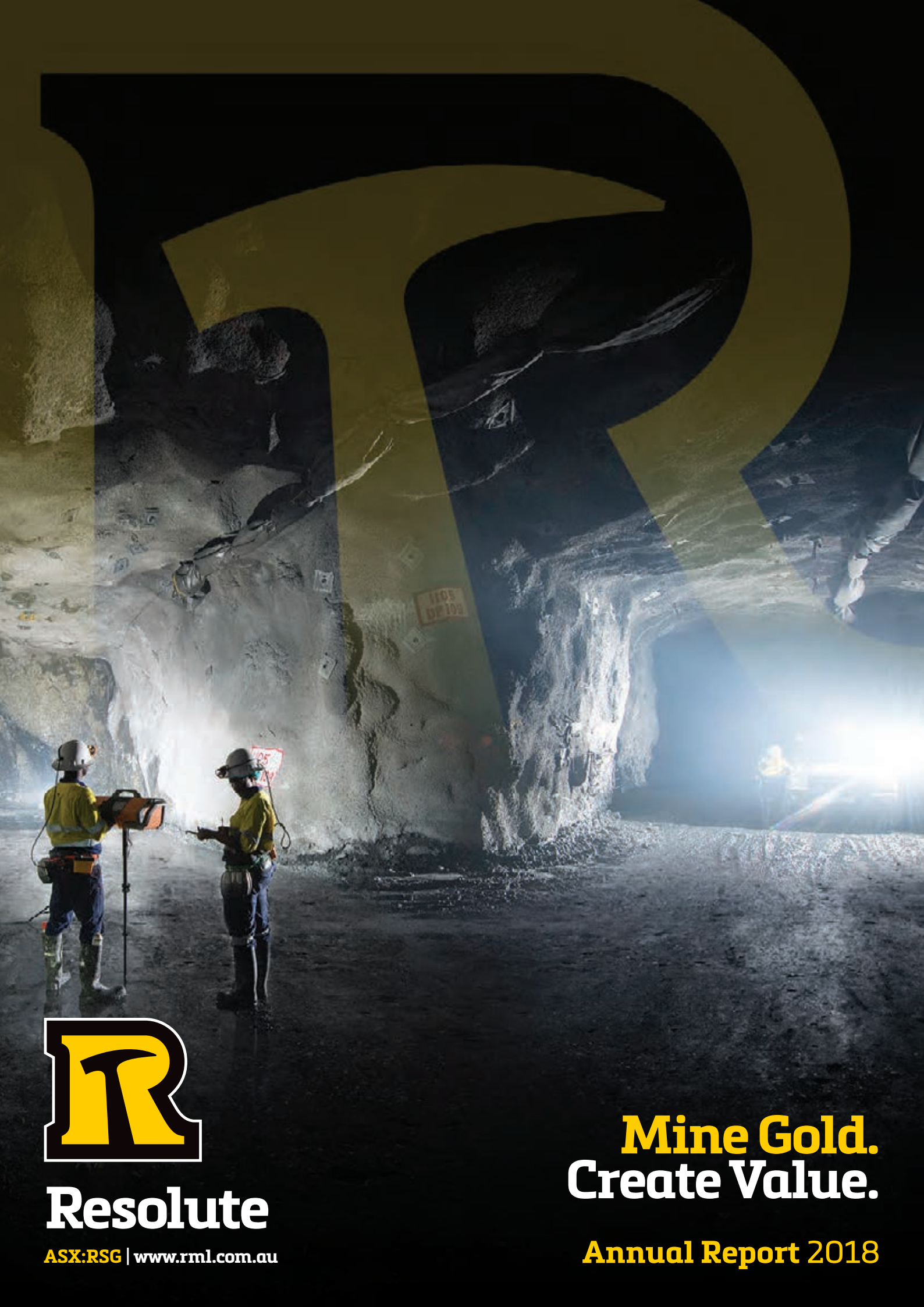


Resolute

ASX:RSG | www.rml.com.au

Mine Gold. Create Value.

Annual Report 2018

Contents

Corporate Directory

Directors

Non-Executive Chairman	Martin Botha
Managing Director and CEO	John Welborn
Non-Executive Director	Henry (Bill) Price*
Non-Executive Director	Peter Sullivan
Non-Executive Director	Mark Potts
Non-Executive Director	Yasmin Broughton
Non-Executive Director	Sabina Shugg

* Henry (Bill) Price will retire from the Board prior to Resolute's Annual General Meeting in October 2018.

Company Secretary

Amber Stanton

Registered Office and Business Address

Level 2, Australia Place
15-17 William Street
Perth, Western Australia 6000

Postal

PO Box 7232 Cloisters Square
Perth, Western Australia 6850
Telephone: + 61 8 9261 6100
Email: contact@rml.com.au
ABN 39 097 088 689

Website

Resolute maintains a website where all major announcements to the ASX are available: www.rml.com.au

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth, Western Australia 6000

Home Exchange

Australian Securities Exchange Limited
Level 40, Central Park
152 St Georges Terrace
Perth, Western Australia 6000

Quoted on the official lists of the Australian Securities Exchange:
ASX Ordinary Share Code: "RSG"

Securities on Issue (13 Sept 2018)

Ordinary Shares	757,512,088
Performance Rights	6,318,662

Auditor

Ernst & Young
Ernst & Young Building
11 Mounts Bay Rd
Perth, Western Australia 6000

Shareholders wishing to receive copies of Resolute's ASX announcements by e-mail should register their interest by contacting the Company at contact@rml.com.au

Resolute is a successful gold miner with more than 28 years of experience as an explorer, developer, and operator of gold mines in Australia and Africa. The Company has operated 9 gold mines which have produced more than 8 million ounces (Moz) of gold. Resolute currently owns 3 gold mines, the Syama Gold Mine in Mali (Syama), the Ravenswood Gold Mine in Australia (Ravenswood) and the Bibiani Gold Mine in Ghana (Bibiani). For the financial year ending 30 June 2019 (FY19), Resolute expects to produce 300,000 ounces (oz) of gold at an All-In Sustaining Cost of US$960/oz (A$1,280/oz). The Company has a pathway to annual gold production in excess of 500,000oz from a Global Mineral Resource base of 16.5Moz.

Syama is a world class, robust, long-life asset capable of producing more than 300,000 ounces of gold per annum from existing processing infrastructure. Resolute is currently developing the world's first fully automated underground gold mine at Syama which will deliver a low cost, large scale operation with a mine life beyond 2032.

Ravenswood has been a consistent performer and an integral part of Resolute's business for more than a decade. The highly successful Mt Wright Underground Mine (Mt Wright) continues to produce as the Company transitions back to a large scale, low cost open pit mining operation which will extend the mine life to at least 2032.

Bibiani is a potential long life, high margin operation and represents a growth opportunity for Resolute.

Resolute is actively exploring over 5,300km² of potential world class tenure in Africa and Australia searching for opportunities to expand and improve the Company's operations. A portfolio of strategic investments in highly prospective, well managed African-focused gold exploration companies has been established to provide a pipeline of future development opportunities.

Mine Gold. Create Value.

Resolute Values

BOLD We are determined and unwavering in character, ideas and action.

AGILE We adopt new methods, systems and technology to improve performance.

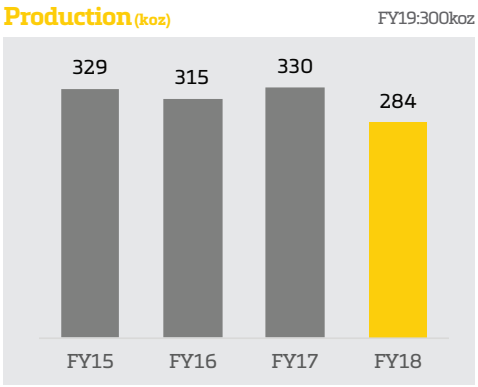
COURAGEOUS We take smart risks and make tough decisions.

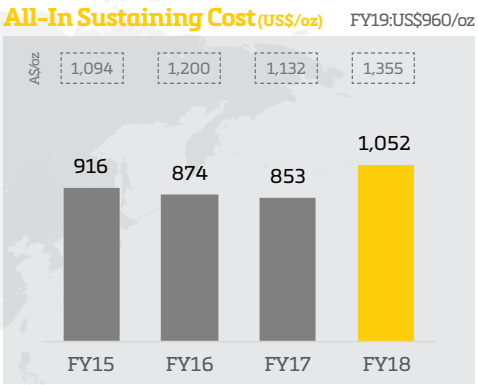
UNITED We work together to achieve what is best for Resolute and our communities.

