

# Resolute



ACN 097 088 689

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Notice is hereby given that an extraordinary general meeting of the Shareholders of Resolute Mining Limited (**Company**) will be held at 3.00pm (WST) on Thursday, 21 November 2019 at Level 2, Australia Place, 15-17 William Street, Perth, Western Australia (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form both form part of this Notice.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company at 3.00pm (WST) on Tuesday, 19 November 2019.

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in the Schedule.

### AGENDA

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#### Resolution 1 – Approval to issue Performance Rights to Mr John Welborn

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution:

*"That, for the purposes of Listing Rules 10.14 and 10.19, section 200E of the Corporations Act and for all other purposes, Shareholders approve the issue of 3,000,000 Performance Rights to Mr John Welborn (and/or his nominee) under the 2017 Performance Rights Plan in accordance with the terms and conditions detailed below and described in the Explanatory Memorandum."*

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## ENTITLEMENT TO VOTE AND VOTING EXCLUSIONS

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director or Officer (other than any Directors or Officers who are ineligible to participate in any employee incentive plan of the Company) of a Group Company and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution and:

- (a) the person is appointed as a proxy by writing and the appointment specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

## **VOTING IN PERSON**

A Shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring the enclosed Proxy Form to the Meeting to assist in registering your attendance and the number of votes.

Holders of Depository Interests (**DI Holders**) may attend the Meeting but will not be permitted to vote at the Meeting. In order for their votes to be counted, DI Holders must submit their CREST Voting Instruction to the Company's agent by the required cut-off time set out below. Alternatively, DI Holders can vote using the enclosed Form of Instruction as per the instructions set out below.

## **'SNAP-SHOT' TIME**

The Company may specify a time, not more than 48 hours before the Meeting, at which a 'snap-shot' of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Directors have determined that all Shares on issue at 3.00pm (WST) on Tuesday, 19 November 2019 shall, for the purposes of determining voting entitlements at this extraordinary general meeting, be taken to be held by the persons registered as holding the Shares at that time.

## **CORPORATE REPRESENTATIVE**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that Company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

## VOTING BY PROXY

### Australia (Proxy form)

If you do not wish to or cannot attend the Meeting, you may appoint a proxy to attend and vote on your behalf. A Shareholder, who may be an individual or a body corporate, who is entitled to attend and vote at the Meeting is entitled to appoint a proxy which may be a body corporate or an individual. A proxy need not be a Shareholder.

A body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy. If a representative of a corporate proxy is to attend the Meeting, you must ensure that the appointment of the representative is in accordance with section 250D of the Corporations Act. The corporate representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed. A form of the certificate may be obtained from the Company's share registry.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the total votes. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company's share registry or you may copy the enclosed Proxy Form. To appoint a second proxy, you must follow the instructions on the Proxy Form.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy and Shareholders and their proxies should be aware of these provisions which generally provide that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chairman, who must vote the proxies as directed.

If the proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on that resolution on a show of hands.

The enclosed Proxy Form provides further details on voting entitlement, appointing proxies and lodging proxy forms. To vote by proxy, please complete, sign and return the enclosed Proxy Form. In order for it to be valid, your Proxy Form (and any power of attorney under which it is signed) must be received at one of the addresses given below by 3.00pm (WST) on Tuesday, 19 November 2019. Any proxy form received after that time will not be valid for the Meeting.

<b>Online</b>	at <a href="http://www.investorvote.com.au">www.investorvote.com.au</a>
<b>By mail</b>	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
<b>By fax</b>	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
<b>By mobile</b>	Scan the QR Code on your Proxy Form and follow the prompts
<b>Custodian voting</b>	For Intermediary Online subscribers only (custodians) please visit <a href="http://www.intermediaryonline.com">www.intermediaryonline.com</a> to submit your voting intentions.

### United Kingdom (CREST Voting Instruction)

Holders of Depository Interests in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a **CREST Voting Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual.

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) by no later than 3.00pm (GMT) on 15 November 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.

Holders of Depository Interests in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder concerned to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time. In this regard, DI Holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

### United Kingdom (Form of Instruction)

Alternatively, DI Holders can vote by completing, signing and returning the enclosed Form of Instruction to the Company's agent (Computershare Investor Services PLC) no later than 3.00pm (GMT) on 15 November 2019.

BY ORDER OF THE BOARD



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Amber Stanton  
Company Secretary  
Dated: 16 October 2019

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# EXPLANATORY MEMORANDUM

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This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the extraordinary general meeting to be held at 3.00pm (WST) on Thursday, 21 November 2019 at Level 2, Australia Place, 15-17 William Street, Perth, Western Australia.

The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution the subject of this extraordinary general meeting.

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## Resolution – Approval to issue Performance Rights to Mr John Welborn

It is proposed that the Company issue to Mr Welborn a total of 3,000,000 Performance Rights in three tranches under the terms and conditions of the 2017 Performance Rights Plan and subject to the vesting conditions outlined below.

The number of Performance Rights which will vest on the relevant vesting date for each tranche will depend on the extent to which the vesting conditions have been satisfied for that tranche's performance period.

### Background

At the Company's annual general meeting held on 20 May 2019, the Company proposed to seek Shareholder approval of Resolution 4 (Approval of annual grant of Performance Rights to Mr John Welborn) and Resolution 5 (Approval of special issue of Performance Rights to Mr John Welborn). These resolutions proposed the issue of 3,698,690 Performance Rights to the Managing Director and Chief Executive Officer of the Company, Mr John Welborn. Resolution 4 was passed with 99.5% of proxy votes cast voting in favour of the resolution. Resolution 5 was withdrawn at the meeting prior to voting based on proxy votes received (47% in favour and 53% against). The Chairman advised at the meeting that the Board intended to consult with Shareholders to understand concerns and ensure the Board's remuneration strategy for the CEO was clearly communicated with the aim of ensuring broad Shareholder support.

The Board conducted a series of consultations with Shareholders and proxy advisors immediately after the 2019 AGM to gain understanding of the main concerns associated with the proposed incentive arrangements for the CEO. In addition to concerns over certain vesting measures, it became apparent that the disclosure provided in the notice of meeting for the 2019 AGM and 2018 Annual Report, in relation to the LTI grants for the CEO, made it difficult for Shareholders and proxy advisors to assess the scope and nature of the proposed grant of Performance Rights to the CEO, especially in the context of the overall incentive framework.

