



Resolute

ASX Announcement

21 January 2020

Resolute to repay Toro Gold Bridge Facility Equity Raising of up to A\$196 million Institutional Placement + Share Purchase Plan

Highlights

- Resolute has agreed with Taurus Funds Management Pty Limited to repay all amounts outstanding under the US\$130 million Toro Gold bridge facility prior to the due date for repayment of 31 January 2020
- Repayment to be funded by an Equity Raising of up to A\$196 million comprising:
 - Fully underwritten Institutional Placement to raise A\$146 million (Tranche 1 Institutional Placement);
 - Placement to the ICM Limited Group, Resolute's largest Shareholder, and Resolute's Directors, to raise A\$25 million, subject to Resolute shareholder approval (Tranche 2 Placement); and
 - A share purchase plan (SPP) offered to Resolute Shareholders residing in Australia and New Zealand, subject to an individual limit of A\$30,000, to raise up to A\$25 million
- Shares in the Equity Raising to be issued at A\$1.10 per share, representing a 6.4% discount to the last closing price of A\$1.175 per share and a 7.0% discount to the 5-day VWAP of A\$1.183 per share
- Resolute Directors to participate in the Equity Raising for a total of up to A\$500,000
- Resolute's largest shareholder, ICM Limited Group, has subscribed to maintain its approximate pro-rata shareholding in the Company
- Equity Raising will strengthen Resolute's balance sheet, reduce interest costs and debt fees, and support the refinancing of Resolute's existing senior debt facilities expected to be completed during the current quarter

NOT FOR RELEASE IN THE UNITED STATES

Resolute Mining Limited (ASX/LSE: RSG, Resolute or the Company) is pleased to announce the Company has agreed with Taurus Funds Management Pty Limited (Taurus) to repay all amounts outstanding under the US\$130 million Toro Gold acquisition finance facility prior to the due date for repayment of 31 January 2020. The repayment will be funded by an equity raising to raise up to approximately A\$196 million consisting of a fully underwritten institutional placement to raise A\$146 million (Tranche 1 Institutional Placement), an additional A\$25 million placement to Resolute's Directors and largest shareholder, ICM Limited Group (ICM Limited) (Tranche 2 Placement), and a SPP to raise up to A\$25 million (collectively, the Equity Raising).

The Tranche 1 Institutional Placement will result in the issue of approximately 132.7 million new ordinary shares in Resolute (Tranche 1 Institutional Placement Shares) using the Company's available placement capacity. The Tranche 1 Institutional Placement Shares will be issued at a price of A\$1.10 per share. The underwritten Tranche 1 Institutional Placement is being conducted through a bookbuild process that will be launched immediately following this announcement and is expected to close on Tuesday, 21 January 2020.

Under the Tranche 2 Placement, the Company proposes to issue approximately 22.7 million new ordinary shares in Resolute (Tranche 2 Placement Shares) at the same issue price as the Tranche 1 Institutional Placement Shares. Resolute's Directors have agreed to participate in the Equity Raising for up to A\$500,000 in total. The issue of Tranche 2 Placement Shares to ICM Limited will enable ICM Limited to maintain its approximate pro-rata shareholding in the Company.



The issue price of A\$1.10 per share represents a:

- 6.4% discount to the closing price on Monday, 20 January 2020 of Resolute shares of A\$1.175; and
- 7.0% discount to Resolute's 5-day trading Volume Weighted Average Price (VWAP) of A\$1.183.

Resolute's Managing Director and CEO, Mr John Welborn said: "The ability to entirely repay the Toro Gold acquisition facility will save Resolute extension fees and interest payments. More importantly, today's equity raising will support and enable the complete refinancing of our debt facilities during the current quarter. Completion of the equity placement, and the refinancing of our senior syndicated loan facilities, will enable the Company to simplify its capital structure and facilitate the retirement of debt facilities provided by Taurus.

"The SPP provides our eligible shareholders, along with the institutional shareholders who are participating in the placement, the opportunity to increase their shareholding in Resolute on attractive terms at a pivotal point in the Company's life cycle. Strong production guidance, a significant reduction in capital expenditure, operating assets which are now generating positive cashflows, and a stronger balance sheet with a greatly reduced debt burden, provides Resolute shareholders the opportunity for a positive re-rate."