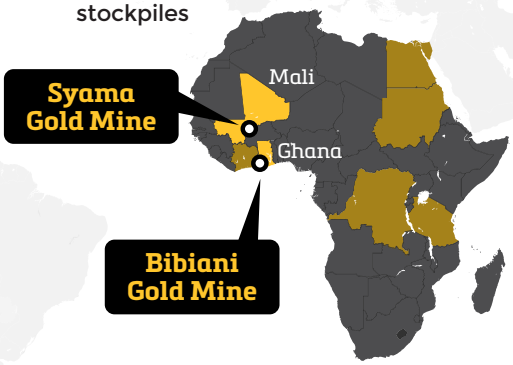
FY18 Highlights

Operations

- For the financial year ending 30 June 2018 (FY18), gold production of 284koz at an All-in Sustaining Cost (AISC) of US$1,052/oz (A$1,355/oz) in-line with revised guidance (280koz at A$1,360/oz)
- Gold production from Syama of 194koz at an AISC of US$998/oz (A$1,286/oz)
  - The Syama sulphide circuit operated predominately on lower grade stockpiled material pending the commissioning of the new Syama Underground Mine. The Syama Underground is on track to commence sub-level caving in December 2018 and ramp-up to produce at a rate of 2.4 million tonnes of higher grade sulphide ore per annum in the current financial year. The Syama oxide circuit production was sourced from satellite open pit operations located immediately north of Syama.
- Gold production from Ravenswood of 90koz at an AISC of US$1,071/oz (A$1,394/oz)
  - The mine life of Mt Wright continued beyond expectations with ore production supplemented from open pit mining at Nolans East and the processing of existing low grade stockpiles







Development: Study Updates

- Resolute progressed studies across its portfolio culminating in the release of updates for Syama, Ravenswood and Bibiani in early July 2018
- At Syama, the Definitive Feasibility Study Update (Syama DFS Update) delivered a significant reduction in the Life of Mine (LOM) AISC to US$746/oz (from US$881/oz)
  - Mine life extended by 4 years from 2028 to 2032
  - Syama Underground Probable Reserve increased by 38% to 3.0Moz (35.2Mt at 2.7g/t Au)
  - Expanded mining footprint; targeting annual production in excess of 300,000oz per annum
  - Fully automated underground mining fleet
- At Ravenswood, significant enhancements were identified for the Ravenswood Expansion Project as part of study work
  - LOM AISC lowered to US$823/oz (A$1,097/oz) from US$880/oz (A$1,166/oz)
  - Production of c.115,000oz annually through to 2032
  - Major expansion capital deferred through changes in mine sequencing
- At Bibiani, a Feasibility Study Update demonstrates a potential low cost, long life operation with robust economics
  - Targeting 100,000oz per annum over a 10-year LOM at an AISC of c.US$750/oz

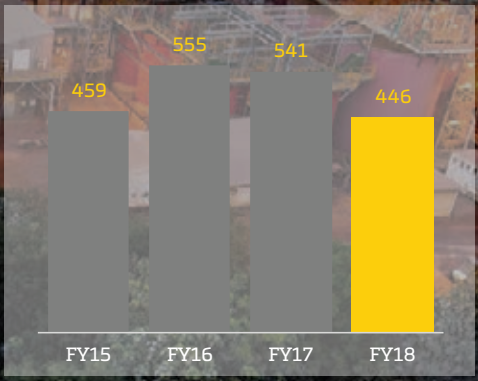
Exploration

- Drilling results from Syama, Nafolo and Tabakoroni continue to demonstrate potential expansions to the existing Syama mine plan from underground mining; multi-rig exploration drilling programs continue in FY19
  - Nafolo is a major discovery at Syama
  - Potential for a standalone high grade underground mine at Tabakoroni
- Substantial increases in Resolute's Ore Reserves and Mineral Resources as at 30 June 2018 as a result of outstanding exploration success and positive equity investments
  - Global Mineral Resources increased 35% to 16.5Moz
  - Group Ore Reserves increased by 17% to 5.9Moz
  - Total Syama Underground Indicated and Inferred Resources increased to 5.9Moz; this was a 44% increase from the previous total underground resource of 4.1Moz
  - A maiden Inferred Resource for Nafolo discovery of 400,000 ounces was also established
  - Bibiani Indicated and Inferred Resources increased by 40% to 2.5Moz
- Discovery cost of A$36.5 per Reserve ounce and A$14.5 per Resource ounce

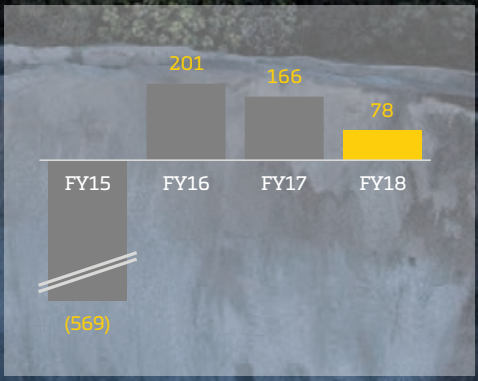
Financials

- Cash, bullion and listed investments of A$112m (FY17: A$290m)
- Net profit after tax of A$78m (FY17: A$166m)
- Revenue from gold and silver sales of A$446m (FY17: A$541m)
- Gross profit from operations of A$69m (FY17: A$177m)
- Return on equity of 12% (FY17: 49%)
- Diluted earnings per share of 8.72 cents (FY17: 18.61 cents)
- Net cash flows from operations of A$28m (FY17: A$186m)
- Net investing cash outflows of A$269m (FY17: A$128m)
- Net financing cash outflows of A$15m (FY17: A$136m inflow)

Revenue (A$m)



Net Profit After Tax (A$m)



Corporate

- Strategic investment made in various African gold explorers including Oklo Resources Limited and Mako Gold Limited listed on the Australian Securities Exchange and Orca Gold Inc and Loncor Resources Inc listed on the Toronto Stock Exchange
- US$100m Revolving Loan Facility was established with Investec Australia Finance Pty Limited to enhance financial flexibility and enables Resolute to pursue its growth agenda

Invest in Resolute

Transformation enables bold ambition

Proven operator	Resolute has mined more than 8Moz from 9 gold mines in Australia and Africa
Long life, low cost, large scale assets	14 year life at operating assets; clear pathway to 500kozpa; LOM AISC of US$746/oz at Syama
Large and growing resource base	16.5Moz of Global Mineral Resources and 5.9Moz of Ore Reserves
Strong commitment to exploration	8.4Moz Mineral Resources and 3.5Moz Ore Reserves added since 2010
Focus on technology and innovation	Resolute is developing the world's first custom built, fully automated sub-level cave
Unique skill set and reputation in Africa	Long track record of successfully operating in the region (20+ years)
Compelling valuation proposition	Valuation upside from delivery of Syama development and ramp-up
Building a portfolio of Resolute gold mines	Strategic investments in 6 African-focused explorers

Managing Director's Review

Resolute is building a remarkable gold mining company. The foundations of our future success are built on the operational expertise we have developed from mining more than eight million ounces of gold from nine gold mines in Australia and Africa over more than twenty five years. The development of the world's first fully automated underground gold mine at Syama in Mali begins a new chapter of growth for Resolute. Success at Syama will allow the Company to spread our wings and capitalise on exciting opportunities to develop, own, and operate long life, low cost Resolute gold mines. Our ambitions are founded in our strong commitment to deliver enduring value to shareholders and to the communities in which we operate.

Dear fellow shareholders,

It gives me great pleasure to present Resolute's 2018 Annual Report, a year in which we made significant progress in transforming our asset base and building the foundation for future growth. Resolute continues to generate positive operating cash flows and returns to shareholders while making substantial investments in development activities across our portfolio. Our work during the 2018 Financial Year has confirmed a clear pathway to annual production of more than 500,000 ounces of gold from long-life, low cost operations at the Syama Gold Mine in Mali, the Ravenswood Gold Mine in Australia, and the Bibiani Gold Mine in Ghana.

During the 2018 Financial Year, our operations at Syama and Ravenswood produced 284,185 ounces of gold at an All-In Sustaining Cost of A$1,355 per ounce. Revenue from gold and silver sales of A$446 million generated a net profit after tax of A$78 million. The Company's strong balance sheet and ongoing positive operational cash flows has allowed us to make major capital investments during the financial year of A$222 million. These investments in the business are transforming Resolute. We are building a new underground mine at Syama which will be the world's first fully automated underground mine. The Ravenswood Expansion Project continues to improve, and Bibiani is well placed for re-commissioning. An exciting portfolio of equity investments in junior gold companies has been established. Systems and processes have been improved with a strong focus on innovation and best practice technologies operated by an industry leading team.

