAC magnetic instrument in single shot or multi shot mode. A time-dependent declination was applied to magnetic readings to determine UTM azimuth.</p> <p>Coordinates and azimuth are reported in UTM WGS84 Zone 29 North.</p> <p>Coordinates were translated to local mine grid where appropriate.</p> <p>Local topographic control is via LIDAR surveys, satellite photography and drone UAV Aerial Survey.</p>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<p>Drill hole spacing was sufficient to demonstrate geological and grade continuity appropriate for the Mineral Resource and the classifications applied under the 2012 JORC Code.</p> <p>The appropriateness of the drill spacing was reviewed by the geological technical team, both on site and head office. This was also reviewed by the Competent Person.</p> <p>Samples were collected on 1m intervals; no sample compositing was applied during sampling.</p>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<p>Holes were drilled predominantly perpendicular to mineralised domains where possible.</p> <p>No orientation based sampling bias has been identified in the data.</p>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<p>Samples were collected from the drill site and stored on site. All samples were individually bagged and labelled with unique sample identifiers, then securely dispatched to the laboratories. All aspects of the sampling and dispatch process were supervised and tracked by SOMISY personnel.</p>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<p>External audits of procedures indicate protocols are within industry standards.</p>

**Section 2 Reporting of Exploration Results**

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p>Drilling was conducted within the Malian Exploitation Concession Permit PE 008/93 which covers an area of 200.6 Km<sup>2</sup>.</p> <p>Resolute Mining Limited has an 80% interest in the Syama project and the Exploitation Permit PE 008/93, on which it is based, through its Malian subsidiary, Société des Mines de Syama SA (SOMISY). The Malian Government holds a free carried 20% interest in SOMISY.</p> <p>The Permits are held in good standing. Malian mining law provides that all mineral resources are administered by DNGM (Direction Nationale de la Géologie et des Mines) or National Directorate of Geology and Mines under the Ministry of Mines, Energy and Hydrology.</p>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>The Syama deposit was originally discovered by a regional geochemical survey undertaken by the Direction National de Géologie et des Mines (DNGM) with assistance from the United Nations Development Program (UNDP) in 1985. There had also been a long history of artisanal activities on the hill where an outcropping chert horizon originally marked the present day position of the open pit.</p> <p>BHP during 1987-1996 sampled pits, trenches, auger, RC and diamond drill holes across Syama prospects.</p> <p>Randgold Resources Ltd during 1996-2000 sampled pits, trenches, auger, RAB, RC and diamond drill holes across Syama prospects.</p>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>The Syama Project is found on the northern margin of the Achaean-Proterozoic Leo Shield which forms the southern half of the West African Craton. The project area straddles the boundary between the Kadiana–Madinani terrane and the Kadiolo terrane. The Kadiana-Madinani terrane is dominated by greywackes and a narrow belt of interbedded basalt and argillite. The Kadiolo terrane comprises polymictic conglomerate and sandstone that were sourced from the Kadiana-Madinani terrane and deposited in a late- to syntectonic basin.</p> <p>Prospects are centred on the NNE striking, west dipping, Syama-Bananso Fault Zone and Birimian volcano-sedimentary units of the Syama Formation. The major commodity being sought is gold.</p>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> </ul> </li> </ul>	<p>All information including easting, northing, elevation, dip, azimuth, coordinate system, drill hole length, intercept length and depth are measured and recorded in UTM Zone 29 WGS84.</p> <p>The Syama belt is mostly located on the Tengrela 1/200,000 topo sheet (Sheet NC 29-XVIII).</p> <p>The Syama local grid has been tied to the UTM Zone 29 WGS84 co-ordinate system.</p>



	<ul style="list-style-type: none"> <li>○ Whole length.</li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p>Spectrum Survey &amp; Mapping from Australia established survey control at Syama using AusPos online processing to obtain an accurate UTM Zone 29 (WGS84) and 'above geoid' RL for the origin of the survey control points.</p> <p>Accuracy of the survey measurements is considered to meet acceptable industry standards.</p> <p>Drill hole information has been tabulated for this release in the intercepts table of the accompanying text.</p> <p>For completeness the following information about the drill holes is provided:</p> <ul style="list-style-type: none"> <li>• Easting, Northing and RL of the drill hole collars are measured and recorded in UTM Zone 29 (WGS84).</li> <li>• Dip is the inclination of the drill hole from horizontal. For example a drill hole drilled at             <ul style="list-style-type: none"> <li>○ -60° is 60° from the horizontal.</li> </ul> </li> <li>• Down hole length is the distance down the inclination of the hole and is measured as the distance from the horizontal to end of hole.</li> <li>• Intercept depth is the distance from the start of the hole down the inclination of the hole to the depth of interest or assayed interval of interest.</li> </ul>
<p><b>Data aggregation methods</b></p>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p>Exploration results reported in this announcement are tabulated using the following parameters:</p> <ul style="list-style-type: none"> <li>• Grid coordinates are WGS84 Zone 29 North.</li> <li>• Intervals are reverse circulation samples collected every 1m, or HQ diamond core sampled every 1m by cutting the core in half, to provide a 2-4kg sample.</li> <li>• Cut-off grade for reporting of intercepts is &gt;1g/t Au with a maximum of 3m consecutive internal dilution included within the intercept; only intercepts &gt;=3m are reported; for BA-01, Alpha and Beta only intercepts &gt;=20 grams x metre are reported.</li> <li>• No top cut of individual assays prior to length weighted compositing of the reported intercept has been applied.</li> </ul>
<p><b>Relationship between mineralisation widths and intercept lengths</b></p>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	<p>The mineralisation is steeply dipping at approximately 60° from the horizontal.</p> <p>The majority of the drill holes were planned at a general inclination of -60° and as close to perpendicular to the ore zone as possible. At the angle of the drill holes and the dip of the ore zones, the reported intercepts will be slightly more than true width.</p>
<p><b>Diagrams</b></p>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<p>Relevant maps, diagrams and tabulations are included in the body of text.</p>



Resolute

## Quarterly Activities Report for the period ended 30 September 2017

<b>Balanced reporting</b>	<ul style="list-style-type: none"><li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li></ul>	<p>Exploration results and infill drilling results are being reported in this announcement and tabulated in the body of the text.</p> <p>The results are reported to show the potential to expand the Underground Resource previously released.</p>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"><li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li></ul>	<p>No geophysical and geochemical data and any additional exploration information has been reported in this release as they are not deemed relevant to the release.</p>
<b>Further work</b>	<ul style="list-style-type: none"><li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li><li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li></ul>	<p>Depth extension drilling is planned to test the down-dip potential of the ore bodies at depth and beneath the current limit of drilling.</p> <p>Relevant maps and diagrams are included in the body of text.</p>