Taking account of the feedback from Shareholders and proxy advisors, the Board determined that Shareholder approval should now be sought for the equity grant to the CEO of the 3,000,000 Performance Rights (**CEO LTI Performance Rights**).

The Board believes that Mr Welborn is the right person to fill the CEO role with the Company, and seeks to provide an appropriate long term incentive and retention arrangement aligned to shareholder strategic interests and subject to regular performance reviews.

## Proposed issue of Performance Rights and considerations

The CEO has expressed a strong desire to align his interests with Shareholders and seeks to build and maintain a meaningful shareholding in the Company over time. These objectives have been carefully considered and balanced by the Board in developing a structured approach to CEO LTI grants that motivates exceptional performance, provides a retention incentive, and allows for regular CEO performance reviews. The Board has taken considerable effort to ensure that Performance Rights do not vest in circumstances where Shareholders have not been rewarded with a growth in value or in circumstances where CEO performance does not warrant the vesting of Performance Rights.

In addition, the Board commissioned an independent remuneration review of the proposed issue. That review supported the Board's desired reward strategy for the Managing Director and, subject to the general containment of his fixed remuneration and potential earnings under the annual incentive plan, concluded that the strategy remains appropriate.

## Proposed CEO LTI Performance Rights grant

The Company is proposing to issue a total of 3,000,000 Performance Rights to the CEO for the FY19 subject to an aTSR (with a rTSR "gate") vesting condition and a strategic objectives vesting condition in three equal tranches (Tranche 1, Tranche 2 and Tranche 3).

Tranche	Vesting conditions	Performance period	Vesting date
1,000,000 Performance Rights	Absolute Total Shareholder Return – 50% Strategic Objectives – 50%	1 January 2019 – 30 June 2021	30 June 2021
1,000,000 Performance Rights	Absolute Total Shareholder Return – 50% Strategic Objectives – 50%	1 January 2019 – 30 June 2022	30 June 2022
1,000,000 Performance Rights	Absolute Total Shareholder Return – 50% Strategic Objectives – 50%	1 January 2019 – 30 June 2023	30 June 2023

## General terms and conditions applying to CEO LTI Performance Rights

- Vesting of all tranches are subject to Mr Welborn remaining in the employ of the Company at the relevant vesting date unless otherwise agreed by the Board.
- Each tranche of Performance Rights may be exercised at any time after the relevant vesting conditions are deemed to have been met up until the date which is four years after the vesting date.
- Upon achievement of the vesting conditions and exercise of the Performance Rights, the Company will issue new Shares for the purposes of the CEO grants of equity.
- The Board has unfettered and absolute discretion in confirming if a particular vesting condition has been met.
- The Board will retain the unfettered and absolute discretion, on the specific recommendation of the Remuneration Committee, to approve vesting of Performance Rights where deemed appropriate. This is intended to deal with exceptional circumstances such as the permanent disablement, incapacity, or death of Mr Welborn while employed by the Company.

The number of CEO LTI Performance Rights have been calculated by reference to the face value on vesting and also against the relative percentage of the Company's issued capital. The CEO LTI Performance Rights, if vested at 100%, would convert into three million shares which would represent approximately 0.3% of the Company's issued capital (based on the Company's shares on issue as at 2 October 2019). The Board considers that the achievement of exceptional performance outcomes by the

CEO, that directly lead to outstanding value creation for Shareholders, should result in a meaningful shareholding in the Company for the CEO. Based on the Volume Weighted Average Price of a Resolute Share of \$1.145, for the 10 days leading up to the grant date of 1 January 2019, the face value of the CEO LTI Performance Rights is calculated to be \$3,435,000. In setting the number of CEO LTI Performance Rights, the Board considered the overall annual quantum of CEO equity reward and set the number of CEO LTI Performance Rights at a level which balances with the quantum and achievability of annual KMP LTI Performance Rights granted.

In addition the CEO LTI Performance Rights are set independent of Fixed Remuneration, which is the basis for the KMP LTI Performance Rights, and so does not become an imbedded fixed overhead.

Under the accounting standard AASB 2 Share based Payments, the Company will recognise an expense in the income statement based on the fair value of the CEO LTI Performance Rights over the period from the grant date to the vesting date. The fair value of the CEO LTI Performance Rights on the grant date of 1 January 2019 subject to Shareholder approval is approximately:

- Tranche 1 – \$1,065,000;
- Tranche 2 – \$1,048,000; and
- Tranche 3 – \$1,028,000.

If Shareholder approval is obtained, this valuation will be finalised based on the actual issue date of Mr Welborn's performance rights.

### **Size of the CEO LTI Performance Rights grant**

The Board acknowledges the Shareholder and proxy advisor feedback regarding the size of the total grant and lack of rationale for the CEO LTI award. The Board believes that additional disclosure explaining the structured approach to the CEO incentive arrangements, the challenging and exceptional performance objectives and the disciplined approach the Board has adopted with regard to CEO alignment with Shareholder value creation, will allow Shareholders to better assess the necessity of the CEO LTI Performance Rights Grant.

The total face value of the CEO LTI Performance Rights for FY19 is higher than many of the Company's Australian peers. The Board acknowledges the significant quantum of the total grant which has been structured to take into account the significant differences that exist in the Company's operations and circumstances compared with Australian peers. The Company operates assets in remote and challenging international jurisdictions, including a number of francophone countries in Africa's Sahel region, which require additional skills and commitments from the CEO. The Board believes the quantum of the CEO LTI Performance Rights grant is appropriate given the additional complexity and risk of the Company's business and the unique skillset required to create and maintain value creation. In recognition of the size of the total grant when compared to peer companies, as outlined in further detail below, the Board has included performance conditions for both KMP LTI Performance Rights and CEO LTI Performance Rights which are considered more specific and onerous when compared with the incentive arrangements for other peer companies. For example, as outlined below, the Company's approach to performance conditions has resulted in a zero vesting outcome for the Relative Total Shareholder Return component of the 2016 KMP LTI Performance Rights which had a vesting date of 30 June 2019. The Board considers that, given the performance conditions, it is highly unlikely that all tranches of the CEO LTI Performance Grant will vest at 100% and this would only occur in circumstances where Shareholders had enjoyed remarkably positive and exceptional sustained value creative Company performance.