At our flagship mine, the Syama Gold Mine in Mali, we continue to manage the operation through its transition. We have been treating stockpiled sulphide ore, underground development ore, and oxide ore from satellite pits while we develop the world's first purpose built fully automated sub-level cave gold mine. The Syama Underground updated Definitive Feasibility Study confirmed the mine will be a large scale, low cost, long life asset with an average All-In Sustaining Cost of US$746/oz over a mine life of at least 14 years. Further studies have indicted that a 4.0Mtpa ore mining rate could be achieved from the Syama Underground, which would support gold production of >300,000 ounces per annum. The redesign and rescheduling of the Syama Underground following an increase in Mineral Resources and the adoption of autonomous mining will enable Resolute to achieve significant operating cost reductions. The current financial year will see us commence sub-level caving in December 2018 and ramp-up to fully autonomous steady state production by June 2019.

At the Ravenswood Gold Mine in North Queensland, mining continued at the Mt Wright Underground Mine with plant feed supplemented by open pit mining at Nolans East, and by processing available low grade stockpiles. Careful management of the Mt Wright Underground Mine has resulted in substantial overdraw from current production levels which will see the mine continue to produce during the 2019 financial year. An update of study work on the Ravenswood Expansion Project has resulted in an optimised mining and processing schedule, a revised processing and tailings management strategy, and the incorporation of new technologies to improve efficiency. Resolute is now targeting ~115,000 ounces of gold per annum at an All-In Sustaining Cost of US$823/oz over the life of mine through to 2032.

At the Bibiani Gold Mine in Ghana, we completed an updated feasibility study which confirmed the potential for a ~100,000 ounce per annum gold mine at an All-In Sustaining Cost of ~US$750 per ounce over a ~10-year mine life.

Exploration continued to create value with tremendous success during the 2018 financial year from drilling campaigns undertaken at Syama Deeps, Nafolo, and Tabakoroni. Exciting new discoveries in these areas will provide the opportunity to expand our Syama production base in the future. The stunning exploration results at Tabakoroni at modest depths continue to increase the dimensions of the high grade sulphide zones and build a compelling story for a future underground mining operation at this deposit. Multi-rig exploration drilling programs will continue at Syama, Nafolo and Tabakoroni during the 2019 financial year with a view to further extending existing oxide and sulphide resources.

The 2018 Annual Report also showcases major upgrades in our Ore Reserve and Mineral Resource inventory. Our exploration success is driving genuine value creation by underpinning the development of more efficient lower cost, longer life gold mines. Resolute's portfolio now hosts Global Mineral Resources of 16.5 million ounces inclusive of 5.9 million ounces of Global Ore Reserves.

As part of our broader growth strategy, we continued to take strategic positions in listed African-focused gold explorers. We have now established a portfolio of investments that extend our project pipeline and provide a source of medium term potential growth opportunities. Resolute now holds interests in promising tenure in highly prospective gold regions through the acquisition of stakes in Orca Gold Inc, Oklo Resources Limited, Loncor Resources Inc, Mako Gold Limited, and Manas Resources Limited. We will continue to evaluate other strategic stake opportunities and actively manage our existing portfolio of equity investments.

Resolute recognises that our ability to operate is dependent on the support of both national governments and the local communities which surround our mines. We are committed to partnering with host governments and local communities to deliver sustainable economic and social value. The ongoing success of our business requires us to ensure the health, safety and security of our employees, minimise harm to the environment, and leave a positive legacy in the communities in which we work. We look forward to building on the ~US$2 billion of economic contributions we have made in Africa to date and delivering programs that provide meaningful long-term benefits to the communities in which we operate across both Africa and Australia.

The Company's dividend policy is an important demonstration of our commitment to building wealth for our shareholders. The policy guides that we seek to pay an annual dividend of at least 2% of our sales revenue. For the 2018 financial year, Resolute approved an annual dividend payment of 2.0 cents per share which is equivalent to 3.3% of sales revenue. Uniquely, shareholders can elect to receive their dividends in either cash or gold. Resolute's payment of a regular dividend is a key element of our commitment to the delivery of value to our shareholders.

We have made remarkable progress over the last 12 months in transforming our asset base to deliver sustainable returns for our shareholders over the long-term. With our customised fully automated mine at Syama nearing the commencement of sub-level caving, I take this opportunity to recognise the efforts of the entire Resolute team, led by my colleagues in the senior executive group and our site-based general managers.

I sincerely thank the Board and all our employees and contractors for their dedication and hard work in enabling Resolute to maintain profitability and generate positive returns for our shareholders while we embark on a major phase of development. I welcome the appointment of Ms Sabina Shugg AM to our Board and acknowledge the excellent service of Mr Bill Price, who will stand down as a Non-Executive Director prior to our Annual General Meeting in October.

I am proud of Resolute's progress and excited by the opportunities ahead. We remain focused on creating value for shareholders by building and operating long life low cost gold mines. We have defined a clear growth pathway to +500,000 ounces of annual gold production and will be working hard to further expand on this ambition. I hope you enjoy reading the 2018 Annual Report.

John Welborn
Managing Director & CEO

Board and Executives

Directors

The names and details of the directors of Resolute Mining Limited in office during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Marthinus (Martin) Botha (Non-Executive Chairman)

BScEng

Mr Martin Botha was appointed Chairman in June 2017 after being appointed to the board in February 2014. Mr Botha is an Engineering Surveyor by training with 30 years' experience in international investment banking. A founding director in Standard Bank Plc's London centred international operations, Mr Botha established and led the development of the core global natural resources trading and financing franchises, as well as various geographic operations, including those in the Russian Commonwealth of Independent States, Turkey and the Middle East. Mr Botha is currently non-executive Chairman of Sberbank CIB (UK) Ltd, a securities broker regulated by the UK Financial Services Authority, and is a non-executive director of Zeta Resources Limited (appointed 2013). Mr Botha graduated with first class honours from the University of Cape Town and is based in London.

Mr Botha is Chair of the Nomination Committee, and a member of the Audit and Risk Committee and the Remuneration Committee.

John Welborn (Managing Director and Chief Executive Officer)

BCom, FCA, FAIM, MAICD, MAusIMM, SAFin, JP

Mr John Welborn was appointed Managing Director and Chief Executive Officer on 1 July 2015. Mr Welborn is a Chartered Accountant with a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Australian Institute of Management and is a member of the Australian Institute of Mining and Metallurgy, the Financial Services Institute of Australasia, and the Australian Institute of Company Directors.

Mr Welborn is a Director of the World Gold Council (appointed 2017), a non-executive director of Equatorial Resources Limited (appointed 2010), Kilo Goldmines Limited (appointed 2017), and Chairman of Orbital Corporation Limited (appointed 2014).

Mr Welborn is Chair of the Environment and Community Development Committee and the Safety, Security and Occupational Health Committee.

Peter Sullivan (Non-Executive Director)

BEng, MBA

Mr Peter Sullivan was appointed Managing Director and Chief Executive Officer of the Company in 2001 and retired as Chief Executive Officer on 30 June 2015 at which point he became a Non-Executive Director of the Company. Mr Sullivan is an engineer and has been involved in the management and strategic development of resource companies and projects for over 25 years. Mr Sullivan is also a director of GME Resources Limited (appointed 1996), Zeta Resources Limited (appointed 2013), Panoramic Resources Limited (appointed 2015), and Bligh Resources Limited (appointed 2017).

Mr Sullivan is Chair of the Remuneration Committee and a member of the Audit and Risk Committee.

Henry (Bill) Price (Non-Executive Director)

BCom, FCA, MAICD

Mr Henry (Bill) Price is a Non-Executive Director and was appointed to the board in 2003. Mr Price is a Fellow of Chartered Accountants Australia and New Zealand with over 35 years of experience in the accounting profession. Mr Price has extensive taxation and accounting experience in the corporate and mining sector. In addition to his professional qualifications, Mr Price is a member of the Australian Institute of Company Directors, a registered tax agent and registered company auditor. Mr Price is also a director of Tennis West.

Mr Price is a member of the Audit and Risk Committee (resigned as Chair in July 2017), the Remuneration Committee and the Nomination Committee.

Mr Price will retire from the Board prior to the Company's Annual General Meeting in October 2018.

