



ASX ANNOUNCEMENT

GOLDEN PRIDE RESERVE INCREASE AND MINE LIFE EXTENSION

Resolute Mining Limited is pleased to announce a major increase in the reserve base at its Golden Pride Mine in Tanzania that will see production from this mine continue for at least eight years.

This is an important development as it not only improves the return from the mine but extends the window to capitalise on positive exploration results from the prospective tenure around the mine.

The current pit design was completed in 2001 and was based on the then resource model and an optimised pit shell using a gold price of US\$320/oz.

A re-optimisation of the pit using a gold price of US\$520/oz has added an additional 680,000 ounces to that to be recovered from the mine, taking the total gold expected to be produced over the remainder of the new mine life to around 1.2 million ounces. The cash cost attached to the 680,000 incremental ounces is approximately US\$390/oz and the average for the total production will be approximately US\$320/oz.

The new design is based on current operating costs, a gold price of US\$520/oz, and a new resource model produced from drilling carried out between 2001 and 2006. A majority of the drilling has been carried out in 2005 along the southern side of the current pit.

A mining schedule has been developed that allows for the expanded open pit to be advanced in conjunction with the existing pit schedule over the next two and a half years. It should be noted that the funding of the expansion is taken wholly from cash generated from the mine and remains robustly positive for the total project. The start date for the new schedule is July 2006.

There are approximately 30% inferred category resources that are included in the additional ounces reported here.

It needs to be noted that the new pit design is information constrained, as there is little drill data below this design pit floor.

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A drill program that has been designed to test the continuity of the mineralisation below the current pit and the strike and depth continuity of the mineralisation along the parallel zone on the southern edges of the pit is underway. Included in this program are infill drill holes to improve the confidence level of the inferred resources and geotechnical holes for information required for the wall stability designs.



PETER SULLIVAN
Chief Executive Officer

8 March 2006