The proceeds from the Equity Raising are intended to be used, subject to consent from Resolute's bankers, to fully repay the US\$130 million Toro Gold bridge facility which was provided by Taurus (see ASX Announcement dated 31 July 2019). The facility attracts an interest rate of 9% per annum and is due for repayment on 31 January 2020.

The Tranche 1 Institutional Placement is within Resolute's available capacity under Australian Securities Exchange (ASX) Listing Rule 7.1 and accordingly shareholder approval is not required. The issue of the Tranche 2 Placement Shares to ICM Limited and to Resolute's Directors for up to A\$500,000 is subject to Resolute Shareholder approval at the Company's Extraordinary General Meeting (EGM) expected to be held on 27 February 2020.

Resolute expects the trading halt on the ASX to be lifted upon announcement of the completion of the Tranche 1 Institutional Placement, which is expected to occur on Thursday, 23 January 2020. Settlement of the Tranche 1 Institutional Placement is expected to occur on Wednesday, 29 January 2020, with the Tranche 1 Institutional Placement Shares to commence trading on the ASX on Thursday, 30 January 2020. All shares to be issued will rank pari passu with Resolute's existing shares with effect from their issue.

In London, an application will be made for admission of all shares issued as part of the Equity Raising to the Official List of the FCA, standard segment, and to trading on the London Stock Exchange's Main Market for Listed Securities (LSE Admission) in due course. LSE Admission of the shares in the Tranche 1 Institutional Placement will require the publication of a FCA approved Prospectus. A Prospectus is being prepared and a further announcement will be made regarding the timing for LSE Admission following the approval and publication of the Prospectus.

Important information regarding the Equity Raising, including the offer restrictions applicable to the Equity Raising, are outlined in the Resolute Investor Presentation released today.

Share Purchase Plan

Resolute will offer all eligible existing Shareholders (including retail Shareholders) who were on Resolute's share register at 4.00pm (AWST) on Monday, 20 January 2020 with registered addresses in Australia or New Zealand the opportunity to apply for new Resolute shares through a Share Purchase Plan (SPP) without brokerage fees.

Resolute proposes to raise up to A\$25 million via the SPP and the offer price under the SPP will also be A\$1.10 per share.

The application for new shares under the SPP will be capped at the statutory maximum allowed of A\$30,000 per eligible Shareholder. The SPP offer period will open on Monday, 3 February 2020 and close at 2:00pm (AWST) on Friday, 21 February 2020, subject to Resolute's discretion to amend these dates. Shares issued under the SPP will rank equally with Resolute's existing shares with effect from their issue. The terms and conditions of the SPP will be set out in an SPP Offer Booklet and despatched to eligible Resolute Shareholders by their preferred method of contact as well as a separate announcement to the ASX in due course. Participation in the SPP is optional and Resolute reserves the right to scale back any applications under the SPP.



Key Dates of the Equity Raising

Record date (for identifying shareholders entitled to participate in the SPP)	4.00pm, Monday, 20 January
Trading halt and announcement of Equity Raise, Tranche 1 Institutional Placement, Tranche 2 Placement and SPP	Tuesday, 21 January
Completion of Tranche 1 Institutional Placement, trading halt lifted	Thursday, 23 January
Tranche 2 Placement EGM Despatch Date	Wednesday, 29 January
Settlement of Tranche 1 Institutional Placement	Wednesday, 29 January
Tranche 1 Institutional Placement Shares commence trading on ASX	Thursday, 30 January
SPP Offer opens	Monday, 3 February
SPP Offer closes	Friday, 21 February
Completion of SPP Offer	Wednesday, 26 February
Tranche 2 Placement EGM Date	Thursday, 27 February
Settlement of Tranche 2 Placement (subject to shareholder approval)	Friday, 28 February
Quotation of Tranche 2 Placement Shares on ASX (subject to shareholder approval)	Tuesday, 3 March
SPP Shares commence trading on ASX	Wednesday, 4 March

Note: Dates and times are indicative only and subject to change without notice. Resolute reserves the right to alter the dates in this presentation at its discretion and without notice, subject to the ASX Listing Rules and Corporations Act 2001 (Cth). All dates refer to 2020 and time is Australian Western Standard Time.