Mark Potts (Non-Executive Director)

BSc (Hons)

Mr Mark Potts is a Non-Executive Director and was appointed to the board in June 2017. Mr Potts has held senior executive and board positions, in start-ups and large corporate environments, over a 30-year career. Most recently Mr Potts was the worldwide CTO and VP for Corporate Strategy at Hewlett Packard Enterprise. Prior to Hewlett Packard, Mr Potts was the founder of several successful, venture backed start-ups, that have driven technology disruption and business innovation in varied industries. Mr Potts is the non-executive chairman of Decimal Software Limited (appointed 2016), a non-executive director of Virtual Gaming World (appointed 2017) and board adviser to Advara (appointed 2014) and Modis Australia (appointed 2010).

Mr Potts is a member of the Audit and Risk Committee and the Nomination Committee.

Yasmin Broughton (Non-Executive Director)

BComm, PG Law, GAICD

Ms Yasmin Broughton is a Non-Executive Director and was appointed to the board in June 2017. Ms Broughton is a corporate lawyer with significant experience working as both a director and an executive in a diverse range of industries. Ms Broughton has over 14 years' experience working with ASX listed companies as an officer and has a deep understanding of corporate governance, including compliance and managing complex legal issues. Ms Broughton is also a non-executive director of Synergy, the Insurance Commission of Western Australia and Edge Employment Solutions Inc.

Ms Broughton is Chair of the Audit and Risk Committee, and a member of the Remuneration Committee and the Nomination Committee.

Sabina Shugg AM (Non-Executive Director)

BSc (Mining Engineering), MBA

Ms Sabina Shugg was appointed to the Board as a Non-Executive Director on 7 September 2018. Ms Shugg is a mining engineer with over 30 years' experience involving senior operational roles with leading mining and consulting organisations. Ms Shugg holds a Master of Business Administration from the University of Western Australia, a Mining Engineering degree from the Western Australian School of Mines, and a Western Australian First Class Mine Manager's Certificate of Competency. Ms Shugg currently serves on the Minerals Council of Australia Gender Diversity Working Group, the Curtin University Foundation Board, the Minerals Research Institute of Western Australia's Productivity Committee, and is the Director of the Kalgoorlie-Boulder Mining Innovation Hub. In 2015 Ms Shugg was awarded a Member of the General Division of the Order of Australia for significant service to the mining industry through executive roles in the resources sector and as a role model and mentor to women.

General Counsel / Company Secretary

Amber Stanton

LLB

Ms Amber Stanton is a corporate lawyer and was appointed as General Counsel / Company Secretary in August 2017. Prior to joining Resolute, Ms Stanton was a partner at two international law firms, specialising in mergers and acquisitions, capital markets, energy and resources and general corporate and commercial matters. Ms Stanton was the WA winner of the 2011 Telstra Business Women's Award (Corporate and Private Sector) and is a director of the Liver Foundation of Western Australia.

Executives

Lee-Anne de Bruin (Chief Financial Officer)

BCom, BAcc (Hons), CA

Ms Lee-Anne de Bruin joined Resolute as Chief Financial Officer (CFO) in 2017 and is responsible for the entire accounting, financial, taxation, treasury, technology and human resources functions of the Company. Ms de Bruin has over 16 years of financial, operational and strategic management experience across multiple industry sectors, including ten years in the mining industry in both Africa and Australia, where she has held both CFO and Managing Director positions. Ms de Bruin has lead teams at some of the world's most prominent mining organisations with notable positions including Regional CFO Newmont Asia Pacific, Head of Project Functions BHP Iron Ore and Managing Director Kimberley Diamond Company.

Peter Beilby (Chief Operating Officer)

BSc (Mining Engineering)

Mr Peter Beilby joined Resolute as Chief Operating Officer (COO) in 2010 and is responsible for all aspects of the Company's operations and projects. A qualified mining engineer with over 34 years of operational and project experience in gold, base metals and mineral sands, Mr Beilby is a highly regarded COO in the industry. Mr Beilby has a strong background in operations management of open cut and underground gold mining as well as greenfields and brownfields development in both fields. Prior to joining Resolute, Mr Beilby was General Manager Murray Basin at Iluka Resources Limited.

Review of Operations

Syama

Syama is a world class gold mine. Resolute is building the world's first fully automated sub-level caving underground operation.

Syama is located in the south of Mali, West Africa approximately 30km from the Côte d'Ivoire border and 300km southeast of the capital city, Bamako. Resolute has an 80% interest in Syama which is held through Sociêtê des Mines de Syama S.A. (SOMISY). The Malian Government holds a 20% interest in SOMISY.

Resolute operates two processing plants at Syama: a 2.4 million tonnes per annum (Mtpa) sulphide processing circuit and a 1.5Mtpa oxide processing circuit. Mining at the main Syama open pit was completed in May 2015 with ore for the sulphide circuit currently being sourced from previously stockpiled sulphide ore, underground development ore and satellite operations. Ore for the oxide circuit was supplied by series of satellite deposits in FY18 and will be sourced from Tabakaroni from FY19. Due to the refractory nature of the sulphide ore, it is treated using conventional three-stage crushing, ball milling, sulphide flotation, roasting, calcine leaching and elution. The oxide processing circuit is a conventional crushing, SAG milling, and leaching circuit.

During FY18, an update to Resolute's June 2016 Definitive Feasibility Study (Syama DFS Update) was completed. The Syama DFS Update presented the results of an ongoing effort by Resolute to critically examine and pursue improvements in all aspects of the Syama Underground development. A key focus was redesigning and rescheduling the Underground, following an increase in Mineral Resources. The adoption of autonomous mining will result in substantially lower average mining costs, while improvements to site power generation facilities will deliver significant reductions in processing costs. The Syama DFS Update confirmed that Syama will be a low cost (LOM AISC of US$746/oz), long life (mine life beyond 2032) operation which is capable of producing +300,000oz per annum. Resolute is on track to commence sub-level caving in December 2018 and to commission the world's first purpose built fully automated underground gold mine by the end of the current financial year.

Sulphide Processing

During FY18, ore supply for the sulphide processing plant was primarily sourced from the existing sulphide ore stockpiles with some additional sulphide ore provided by underground development and the A21, BA-01, Beta and Alpha satellite open pit operations. The sulphide processing circuit treated 1.97Mt of ore (FY17: 2.11Mt) at an overall head grade of 2.00g/t Au (FY17: 2.59/t Au) to produce 104,395oz of gold (FY17: 136,000oz) at an AISC of US$1,062/oz (A$1,369/oz) (FY17: US$755/oz; A$1,001/oz). Gold production from the sulphide processing plant was affected by lower flotation recoveries associated with the ore mined from the satellite open pit operations, and the lower head grades processed. This was partially offset by previously stockpiled concentrate also being processed. Despite this, plant recoveries of 72.0% (FY17: 69.8%) were achieved as processing improvement of the sulphide circuit continued. Overall recoveries are expected to further increase as a result of the implementation of Project 85 (a recovery improvement project) and as the proportion of higher grade underground development ore increases in FY19.

Sulphide ore stockpiles at year-end were approximately 109,000oz (2.6Mt at 1.3g/t Au). Mill feed from underground development and stoping will

increase over the course of FY19, such that by June 2019, underground production is expected to reach an annualised rate of 2.4Mtpa and provide 100% of the sulphide circuit mill feed.

Sulphide Operating Performance

Sulphide		FY18	FY17
Ore Mined	Mt	1.21	1.22
Ore Milled	Mt	1.97	2.11
Head Grade	g/t Au	2.00	2.59
Recovery Rate	%	72.0	69.8
Gold Produced (poured)	oz	104,395	136,000
Cash Cost	US$/oz	942	646
	A$/oz	1,214	857
AISC	US$/oz	1,062	755
	A$/oz	1,369	1,001

Sulphide Ore Reserves as at 30 June 2018

Category	Tonnes	Grade	Ounces
Proved	30,000	2.1	2,000
Probable	37,755,000	2.6	3,107,000
Total	**37,785,000**	**2.6**	**3,109,000**
Resolute Share	**30,228,000**	**2.6**	**2,487,200**

Oxide Processing

During FY18, the oxide processing circuit treated 1.40Mt of ore (FY17: 1.34Mt) at an overall head grade of 2.16g/t Au (FY17: 2.84g/t Au) to produce 89,816oz of gold (FY17: 104,395oz) at an AISC of US$924/oz (A$1,190/oz) (FY17: US$725/oz; A$960/oz). A number of incremental improvements were made to optimise the oxide processing plant during FY18 resulting in improved throughput. Oxide circuit recoveries of 82.0% (2017: 83.2%) decreased marginally as the ore blend changed from predominantly A21 pit material to ore mined from the BA-01, Beta and Alpha pits.