Shareholders are requested to assess the quantum of the proposed grant and the maximum face value of the grant in the context of the following:

1. *Long-term perspective and the Company's overall framework on CEO LTI grants*

The Company has adopted a CEO incentive framework which provides the CEO with the opportunity of:

- annual grants of equity which vest once after the completion of the relevant three-year Performance Period (the **KMP LTI**); and
- a grant of equity every three years, vesting annually in three tranches, following the completion of a staggered performance period of between 2.5 and 4.5 years (the timing and quantum of any grant subject to Board discretion) (the **CEO LTI**).

At the Company's 2016 annual general meeting, Shareholders approved a KMP LTI grant to the CEO of 564,000 Performance Rights and a CEO LTI grant of 2,000,000 Performance Rights. The KMP LTI Performance Rights had a fixed three year performance period with a single vesting date. The CEO LTI Performance Rights comprised three tranches with single vesting dates after two, three, and four years (2018, 2019, and 2020). At the Company's 2017 and 2018 annual general meetings, Shareholders approved further KMP LTI grants to the CEO of 587,500 Performance Rights and 277,559 Performance Rights respectively. As shown in Table 1 below, these Shareholder approved grants to the CEO have allowed for a range of performance objectives for the CEO on a rolling three year basis. The combination of KMP LTI and CEO LTI is managed by the Company to ensure the CEO is motivated and rewarded for a range of important objectives and outcomes and that the total quantum of reward is balanced and consistent.

These two types of grants, the KMP LTI and the CEO LTI, allow the Company to:

- smooth out the effects of market volatility typical for the gold mining and exploration industry, given the nature and performance periods of four different measures used to determine the vesting of Performance Rights;
- better gauge and reward the performance of the CEO over the long term;
- ensure long-term focus of the CEO on value creation through meeting various key strategic objectives on a rolling three year basis;
- enhance the retention element of executive remuneration; and
- provide a mechanism for exceptional performance to lead to material long term CEO share ownership.

Specifically:

- the KMP LTI focuses on management and performance against market peers and reserve growth; and
- the CEO LTI is specifically targeting the Company's strategic objectives and incentivising the CEO to achieve long-term strategic goals on the basis that Shareholders have received exceptional absolute returns.

Table 1 below displays the KMP LTI Performance Rights and the CEO LTI Performance Rights previously approved by Shareholders as well as the new CEO LTI Performance Rights which are the subject of this Resolution:



Year	KMP LTI Performance Rights Grant	CEO LTI Performance Rights Grant	Potentially vesting KMP LTI at maximum	Potentially vesting CEO LTI at maximum	Vested KMP LTI*	Vested CEO LTI*	Total vested
2015	1,515,000	0					
2016	564,000	2,000,000					
2017	587,500	0					
2018	277,559	0	1,515,000	400,000	1,397,588	400,000	1,797,588
2019	698,690	3,000,000	564,000	600,000	141,000	200,000	341,000
2020			587,500	1,000,000			
2021			277,559	1,000,000			
2022			698,690	1,000,000			
2023				1,000,000			

**Table 1 – Total CEO incentive Performance Rights**

Table 1 demonstrates that the proposed grant of the CEO LTI Performance Rights, which is subject to Shareholder approval of this Resolution, is consistent with the structure of previous CEO incentives previously approved by Shareholders. The CEO LTI is structured to be incremental to, and aligned with, the KMP LTI grants and to extend and align performance periods. The various performance periods for the CEO LTI (between 2.5 and 4.5 years) are structured so that, in effect, the CEO is always subject to a rolling three year performance period with both KMP LTI and CEO LTI vesting conditions assessed on an annual basis, but vesting subject to performance of three years at minimum.

In addition, Table 1 demonstrates that the overall quantum of equity incentive reward for the CEO, on an annual available vesting basis, is kept relatively constant due to the balancing nature of the KMP LTI and the CEO LTI. The Board considers the quantum of the KMP LTI in setting the relevant quantum of the CEO LTI.

The Board has absolute discretion to determine the size, if any, of the equity grants made to the CEO and other executives, and may withdraw any equity grant proposed to be granted in the future.

At the time of negotiating and structuring the CEO LTI grant in 2016 (for performance periods ending in 2018, 2019, 2020), the possibility of a further CEO LTI grant in 2019 (for performance periods ending in 2021, 2022, and 2023) was discussed. All CEO LTI grants are conditional on the Board's assessment that the CEO is performing at the highest level and that retention of the CEO is essential.

With regard to any further possible CEO LTI grants, for example in 2022 (for performance periods ending in 2024, 2025, and 2026), the Board will evaluate whether there is a need for an issue at that time, having regard to the CEO's performance, the Company's business strategy and objectives, market conditions, and Company circumstances with regard to CEO incentive and retention. These factors were considered at the time of the CEO LTI grant in 2016 and in developing the proposed grant of CEO LTI which is subject to Shareholder approval of this Resolution.

## 2. *Challenging vesting conditions*

The size of the CEO grant is assessed in the context of the challenging vesting conditions which determine the extent of vesting. The Board conducts a rigorous process of assessing and testing the Company and market conditions to ensure that the vesting conditions are aspirational and represent a level of outstanding performance for the CEO and the Company rather than positive market movements or mildly positive performance. The Board does not set vesting conditions that are necessarily achievable or that merely represent a "stretch". The Board believes that the nature of the challenging vesting conditions are a differentiating factor when comparing the Company's CEO incentive arrangements with peer companies. The Board considers the following factors when setting challenging vesting conditions:

- positive behaviour and strong performance is a given for the Company's CEO and is a baseline expectation;
- the scale of the Company's ambition and expectations;
- the volatility of historical and forecasted gold prices and market demand;
- analyst forecasts of Company performance;
- planned project completion, capital expenditure and growth opportunities;
- historical production;
- new developments in technology;
- operational risk;
- jurisdictional geopolitical and regulatory risks associated with the Company's operations; and
- performance conditions which are aligned, and directly linked, with the creation and preservation of Shareholder wealth.