Advisers

Canaccord Genuity (Australia) Limited is acting as global lead manager, sole underwriter and joint bookrunner to the Placement. Joh. Berenberg, Gossler & Co. KG, London Branch is acting as co-lead manager and joint bookrunner to the Placement. Resolute's legal advisors are DLA Piper in Australia and Bryan Cave Leighton Paisner in the United Kingdom.

Additional Information

Further information concerning the Equity Raising is contained in the Resolute Investor Presentation released to the ASX today or is available on the company's website www.rml.com.au. Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should seek appropriate professional advice before making any investment decision.

Conference Call

Resolute advises that Managing Director and CEO, Mr John Welborn, will host a Conference Call for investors, analysts and media on **Tuesday, 21 January 2020 at 08:00AM (AWST, Perth) / 11:00AM (AEDT, Sydney)**, to discuss the Company's Equity Raising and December 2019 Quarterly Activities Report. The call will conclude with a question and answer session.

Australia Access Number: 1800 123 296

Conference ID: 2167834

Canada	1855 5616 766	New Zealand	0800 452 782
China	4001 203 085	Singapore	800 616 2288
Hong Kong	30082034	United Kingdom	0808 234 0757
Japan	0120 994 669	United States	1855 293 1544

For all other countries, please use the International Access Number: +61 2 8038 5221

Please dial in five minutes prior to the conference start time and provide the operator with your name and the Conference ID as shown above. To ask a question, please dial "*1" (star, 1) on your telephone keypad.

The Conference Call will be streamed live at <http://www.openbriefing.com/OB/3650.aspx>



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ASX Announcement

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (MAR). Upon the publication of this announcement via a Regulatory Information Service (RIS), this inside information is now considered to be in the public domain.

EEA Member States

This announcement is directed at and is only being distributed to persons in member states of the European Economic Area who are "qualified investors", as defined in article 2.1(e) of the Prospectus Directive (Directive 2003/71/EC), as amended (the "Prospectus Directive"), including any relevant implementing measure in each member state of the European Economic Area which has implemented the Prospectus Directive. No other person should act on or rely on this Announcement and persons distributing this Announcement must satisfy themselves that it is lawful to do so.

Notice to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Shares may decline and investors could lose all or part of their investment; the New Shares offer no guaranteed income and no capital protection; and an investment in the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Institutional Placement. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Canaccord and Berenberg are only procuring investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability of appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Shares and determining appropriate distribution channels.



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About Resolute

Resolute is a successful, dividend paying gold miner with more than 30 years of experience as an explorer, developer and operator of gold mines in Australia and Africa which have produced more than 8 million ounces of gold.

Resolute's guidance for FY20 is 500,000 ounces at an AISC of US\$980 per ounce.

Resolute owns four gold mines and has a Global Mineral Resource base of more than 18 million ounces of gold. Its flagship asset is the world class Syama Gold Mine in Mali (Syama) which can produce more than 300,000 ounces of gold per annum from existing processing infrastructure. Resolute is currently commissioning the world's first fully automated underground mine at Syama which will deliver a low cost, large scale operation with a mine life beyond 2032. The Mako Gold Mine in Senegal is a high quality, low cost asset with average annual production of approximately 140,000 ounces of gold. The Ravenswood Gold Mine in Australia (Ravenswood) and the Bibiani Gold Mine in Ghana are existing large scale assets which provide Resolute with significant optionality, noting that definitive agreements have been entered into to sell Ravenswood for up to A\$300 million.

Resolute trades on the Australian Securities Exchange (ASX) and the London Stock Exchange (LSE) under the ticker RSG.

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Resolute

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Authorised by Mr John Welborn, Managing Director & CEO

ASX/LSE: RSG Capital Summary

Fully Paid Ordinary Shares: 903,153,734
Current Share Price (ASX):
A\$1.18 as at 20 January 2020
Market Capitalisation: A\$1.1 Billion
FY20 Guidance:
500,000oz at an AISC of US\$980/oz

Board of Directors

Mr Martin Botha *Non-Executive Chairman*
Mr John Welborn *Managing Director & CEO*
Ms Yasmin Broughton *Non-Executive Director*
Mr Mark Potts *Non-Executive Director*
Ms Sabina Shugg *Non-Executive Director*
Mr Peter Sullivan *Non-Executive Director*

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