Mining was conducted in the BA-01, Beta and Alpha pits during FY18. These satellite pits are located approximately 4-6km north of Syama and form part of a series of northern satellite deposits, including the A21 deposits mined between FY15-17. Total waste material mined from the satellite pits for the financial year was 2.70m bank cubic metres (BCM) of material (FY17: 4.20m BCM). Total ore mined was 0.78m BCM at a grade of 2.09g/t Au (FY17: 1.13M BCM at 2.35g/t Au) and a (waste:ore) strip ratio of 3.5:1 (FY17: 3.7:1)

Oxide Operating Performance

Oxide		FY18	FY17
Ore Mined	Mt	1.59	1.32
Ore Milled	Mt	1.40	1.34
Head Grade	g/t Au	2.16	2.84
Recovery Rate	%	82.0	83.2
Gold Produced (poured)	oz	89,816	101,830
Cash Cost	US$/oz	911	714
	A$/oz	1,174	948
AISC	US$/oz	924	725
	A$/oz	1,190	960

Oxide Ore Reserves as at 30 June 2018

Category	Tonnes	Grade	Ounces
Proved	2,793,000	2.8	247,000
Probable	3,295,000	1.6	170,000
Total	**6,088,000**	**2.1**	**417,000**
Resolute Share	**5,139,200**	**2.2**	**359,000**

Outlook

An increasing proportion of sulphide ore will be supplied from underground mining, with the commencement of sub-level caving from December 2018. The Syama Underground will ramp-up over H2 FY19 and reach the full production rate of 2.4Mtpa at the end of FY19, at which time it will provide 100% of sulphide mill feed. As a consequence, sulphide milled grades will increase compared to FY18, particularly in the second half of the financial year. Recoveries are also expected to increase, both as a result of the improved grade and the completion of the commissioning of Project 85. A planned roaster maintenance shutdown in the first quarter of FY19 will affect gold poured in the first half of the year however this will be offset by access to increased underground sulphide ore in the second half of the year.

Open pit operations will shift to the Tabakaroni satellite deposit, located 35km south of Syama. The Tabakaroni open pits will exploit the shallow oxide and transitional resources, which lie above high-grade sulphide mineralisation intersected during the successful exploration drilling in FY18. Oxide ore grades will increase in FY19, with ore from the Tabakaroni pits expected to generate grades of over 3.0g/t Au.

Given the substantial Reserves and Resources at Syama, Resolute will continue to identify optimisation study options for expansion of mining and processing rates from the Syama Underground so as to deliver greater returns for our shareholders.

Syama Underground Feasibility Study Update

In June 2016, Resolute completed a Definitive Feasibility Study (Syama Original DFS) for the development of the Syama Underground which commenced in September 2016. At the end of FY18, Resolute completed the Syama DFS Update which delivered a significant reduction in the LOM AISC to US$746/oz, from previously reported figure of US$881/oz. This material cost reduction was accompanied by a 38% increase in Underground Ore Reserves to 3.0Moz of gold.

Since the completion of the Original DFS, Resolute assessed opportunities to enhance the production, cost and safety performance of the Syama Underground. To support this effort, substantial work was undertaken in the following areas:

- Automation of the extraction and truck haulage of ore from the sub-level cave;
- Establishment of a Framework Agreement for supply and maintenance of mobile equipment and automation control systems with Sandvik (Sandvik Agreement);
- Expansion and upgrading of onsite power generation;
- An extensive surface drilling program aimed at extending the Syama resource laterally and at depth;
- A revised and substantially expanded Mineral Resource Estimate;
- A detailed review of geotechnical data and refinement of geotechnical inputs into cave models;
- Development of new dynamic cave models; and
- A new mine design and schedule.

The revised plan set out in the Syama DFS Update comprises:

- Sub-level caving at 2.4Mtpa, with automated loading and haulage of sub-level cave ore from an expanded cave footprint;
- Extension of sublevel mining to 2032; and
- Expanded production of ore from sub-level open stope mining of zones outside the sub-level limits.

The expanded mining envelope is presented in Figure 1. Unit mining costs have declined as a result of increased productivity brought about by underground automation. Processing costs are also lower due to a planned upgrade of Syama's onsite power generation. Other elements of the project remain largely unchanged from the Original DFS.

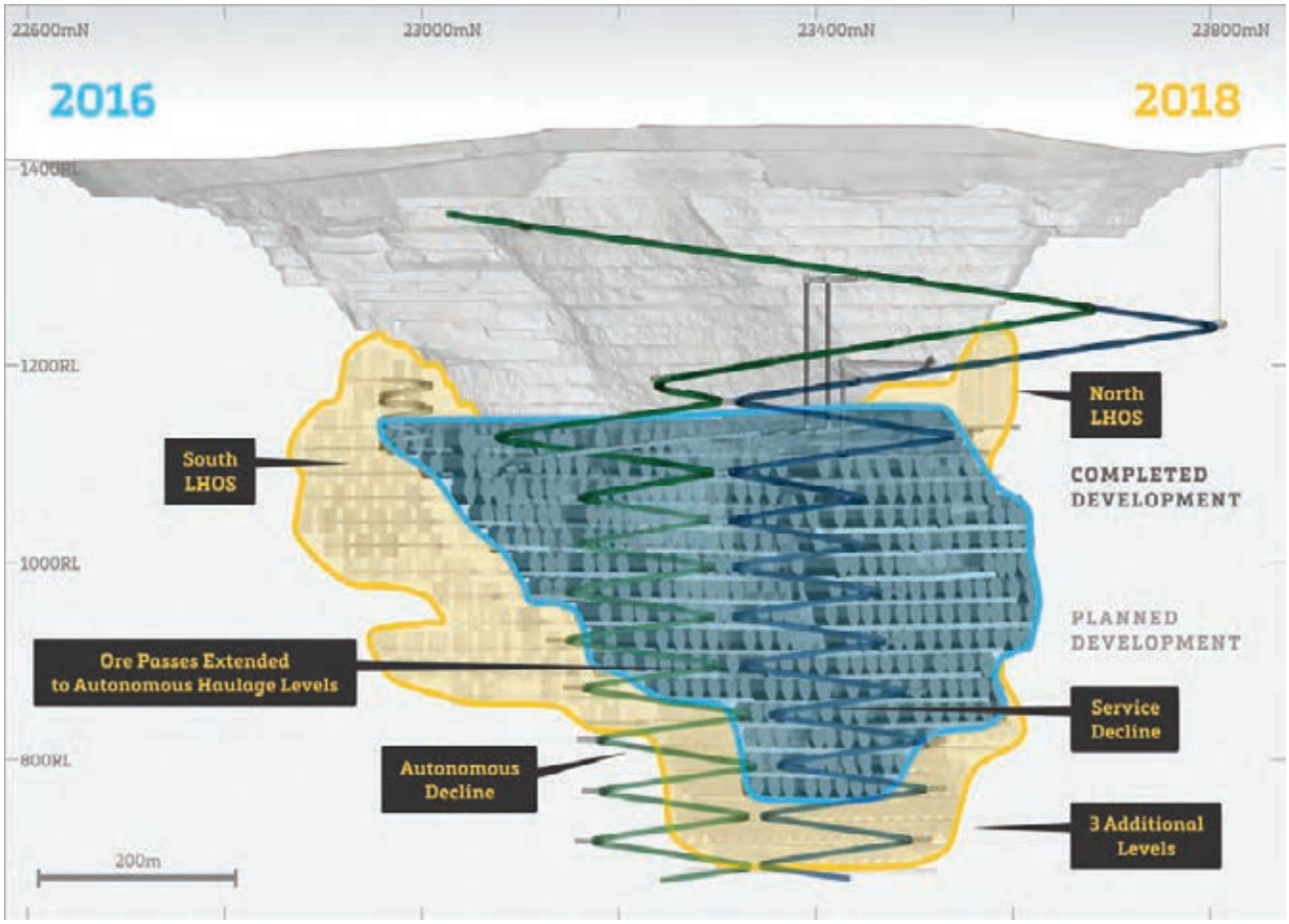


Figure 1: Longitudinal projection of 2016 and 2018 Syama Underground Ore Reserves

Project 85

Since completing the Original DFS, Resolute has implemented a series of processing upgrades with the objective of progressively increasing the total sulphide gold recovery to 89% or above. While it has always been considered feasible to achieve sulphide recoveries at these levels, it has not been operationally possible with the historic infrastructure, flowsheet, and operating model.