The vesting conditions are always set so they reward the CEO only in the event of achievements above expectations, and with the aim to provide strong alignment between the Company's performance and Shareholders' interests.

During FY19, the Remuneration Committee assessed all the factors listed above and made amendments to the vesting conditions under both the KMP LTI and the CEO LTI, increasing the difficulty for both partial and full achievement:

- for the KMP LTI:
  - the previous Reserves and Resources metric, which required Reserves and Resources to be grown by 30% or more to result in a 100% vesting of the Performance Rights subject to that vesting condition, has been changed to a Reserve metric, which requires reserves to be grown by 15% to result in a 100% vesting. The Board considers that a metric of Reserves rather than Resources and Reserves would provide focus on maintaining and growing the deposits which create value to Shareholders. Mineral Resources are those Resources which at the present may or may not be economic to extract, however they are deemed to possibly economic in the future at higher metal prices. Ore Reserves can only be declared when the Resources can be economically extracted at today's metal prices. Ore Reserves must be supported by a positive feasibility study which details a plan to economically extract the Resources. In most cases the typical conversion of Resources to Reserves is less than 50%. Therefore Reserves have a much higher value than Resources and are much more difficult to produce increases year on year; and
  - the comparator group used to measure rTSR has been revised to include gold producers of a similar size in similar operational jurisdictions;
- these changes, collectively, have made the achievement of the vesting conditions, both for partial vesting as well as full vesting, significantly more difficult to achieve. For example, the 2016 KMP LTI Performance Rights, with a vesting date of 30 June 2019, did not satisfy the rTSR minimum threshold, which was set at the 60<sup>th</sup> percentile, and so delivered a zero share vesting outcome for the 75% of the rewards which were assessed on this metric; and
- for the proposed CEO LTI Performance Rights, which is subject to the Shareholder approval of this Resolution, the Board has introduced an aTSR vesting condition (with a rTSR "gate") and has set thresholds for both partial and full vesting which are aligned with the most challenging in the market for this form of performance metric.

## Vesting of CEO LTI grants in prior years and Company performance

The following table provides information regarding the performance criteria and vesting of the CEO LTI grant in FY16, to demonstrate the Company's track record and ability to set challenging targets.

FY2016 CEO LTI	Target	Achievement and Performance Rights vesting
<p>Tranche A (20%) - Ravenswood 400,000 Performance Rights</p> <p>Vesting: 30 June 2018</p>	<p><b>Objective:</b> Secure shareholder value for Ravenswood.</p> <p>Board endorsement of either a long-term development plan for Ravenswood, or an alternative strategic proposal. The following are elements for consideration:</p> <ul style="list-style-type: none"> <li>• Board approval of a Ravenswood Extension Project Plan during FY2017 <ul style="list-style-type: none"> <li>- Completion of relevant studies</li> <li>- Plan to include standard project components detail</li> <li>- Component detail will include Buck Reef West and/or Sarsfield in production, metrics to be defined and approved</li> </ul> </li> <li>• Board approval of an alternative strategy to deliver appropriate shareholder value</li> <li>• Maintaining production performance as budgeted</li> </ul>	<p>The target of Tranche A was set for Mr Welborn in 2016 at a period of great uncertainty for the Ravenswood Gold Mine. Previous to Mr Welborn's appointment as CEO, Ravenswood had been scheduled for mine closure.</p> <p>The Board assessed vesting as at 30 June 2018 based on CEO performance against the defined target objectives.</p> <p>Mr Welborn had championed the concept of a return to open pit mining at Ravenswood and directed the completion of a Feasibility Study for the Ravenswood Expansion Project (<b>REP</b>).</p> <p>The study was approved by the Board and included mining at Sarsfield and Buck Reef West as per approved and defined metrics. Mr Welborn directed a clear path forward for a long life, low risk, low cost development plan for long-term production at Ravenswood. Key elements of performance have included:</p> <ul style="list-style-type: none"> <li>• Production continuing beyond budgeted expectations at the Mt Wright Underground Mine;</li> <li>• The REP being granted Prescribed Project Status by the Queensland Government;</li> <li>• Investigation and inclusion of beneficiation technology to enhance outcomes;</li> <li>• All key REP approvals being received on time and on budget;</li> <li>• All relevant REP studies being completed; and</li> <li>• All REP project component details having been defined and progressed at the Board's satisfaction.</li> </ul> <p>On the basis that the CEO had demonstrably secured Shareholder value for Ravenswood by developing a long-term development plan for the asset that had been fully endorsed by the Board, the Board resolved that Tranche A of the FY2016 CEO LTI grant vested in full.</p>
<p>Tranche B (30%) – Syama 600,000 Performance Rights</p> <p>Vesting: 30 June 2019</p>	<p><b>Objective:</b> To ensure shareholder value for Syama is realized and protected.</p> <p>The successful delivery of the Syama Underground Expansion. The following are elements for consideration:</p> <ul style="list-style-type: none"> <li>• Reference is to relevant original Budget and Capital approvals as well as the Syama Underground Extension Definitive Feasibility Study <ul style="list-style-type: none"> <li>- Subject to Board approved change to take account of optimization and/or approved changes to mining or processing methods</li> </ul> </li> <li>• Full production by Q2 FY19</li> <li>• Management of government relations</li> </ul>	<p>The Board assessed the Tranche B vesting outcome as at 30 June 2019. The measurement of whether Shareholder value for Syama has been realised and protected was assessed based on operating performance and the development status of the Syama Underground Mine as at end Q2 FY2019.</p> <p>Elements that were considered included:</p> <ul style="list-style-type: none"> <li>• Status of government relations;</li> <li>• Performance against budget;</li> <li>• Development against DFS plan; and</li> <li>• Timing of full nameplate production, including automation.</li> </ul> <p>The Board (other than Mr Welborn) unanimously agreed that a vesting outcome of 200,000 Performance Rights was justified and appropriate based on the performance outcome relating to delivery of the Syama Underground Expansion.</p>

FY2016 CEO LTI	Target	Achievement and Performance Rights vesting
Tranche C (50%) – Production & Sustainability 1,000,000 Performance Rights  Vesting: 30 June 2020	<p><b>Objective:</b> To place the Company on a clear path to a substantial and sustainable increase in annual gold production with reduced risk through further diversification of production centres.</p> <p>The successful achievement of Board approved developments, acquisitions, divestments and partnerships that substantially increase the Company's mineable reserves and enhance longer-term sustainability. The following are elements for consideration:</p> <ul style="list-style-type: none"> <li>• The Company's gold production ambition of 450k oz or more from 3 operations by FY 2020.</li> <li>• An increase in the Company's gold resources per share</li> <li>• Optimum production achieved from existing owned assets</li> </ul>	<p>The Board has made the CEO aware that achievement of the Tranche C vesting conditions would require gold production of 450k oz or more based on optimum production from existing assets and/or the development or acquisition of an alternative third producing asset.</p> <p>The Board monitors CEO performance metrics against strategic goals which include monitoring the Company's gold resources per share.</p> <p>The Board will consider the increase in the Company's mineable reserves and assess any relevant achievement of developments, acquisitions, divestments and partnerships that substantially enhance Shareholder value.</p> <p>The Tranche C primary performance objective is the substantial and sustainable increase in annual gold production with reduced risk through further diversification of production centres.</p>

## Vesting periods

The Board undertook a rigorous process to determine the most appropriate remuneration framework for the CEO (and other executives) over the long term. This process included considerations for various remuneration provisions, types of rewards including options, and alternative metrics.

Vesting of the CEO LTI Performance Rights are subject to the successful achievement of specific and defined vesting conditions over specified performance periods. The number of Performance Rights which will vest on the vesting date for each tranche will depend on the extent to which the vesting conditions have been satisfied for that tranche during the relevant performance period.

To address the impact of the cyclical commodity price movements, the Board agreed to implement staggered vesting and multiple performance periods from 2.5 years to 4.5 years over which the performance is measured, as opposed to the option of re-testing the metrics over multiple years, which was not considered appropriate.

While options were considered as an alternative type of award, they were considered not to be consistent with the Company-wide remuneration structures due to their ability to increase the executives' risk appetite. Introducing options to our remuneration structure would also add additional complexity to the overall framework.

The Board has also considered a number of performance metrics to determine the most appropriate measures of the Company's performance over the long term for the calculation of CEO performance and reward. Consultation with shareholders and market participants has resulted in further refinement of the Board's position. The key consideration was to ensure that any significant grant of CEO equity reward would only vest in circumstances where material positive shareholder returns justified the vesting outcome. For this reason, earnings and return metrics, as well as production-related, project-based and non-financial metrics were deemed not appropriate for the remuneration purposes, due to their ability to reward executives where shareholder value was not created and shareholder returns were not achieved.

## Absolute TSR and disclosure of strategic targets

The Board acknowledges the Shareholder and proxy advisor feedback regarding the use of the absolute TSR metric and the absence of sufficient disclosure with respect to specific strategic targets. The Board

believes that additional disclosure around the rationale for the absolute TSR metrics and nature of targets and objectives will assist Shareholders with assessing the achievement of strategic objectives.

The Board acknowledges the benefits of the rTSR metric, including its simplicity, clarity and ability to reward for outperformance against peers. However, in the Board's view, strong relative performance may not always represent actual value creation. As a result, while the main performance criteria for KMP LTI Performance Rights remains rTSR, the main performance criteria for CEO LTI Performance Rights applies an aTSR metric (with a rTSR "gate"). This ensures that the CEO LTI Performance Rights will not vest in circumstances where shareholders have not made material gains over the performance period. In order to mitigate any risk that material shareholder gains have been created in circumstances where a positive vesting outcome for CEO LTI Performance Rights is not justified by either relative company performance or by specific CEO performance, additional elements, such as rTSRrdles, clawback provisions, and Board discretion as described below, have been included.

The Board will have the unfettered and absolute right to determine and confirm whether vesting conditions have been met in respect of each and all tranches.

<b>Weighting</b>	Tranche 1: 33.33%	
	Tranche 2: 33.33%	
	Tranche 3: 33.33%	
<b>Number of Performance Rights granted</b>	Tranche 1: 1,000,000	
	Tranche 2: 1,000,000	
	Tranche 3: 1,000,000	
<b>Performance metrics</b>	<b>aTSR</b>	<b>Strategic Objectives</b>
<b>Description of the vesting condition</b>	<p>The aTSR metric measures the cumulative growth in Resolute's share price over the Performance Period (<b>aTSR Metric</b>). Resolute's aTSR will be based on the percentage by which Resolute's 30-day volume weighted average share price on the ASX (VWAP) at the close of trade on the relevant vesting date (plus the value of any dividends paid during the Performance Period) has increased over Resolute's 30-day VWAP at the commencement date of the Performance Period.</p> <p>The aTSR Metric will be subject to a condition that the rTSR Metric (assessed as per the KMP LTI Performance Rights measure) results in a result of at or above the 33<sup>rd</sup> percentile.</p>	<p>The strategic objectives metric measures the Board's assessment of the performance of the CEO in ensuring achievement by the Company of key strategic objectives over the relevant Performance Period (<b>Strategic Objectives Metric</b>).</p> <p>The achievement of strategic objectives will be determined by the Board by referencing Resolute's Strategic Plan and Life-of-Mine plans and budgets for the Company's operating assets. Importantly, and in addition, will be assessment of the success of new business opportunities undertaken by the Company over the relevant period that extend the Company's resource and production base and add Shareholder value.</p> <p>The successful achievement of the Strategic Objectives Metric is not the ordinary course of business but requires outstanding performance by the CEO to deliver Board approved strategic targets, development plans, value creative acquisitions, positive divestments, technology adoption, and industry partnerships that substantially increase and/or improve the Company's value and enhance longer-term sustainability.</p> <p>It is not optimal to be prescribe specific strategic objectives at this time but rather these will be developed and more detailed considerations for each tranche outlined in the Remuneration reports ahead of tranche vesting dates.</p>