The process upgrades implemented increase recoveries to 85% comprised:

1. **Flotation Tails CIL:** calcine CIL circuit has been repurposed to treat the flotation tails;
2. **New Calcine CIL:** a new dedicated calcine CIL circuit has been installed and commissioned;
3. **Regrind:** the coarse calcine product will now be reground prior to CIL; and
4. **Upgrade of current flotation circuit:** A series of minor upgrades are being completed to the current flotation circuit to improve the operational performance.

These enhancements have been progressively commissioned since October 2017. The major components of Project 85 have now been commissioned and commenced operation with outstanding components due for completion in early FY19. The full benefits of Project 85 will be achieved once the Syama Underground is in operation and a constant source of high grade ore can be processed through the enhanced plant configuration. At present, the sulphide plant is processing lower grade stocks supplemented by some underground development ore. During periods where the plant is processing underground development ore, higher recoveries consistent with Project 85 expectations are already being recorded providing confidence in the effectiveness of the improvements. Over the next 12 months, the underground mine will supply an increasing proportion of ore to the plant with recoveries expected to improve accordingly.

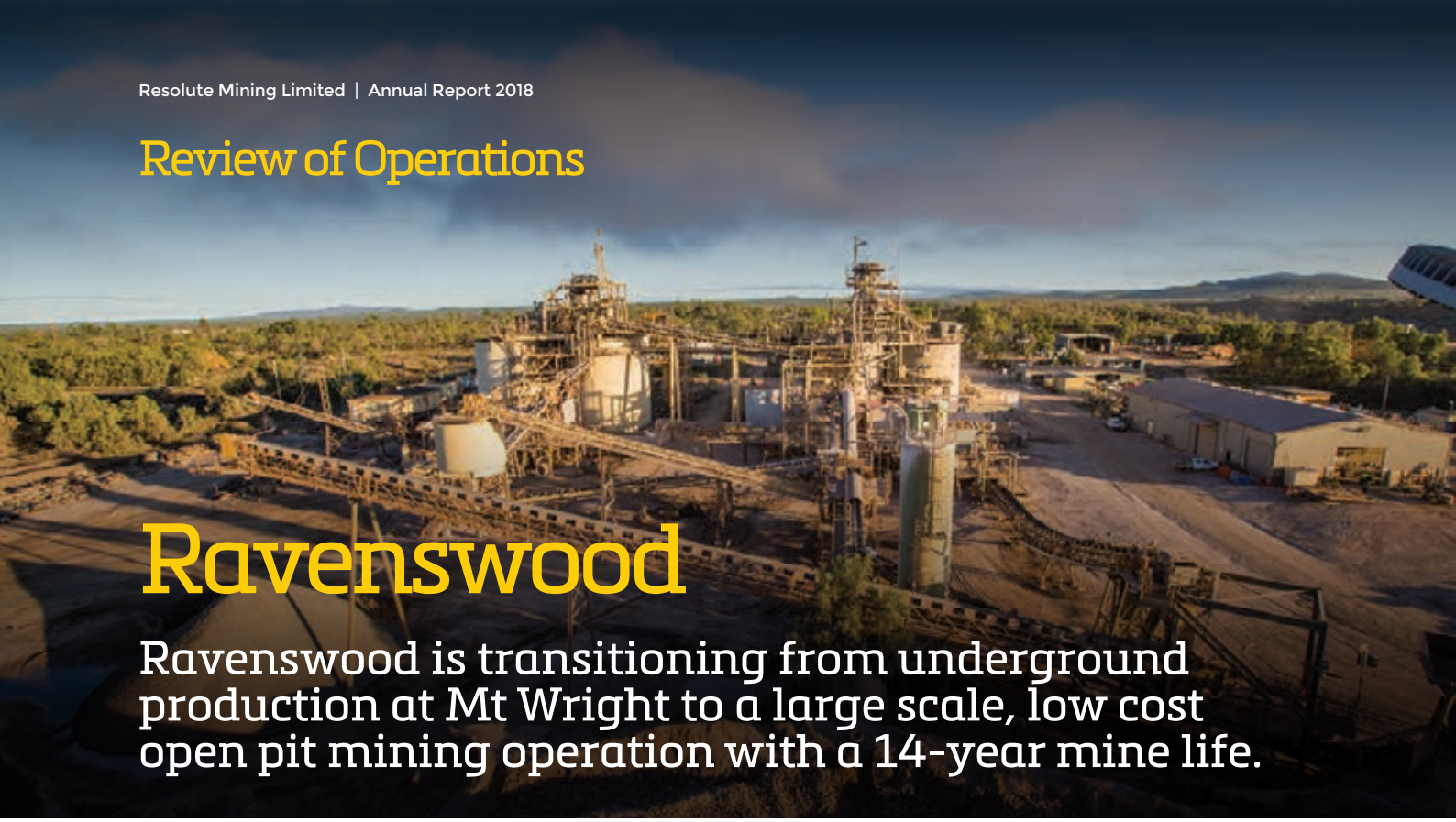
Beyond Project 85, Resolute has been working with Outotec, the manufacturer of the Syama roaster, in developing new roaster technology that will produce a low carbon calcine with the aim of further improving CIL recovery. This new technology will allow Resolute to modify the current single stage Circulating Fluidised Bed roaster into a Low Carbon Roaster (LCR). Through a series of improvements, the roaster has recently been running above capacity at 25 tonnes per hour (t/h). The LCR will allow this to be increased further to 30t/h. By significantly reducing the carbon in the calcine being fed to the calcine CIL circuit, the LCR will contribute to an increase in the overall sulphide gold recovery above the benefits already mentioned in Project 85. This additional recovery is expected to result in total sulphide recoveries of at least 89%.

Resolute expects to operate the current sulphide processing plant at a steady state for an extended period before the further modifications required to implement the LCR are undertaken. The LCR is currently scheduled to be fully operational in 2021 and recoveries in the Syama LOM plan have been calculated accordingly.

Project Phoenix

Project Phoenix involves the assessment of economically recovering residual gold from the reclamation and treatment of stored flotation tailings. A specialised drilling program was completed to provide samples for metallurgical testing of the tailings material which resulted in the estimation of a maiden Project Phoenix Inferred resource of 17Mt at 0.7g/t Au for 365,000 ounces.

Review of Operations



Ravenswood

Ravenswood is transitioning from underground production at Mt Wright to a large scale, low cost open pit mining operation with a 14-year mine life.

Ravenswood is located approximately 95km south-west of Townsville and 65km east of Charters Towers in north-east Queensland, Australia. Resolute has a 100% interest in the mine through its wholly owned subsidiary Carpentaria Gold Pty Ltd.

As was the case in FY17, ore for the Ravenswood plant in FY18 was provided by Mt Wright , the Nolans East open pit and low-grade stockpiles from earlier open pit mining. The processing plant is currently configured for processing 2.8Mtpa of ore using three-stage crushing, SAG and ball milling and carbon-in-pulp processing with a gravity circuit for recovery of free gold.

During FY18, Ravenswood produced 89,975oz (FY17: 92,004oz) of gold at an AISC of US$1,071/oz (A$1,394/oz) (FY17: US$1,059/oz; A$1,406/oz). Overall production levels were similar to FY17 despite a reduced contribution from Mt Wright.

Ore production from Mt Wright was 0.53Mt (FY17: 1.00Mt) at 2.51g/t Au (FY17: 2.51g/t Au). The lower production was due to a reduced number of draw-points available, combined with additional safety controls to deal with increasing technical difficulty as the size of the orebody decreases near the bottom of the mine. Mt Wright is expected to continue until late FY19, as careful stope management has resulted in substantial overdraw, and has extended the mine life well past its initial anticipated closure date of March 2017.

The processing plant treated 2.45Mt (FY17: 2.00Mt) at an average head grade of 1.19g/t Au (FY17: 1.54g/t Au). Production was largely maintained due to the excellent recoveries which were achieved despite lower average head grades and a significant increase in throughput.

During FY18, Resolute advanced study work at the Ravenswood Expansion Project (REP) to deliver significant enhancements. The details of this study are set out on the following page.

Operating Performance

		FY18	FY17
Ore Mined	Mt	2.46	2.37
Ore Milled	Mt	2.45	2.00
Head Grade	g/t	1.19	1.54
Recovery Rate	%	94.4	93.1
Gold Produced (poured)	oz	89,975	92,004
Cash Cost	US$/oz	1,019	943
	A$/oz	1,330	1,252
AISC	US$/oz	1,071	1,059
	A$/oz	1,394	1,406

Ore Reserves as at 30 June 2018

Category	Tonnes	Grade	Ounces
Proved	43,280,794	0.8	1,182,439
Probable	23,318,657	0.7	547,635
Total	**66,599,450**	**0.8**	**1,730,075**

Outlook

Mined ore tonnes from Mt Wright in FY19 are expected to be similar to FY18, with limited primary stope production augmented by overdraw from existing draw-points. Mining of the Nolans East open pit will be completed in the first quarter of FY19. During FY19 mill ore feed will be sourced from Nolans East, low-grade Sarsfield stockpiles, and production ore from Mt Wright. At the same time, preparatory works for the development of the REP will continue, with the commencement of mining of the Buck Reef West open pit scheduled for FY20.

Resolute continues to investigate the potential application of the latest ore sorting technologies with the aim of further upgrading low grade ore sources at Ravenswood. Further potential exists for re-optimisation and re-design of the Sarsfield open pit, as amendments to the planned location of tailings infrastructure create an opportunity for an expansion of the open pit. Resolute also intends to intensify its efforts to identify cost saving and revenue enhancements as the REP develops.

Ravenswood Expansion Project Update

The REP was announced in September 2016 (REP Study). The REP will see the eventual development of two large open pits at Sarsfield and Buck Reef West. Successful receipt of all required government approvals during FY18 allowed the adoption of an optimised REP mining and processing schedule, a revised processing and tailings management strategy, and the incorporation of new technologies to improve efficiency.

The updated REP study (REP Update) is expected to deliver 1.5Moz of gold production over 14 years. Mine life has been extended by four years to 2032 while the LOM AISC has reduced to US$823/oz (A$1,097/oz) from US$880/oz (A$1,166/oz), with associated LOM project capital of A$327 million. Average production will be approximately 115,000oz of gold per year as depicted in Figure 2 below.

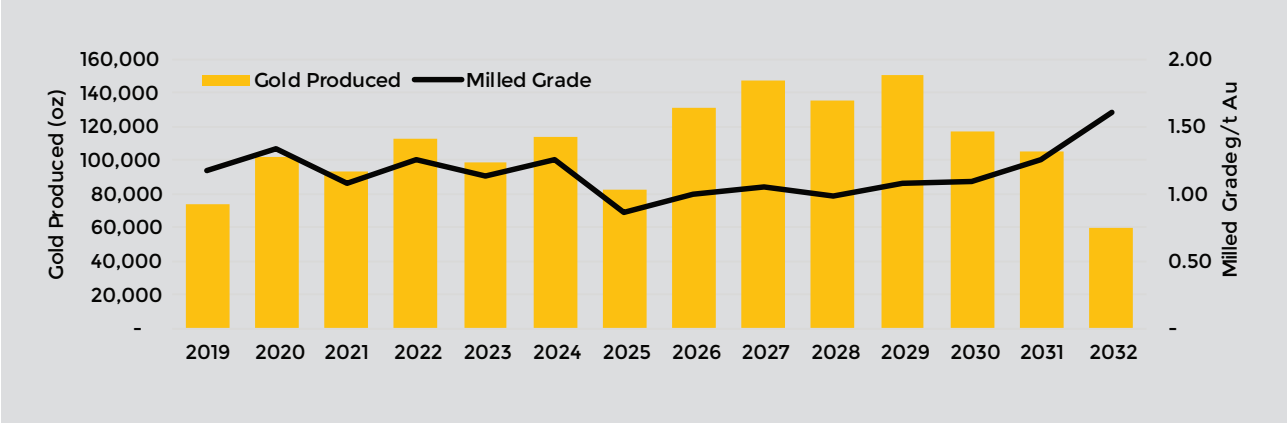


Figure 2: REP Gold Production

Review of Operations

Bibiani

Potential for a low cost, long life operation.

Bibiani is situated in the western region of Ghana in West Africa. It is bordered by Burkina Faso to the north, Cote d'Ivoire to the west and Togo to the east. The Bibiani mineral concessions lie approximately 80km south west of the Ashanti capital, Kumasi. The principal and most practical access to Bibiani is from the east, along the Kumasi – Bibiani – Sefwi Bekwai highway. The Kumasi airport can be accessed from Accra by a 40 minute flight using various national airlines.

Road access to the Bibiani mine gate from Kumasi is excellent. Bibiani receives electrical power from the national grid. There are two fresh water dams on site. Bibiani is serviced by two well equipped coastal ports, Tema which lies just to the east of Accra and Takoradi which lies in the western half of the country.

Bibiani Study Update

During FY18, Resolute received an Environmental Permit (EP) for the re-initiation of the underground gold mining project at Bibiani. The EP was issued by the Ghanaian Environmental Protection Agency following submission of an Environmental Impact Statement. The EP and its conditions are broadly consistent with the Company's development plan for Bibiani. The EP conditions, schedules and exceptions are being reviewed by Resolute to ensure compliance and to identify any required amendments to the recommissioning plan.

Following receipt of the EP, Resolute released a study update in July 2018 (Study Update) which updated to its Feasibility Study.

The Bibiani Study Update established a mining schedule, consisting of Indicated and Inferred Resources, of 10.1Mt at 3.4g/t containing 1.1Moz of gold. Gold production can be maintained at an average of approximately 100,000oz per annum over a 10-year mine life. The LOM AISC is expected to be within a range of US$700/oz to US$800/oz. Project capital is estimated to be US$115m with estimated start-up capital of US$75m. Initial development of the underground mine is planned to be undertaken by a contractor, thereby reducing the initial capital requirement and ensuring prompt access to ore.

To prepare Bibiani for a final investment decision and eventual recommissioning, Resolute intends to undertake detailed operational readiness planning during FY19. This work will establish a baseline scope, budget and schedule for implementation.

Category	Tonnes	Grade	Ounces
Proved	0	0.0	0
Probable	5,480,000	3.7	644,000
Total	**5,480,000**	**3.7**	**644,000**

Review of Operations

Exploration

Syama Deeps and Nafolo

Resolute commenced a significant new exploration program at the Syama main deposit in late 2015. This exploration program culminated in the announcement of a 39% increase to the Syama Mineral Resource to 5.9Moz during FY18. The drilling program at Syama was focused on the down dip and along strike extensions to the main Syama deposit. Significantly, this drilling program discovered the Nafolo zone in late 2016. Nafolo had been previously obscured at the surface by a large waste dump originally established by BHP.

After an update in November 2017, the Syama Underground Indicated and Inferred Resources currently stand at 5.9Moz (57Mt at 3.2g/t Au) and includes the maiden resource for the Nafolo discovery which consisted of 400,000oz (4.3Mt at 2.9g/t Au). A new Syama Underground Probable Reserve has been calculated as 35.2Mt at 2.7g/t Au for 3.0Moz.

Drilling has continued at Syama Deeps and Nafolo to further expand the resource footprint. The drill testing of Nafolo has been challenging as holes are being drilled through the southern waste dump which is up to 80m deep. All holes are shown on the longitudinal section on Figure 3.

Drilling to date has extended the Nafolo alteration and mineralisation footprint for a distance of 700m and remains open to the south. The upper lens at Nafolo is contiguous with the main Syama mineralisation. The lower lens is a separate zone which is evidence for possible repetitions along strike.

Exploration is now focused on looking for repetitions of the Nafolo zone to the south and north along the Syama shear. There is a 6km strike extent of major shear structure with favourable mineralisation positions to the south of Syama. Drilling along strike to the south has identified low grade zones of similar alteration and mineralisation to Syama. This program will continue throughout FY19.

Resources estimated to date at Nafolo are classified as Inferred due to the wide (greater than 100m) drill spacing. A program of infill resource drilling is planned for FY19 to reduce the drill spacing to 50m centres which is the density required to upgrade the resource classification to indicated status

Potential Nafolo Development

The upper lens of Nafolo mineralisation is contiguous with the southern extensions of the main Syama mineralisation envelope (see Figure 3). The high grade southern extensions of the main Syama zone are currently included in the Syama Underground Reserve as part of the planned long hole open stoping section of the mine. As such, the Nafolo mineralisation can potentially be accessed from existing Syama Underground infrastructure and may form part of a future expanded mining operation.

This long hole open stoping mining option now included in the mine plan will allow pre-existing underground access to any new mineable resources identified at Nafolo.

An infill diamond drilling program is expected to provide an updated Nafolo Mineral Resource Estimate by the end of FY19. The updated Nafolo Resource will form the basis for further underground feasibility studies at Nafolo which are expected to provide additional mining inventory at Syama. This work will be incorporated into the broader Syama optimisation studies which are examining the potential for an expansion in mining and processing at Syama.