<b>Objective</b>	<p>Absolute TSR combines executives' efforts in all business areas and incentivises them to focus on the long-term value creation culminating in a continuous growth in share price.</p> <p>The Performance Periods of 2.5, 3.5 and 4.5 years ensure that Performance Rights subject to this vesting condition reflect long-term value creation, as opposed to short-term share price fluctuations.</p>	<p>The strategic objective metric is intended to reward achievement of specific strategic long term objectives of the Company which are aligned with Company strategy to create sustainable Shareholder wealth.</p>										
<b>Rationale</b>	<p>Absolute TSR is a direct measure of the Company's share price and value growth. While it may be affected by the market forces, the Board takes these into consideration when setting the targets.</p> <p>The Board has determined that aTSR stretch target constitutes a highly challenging target, achievement of which will significantly benefit shareholders.</p> <p>The Board has also reviewed similar type CEO incentive packages on the market and concluded that the aTSR stretch target of 20% per annum exceeds the Company's peers.</p> <p>In addition, the aTSR metric will not be satisfied unless the rTSR Metric (assessed as per the KMP LTI Performance Rights measure) results in a result of at or above the 33<sup>rd</sup> percentile.</p>	<p>The Board believes it is appropriate to balance the hard measure of aTSR with a more qualitative assessment of CEO performance in preserving and creating value for Shareholders measured by assessment against clearly defined Strategic Objectives Metrics.</p> <p>There are arrange of factors beyond the total control of the CEO which may positively or negatively affect aTSR, such as gold price or exchange rates or geopolitical risk. The inclusion of a Strategic Objectives Metric balances the aTSR Metric and allow s the Board to assess how the CEO has managed the business with reference to clearly defined objectives.</p>										
<b>Vesting conditions</b>	<table border="1"> <thead> <tr> <th data-bbox="368 1261 603 1346">aTSR performance</th> <th data-bbox="603 1261 839 1346">Vesting outcome</th> </tr> </thead> <tbody> <tr> <td data-bbox="368 1346 603 1417">Less than 10% per annum return</td> <td data-bbox="603 1346 839 1417">0%</td> </tr> <tr> <td data-bbox="368 1417 603 1489">10% per annum return</td> <td data-bbox="603 1417 839 1489">33%</td> </tr> <tr> <td data-bbox="368 1489 603 1597">Above 10% per annum return and below 20% per annum return</td> <td data-bbox="603 1489 839 1597">Straight-line pro-rata between 33% and 100%</td> </tr> <tr> <td data-bbox="368 1597 603 1668">Equal to or above 20% per annum return</td> <td data-bbox="603 1597 839 1668">100%</td> </tr> </tbody> </table>	aTSR performance	Vesting outcome	Less than 10% per annum return	0%	10% per annum return	33%	Above 10% per annum return and below 20% per annum return	Straight-line pro-rata between 33% and 100%	Equal to or above 20% per annum return	100%	<p>Tranche 1: The successful achievement of Board approved strategic targets, development plans, value creative acquisitions, positive divestments, technology adoption, and industry partnerships that substantially increase and/or improve the Company's value and enhance longer-term sustainability.</p> <p>Tranche 2: The successful achievement of Board approved strategic targets, development plans, value creative acquisitions, positive divestments, technology adoption, and industry partnerships that substantially increase and/or improve the Company's value and enhance longer-term sustainability. Resolute Foundation and environmental management.</p> <p>Tranche 3: The successful achievement of Board approved strategic targets, development plans, value creative acquisitions, positive divestments, technology adoption, and industry partnerships that substantially increase and/or improve the Company's value and enhance longer-term sustainability.</p>
aTSR performance	Vesting outcome											
Less than 10% per annum return	0%											
10% per annum return	33%											
Above 10% per annum return and below 20% per annum return	Straight-line pro-rata between 33% and 100%											
Equal to or above 20% per annum return	100%											

<b>Performance Period</b>	Tranche 1: 33.33%: 2.5 years (1 January 2019 - 30 June 2021)
	Tranche 2: 33.33%: 3.5 years (1 January 2019 - 30 June 2022)
	Tranche 3: 33.33%: 4.5 years (1 January 2019 - 30 June 2023)
<b>Re-testing</b>	None
<b>Face value (as at 1 January 2019)</b>	Tranche 1: \$1,145,000
	Tranche 2: \$1,145,000
	Tranche 3: \$1,145,000
<b>Estimated Fair value (as at 24 September 2019)</b>	Tranche 1: \$1,311,000
	Tranche 2: \$1,405,000
	Tranche 3: \$1,371,000
<b>Notes</b>	<p>The Board acknowledges that aTSR is subject to market volatility and may therefore unfairly penalise or reward the CEO as a result of market forces. At the same time, aTSR provides direct alignment with shareholders given that the CEO will “share the pains and gains” together with shareholders.</p> <p>The Board is satisfied that alongside the other three vesting conditions, the performance of the Company is assessed in a holistic manner and the potential negative consequences of the aTSR are partially mitigated also by its limited weighting on the total potential vesting.</p> <p>The Board also has absolute discretion to amend the vesting outcomes both downwards and upwards, should the conditions of the plan result in an inappropriate vesting. The Board will limit this discretion to extraordinary circumstances.</p>

### Further information and additional policies and provisions for CEO LTI Performance Rights

- **Clawback** – The Board has discretion to claw back granted but unvested Performance Rights in the event of serious misconduct or a material misstatement in Resolute’s financial statements.
- **Share ownership by the CEO** – the CEO has a personal ambition to accumulate and maintain a significant Shareholding whilst employed by the Company. The Board believes the proposed incentive arrangements, which are the subject of this Resolution, are an efficient and appropriate manner to enable the CEO to accumulate equity in the Company. The CEO’s current Shareholding represents approximately 0.3% of issued Share capital, worth approximately six times his fixed remuneration.
- **Change of control** – On the occurrence of a change of control of Resolute, the Board will determine, in its sole and absolute discretion, the manner in which all unvested, and vested but unexercised, Performance Rights will be dealt with. In circumstances where shareholders have voted in support of a positive Change of Control transaction the Board would normally determine to vest any outstanding KMP LTI and CEO LTI Performance Rights, subject to Mr Welborn being in the employ of the Company at the time the shareholder decision is made.
- **Dividends and voting rights of unvested Performance Rights** – There are no participating rights or entitlements inherent in the Performance Rights before their exercise and the issue of Shares (if applicable), and Mr Welborn will not be entitled as a result of holding Performance Rights to any additional votes at meetings of Shareholders, receive dividends, or participate in surplus profits or assets of the Company upon a winding up.

## **Chapter 2D of Corporations Act**

In accordance with section 200B of the Corporations Act, the Company must not give a benefit in connection with a person's retirement from an Office unless it obtains Shareholder approval.

The CEO LTI Performance Rights may, subject to the Board's discretion, vest upon termination of Mr Welborn's employment. The Board has formed the view should this occur, the affected Performance Rights may constitute a benefit in connection with Mr Welborn's retirement from Office under section 200B.

Section 200B applies where the benefit is given to a person whose details were included in the Directors' Report for the previous financial year. Mr Welborn's details were included in the 2018 Directors' Report of the Company. The Company is therefore seeking Shareholder approval under section 200B in connection with potential vesting of the CEO LTI Performance Rights being granted to Mr Welborn.

The value of the termination benefits connected to the Performance Rights cannot presently be ascertained but matters, events and circumstances that will, or likely to, affect the calculation of that value include:

- the number of Performance Rights that vest;
- the market price of Shares on ASX on the last ASX trading day before the date of calculation; and
- the status of the vesting conditions attaching to the Performance Rights at the time Mr Welborn's employment ceases.

### **Listing Rule 10.19**

Listing Rule 10.19 provides that, without the approval of ordinary Shareholders, an entity must ensure that no Officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that are or may become payable to all Officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules.

The Company is also seeking Shareholder approval for the purposes of Listing Rule 10.19 as the Performance Rights may, subject to the Board's discretion, vest upon termination of Mr Welborn's employment. The value of the termination benefit payable to Mr Welborn depends on a number of factors, including the value of the Company's equity interests which vary over time. Accordingly, it is possible that the provision of the benefit associated with the acceleration of the vesting of Performance Rights may exceed 5% of the equity interests of the Company at the relevant time.

## **Chapter 2E of Corporations Act**

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

Mr Welborn as a Director is a related party of the Company.

The Board (excluding Mr Welborn) has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed special grant of Performance Rights as the grant constitutes reasonable remuneration for the purposes of section 211 of the Corporations Act.

### **Listing Rule 10.14**

In accordance with Listing Rule 10.14, the Company must not issue or agree to issue equity securities to a Director unless it first obtains Shareholder approval.



As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required.

Specific information required by Listing Rule 10.15 is provided as follows:

- (a) The Performance Rights will be granted to Mr Welborn (Managing Director & Chief Executive Officer) (and/or his nominee).
- (b) Subject to Shareholder approval being obtained, the number of Performance Rights granted to Mr Welborn has been determined by the allocation methodology formula as outlined above, with 3,000,000 CEO LTI Performance Rights conditionally granted to Mr Welborn.
- (c) The CEO LTI Performance Rights will be granted within one month of the date of the Meeting.
- (d) Since the 2017 Performance Rights Plan was approved by Shareholders, Mr John Welborn, being the only person referred to in Listing Rule 10.14 who received securities under the 2017 Performance Rights Plan, received 1,563,749 Performance Rights at no acquisition price (of which none have lapsed or expired).
- (e) As at 2 October 2019, being the last practical date prior to finalisation of the Notice, Mr Welborn is the only person declared by the Board to be eligible to be granted Performance Rights under the 2017 Performance Rights Plan that is covered by Listing Rule 10.14 (i.e. a Director, an associate of the Director, or a person whose relationship with the Company, Director or associate of the Director is, in ASX's opinion, such that approval should be obtained).
- (f) No consideration is payable by Mr Welborn at the time of grant of the Performance Rights or upon the allocation of Shares to which Mr Welborn may become entitled to on the vesting of some or all of the Performance Rights. The grant of Performance Rights has vesting conditions attached to it as set out above.
- (g) A voting exclusion statement for this Resolution is included in the Notice.
- (h) There will be no funds raised by the Company as a result of the grant of the Performance Rights to Mr Welborn or upon the allocation of Shares to which Mr Welborn may become entitled to on the vesting of some or all of the Performance Rights.
- (i) No loan will be provided by the Company to Mr Welborn in relation to the grant of the Performance Rights.

### **Chairman's intentions**

This Resolution is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of this Resolution.

If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on this Resolution, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

### **Board recommendation**

The Board (excluding Mr Welborn) recommends that Shareholders vote in favour of this Resolution to approve the issue of Performance Rights under the 2017 Performance Rights Plan to Mr Welborn.

## SCHEDULE – DEFINITIONS

In the Notice (which includes the Explanatory Memorandum), words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**2017 Performance Rights Plan** means the 2017 Resolute Mining Limited Equity Incentive Plan which was approved by Shareholders at the Company's 2017 annual general meeting as amended from time to time.

**2019 AGM** means the Company's 2019 annual general meeting held on 20 May 2019.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**aTSR** means absolute TSR.

**aTSR Metric** has the meaning given to that term on page 13.

**Board** means the board of Directors of the Company.

**CEO** means the Company's Managing Director and CEO, Mr John Welborn.

**CEO LTI** has the meaning given to that term on page 8.

**CEO LTI Performance Rights** has the meaning given to that term on page 5.

**Chairman** means the person appointed to chair the Meeting or any part of the Meeting.

**Closely Related Party** has the meaning given in section 9 of the Corporations Act.

**Company** or **Resolute** means Resolute Mining Limited ABN 39 097 088 689.

**Corporations Act** means *Corporations Act 2001* (Cth).

**CREST** means the electronic settlement system for UK and Irish securities operated by Euroclear.

**Depository Interest** or **DI** is a security which represents an underlying interest in an existing security registered with another exchange. In the case of Resolute, each Resolute DI will represent an interest in a Resolute share currently tradable on the ASX. For further information, refer to Resolute's ASX Announcement titled 'LSE Dual Listing and Depository Interest Information' dated 17 June 2019.

**Director** means a director of the Company.

**Directors' Report** means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Euroclear** means Euroclear UK & Ireland Limited (Company number 02878738).

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**FY16** means the financial year ending 30 June 2016.

**FY19** means the financial year ending 31 December 2019.

**GMT** means Greenwich Mean Time.

**Group** means the Company, its Subsidiaries and any Outside Entities.

**Group Company** means any existing or future member of the Group.

**Key Management Personnel** or **KMP** means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

**KMP LTI** has the meaning given to that term on page 8.

**Listing Rules** means the listing rules of the ASX.

**LTI** means long term incentive.

**Meeting** has the meaning in the introductory paragraph of the Notice.

**Notice** means this notice of meeting which is comprised of the notice, agenda, Explanatory Memorandum and Proxy Form.

**Office** means an office as an Officer.

**Officer** has the same meaning, as the context requires, given in paragraphs (a) and (b) of the definition of “officer” of a corporation, or in paragraphs (a) and (b) of the definition of “officer” of an entity that is neither an individual nor a corporation, in each case in section 9 of the Corporations Act.

**Outside Entity** means a body corporate or other entity of which an Officer has been appointed as an Officer either at the request of the Company or a Relevant Company or in connection with the Officer’s role as an Officer of the Company or a Relevant Company.

**Performance Right** means an entitlement granted to a participant pursuant to one of the Company’s performance rights plans to receive one Share subject to the satisfaction of applicable vesting conditions.

**Proxy Form** means the proxy form attached to the Notice.

**Relevant Company** means any Subsidiary of the Company.

**Remuneration Committee** means the Company’s remuneration committee.

**Resolution** means the resolution contained in the Notice.

**rTSR** means relative TSR.

**Schedule** means the schedule to the Notice.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**Strategic Objectives Metric** has the meaning given to that term on page 13.

**Subsidiary** has the meaning given in section 9 of the Corporations Act and refers to any corporation of that kind whenever it becomes a subsidiary.

**Tranche 2** means 1,000,000 Performance Rights within the CEO LTI with a vesting date of 30 June 2021.

**Tranche 3** means 1,000,000 Performance Rights within the CEO LTI with a vesting date of 30 June 2022.

**Tranche 3** means 1,000,000 Performance Rights within the CEO LTI with a vesting date of 30 June 2023.

**TSR** means total shareholder return.

**WST** means Western Standard Time, being the time in Perth, Western Australia.



**Resolute**

ASX/LSE: RSG | [www.rml.com.au](http://www.rml.com.au)



RSG

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (WST)** Tuesday, 19 November 2019.

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## ATTENDING THE MEETING

**If you are attending in person, please bring this form with you to assist registration.**

### Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## Proxy Form

Please mark  to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Resolute Mining Limited hereby appoint

the Chairman of the Meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Resolute Mining Limited to be held at Level 2, Australia Place, 15-17 William Street, Perth, Western Australia on Thursday, 21 November 2019 at 3:00pm (WST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Approval to issue Performance Rights to Mr John Welborn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

**Update your communication details** (Optional)

Mobile Number  Email Address  By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically





MR A SAMPLE  
< DESIGNATION >  
SAMPLE STREET  
SAMPLE TOWN  
SAMPLE CITY  
SAMPLE COUNTY  
AA11 1AA



**Holder Reference Number**

C0000000000



**Form of Instruction - Extraordinary General Meeting to be held on 21 November 2019**



**To View the Notice of Meeting online visit:**

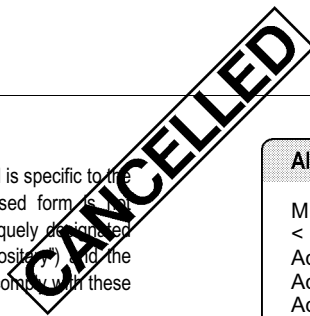
**<http://resmin.com.au/investor-centre/>**

**To be effective, all forms of instruction must be lodged at the office of the Depositary at:  
Computershare Investor Services PLC, The Pavilions, Bridgwater Rd, Bristol BS99 6ZY by 15 November 2019 at 3.00 pm (GMT).**

**Explanatory Notes:**

1. Please indicate, by placing "X" in the appropriate space overleaf, how you wish your votes to be cast in respect of each of the Resolutions. If this form is duly signed and returned, but without specific direction as to how you wish your votes to be cast, the form will be rejected.
2. The 'Abstain' option overleaf is provided to enable you to abstain on any particular Item. However, it should be noted that an 'Abstain' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' an Item.
3. Any alterations made in this form should be initialled.
4. The completion and return of this form will not preclude a holder from attending the meeting and voting in person. Should the holder, or a representative of that holder wish to attend the meeting and/or vote at the meeting, they must notify the Depositary in writing or email !UKALLDITeam2@computershare.co.uk

**Kindly Note:** This form is issued only to the addressee(s) and is specific to the unique designated account printed hereon. This personalised form is not transferable between different (i) account holders; or (ii) uniquely designated accounts. Computershare Investor Services PLC (the "Depositary") and the Custodian accept no liability for any instruction that does not comply with these conditions.



**All Named Holders**

MR A SAMPLE  
< Designation >  
Additional Holder 1  
Additional Holder 2  
Additional Holder 3  
Additional Holder 4

# Form of Instruction



Please use a **black** pen. Mark with an X inside the box as shown in this example.



C0000000000

I/We hereby instruct the Custodian "Computershare Clearing Pty Limited a/c CCNL DI" to vote on my/our behalf at the Extraordinary General Meeting of the Company to be held at **Level 2, Australia Place, 15 -17 William Street, Perth, Western Australia** on 21 November 2019 at **3.00 pm (WST)** and at any adjournment thereof.

**CANCELLED**

## Ordinary Resolution

1. Approval to issue Performance Rights to Mr John Welborn.

For      Against      Abstain

Signature

Date

**CANCELLED**

MM / YY

In the case of joint holders, only one holder need sign. In the case of a corporation, the Form of Instruction should be signed by a duly authorised official whose capacity should be stated, or by an attorney.