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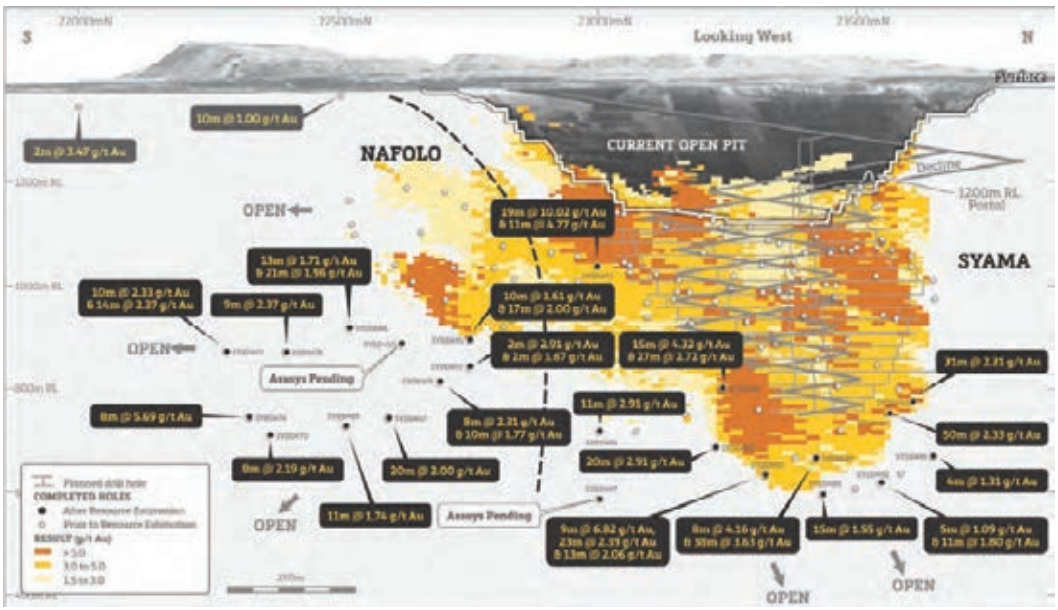


Figure 3: Longitudinal projection showing location of new diamond drillhole pierce points, results and designed underground development

Tabakoroni

At Tabakoroni, exploration drilling during FY18 initially concentrated on the Tabakoroni Shear Zone thereby expanding the previously identified high grade sulphide shoots.

The first reverse circulation (RC) holes in the program targeted the high grade shoot underneath the proposed northern oxide pit with outstanding results of wide intervals of high grade gold in many holes.

The drilling program then accelerated to include diamond drilling. Positive results were immediately returned in the core drilling with intersections of "stylolitic" quartz veins with abundant visible gold. An interval with visible gold was particularly well mineralised and returned 5m at 493g/t Au including a single metre at 1,730g/t Au.

An even more significant result was returned in TARD621 with 41m @ 12.15g/t Au which displays the significant grades and widths seen in the best parts of the main zone mineralisation. The result in TARD621 is related to intensely altered and mineralised basalt units which are an excellent exploration target going forward.

Significant drill results from the Tabakoroni Main Zone are listed below and shown on Figure 4:

TARC609	11m @ 4.57g/t from 73m
	27m @ 8.44g/t from 195m
TARC610	17m @ 5.78g/t from 95m
	24m @ 2.14g/t from 186m
TARC611	32m @ 6.95g/t from 203m
TARC612	30m @ 4.6g/t from 168m
TARD619	5m @ 493.0 g/t from 167m
	17m @ 3.6 g/t from 188m
	15m @ 3.3 g/t from 227m
TARD620	8m @ 6.5 g/t from 186m
	18m @ 3.6 g/t from 212m
TARD621	41m @ 12.2 g/t from 208m

These results have greatly increased the strike length and down dip extent of the high grade sulphide shoots under the planned oxide pits. The drilling to date has identified at least two high grade shoots, each of which is 400m long with an average true width of 10m. These results continue to increase the dimensions of the high grade sulphide zones and build a compelling story for a future underground operation at Tabakoroni.

Ongoing Tabakoroni Exploration

The current drilling program is ongoing with two diamond drill rigs in operation at Tabakoroni to fully define the new zones. Further significant results will be reported to the market when received. It is expected that an updated and expanded Mineral Resource Estimate for Tabakoroni, including a maiden underground mineral resource, will be available in early 2019.

Tabakoroni Nord Porphyry Zone

Previous exploration at an area located north-east of the main Tabakoroni shear zone reported intermittent gold mineralisation. The area was revisited during FY18 to test the potential for expanding the oxide resources. Encouragement was immediate with initial results returning high grade intersections in many holes and identifying a new zone now called the Tabakoroni Nord Porphyry Zone.

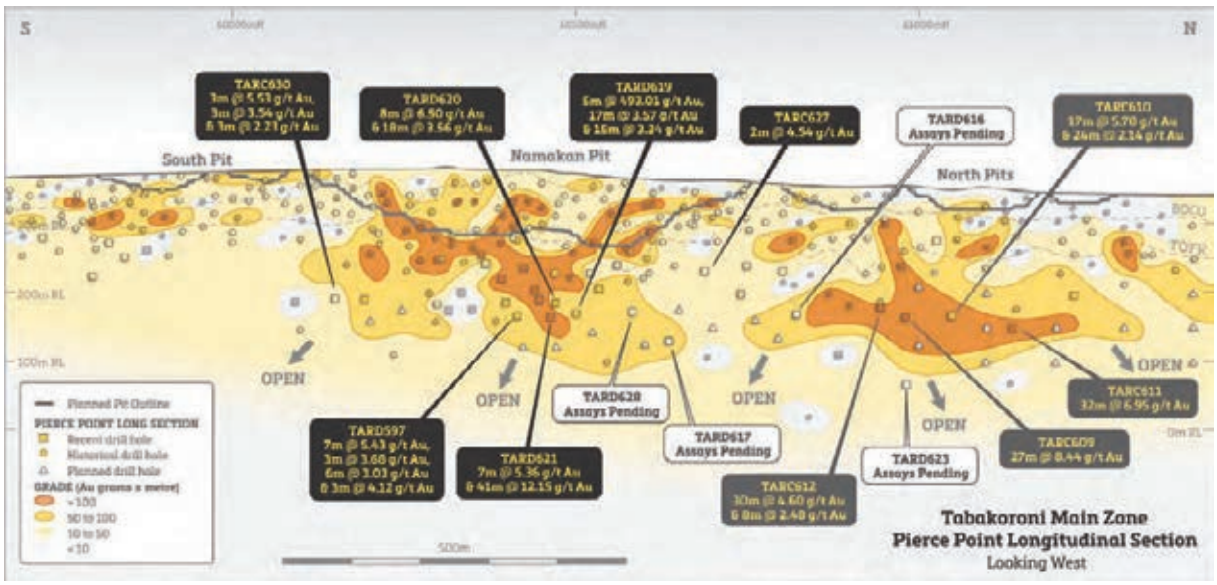


Figure 4: Tabakoroni longitudinal projection showing location of new drillhole pierce points, results and planned open pit outline

The Tabakoroni Nord Porphyry Zone mineralisation is located on a north-east fault splay off the main NNW trending Tabakoroni Main Fault Zone. The fault splay wraps around the eastern edge of the granite body. Mineralisation is comprised of quartz veins hosted within sediments and a porphyry unit. Results to date have been encouraging with discontinuous but high grade intersections in many drillholes. Significant drill results from the Tabakoroni Nord Porphyry Zone included:

FKAC692	3m @ 25.91g/t from 30m
FKRC061	21m @ 13.31g/t from 84m
FKRC085	6m @ 71.88g/t from 37m
FKRC110	22m @ 3.09g/t from 80m
FKRC114	11m @ 5.35g/t from 59m
TARC553	4m @ 17.43g/t from 4m
TARC559	4m @ 17.83g/t from 1m
TARC561	23m @ 2.25g/t from 78m
FKRC118	5m @ 9.28g/t from 106m
FKRC122	17m @ 3.51g/t from 36m
FKRC124	11m @ 4g/t from 9m
FKRC124	8m @ 3.85g/t from 67m
FKRC127	6m @ 4.65g/t from 20m

Following the completion of the current infill drilling program resource estimation will be undertaken to quantify the oxide potential of the new zone.

Syama Northern Pits

A program of RC drilling was undertaken 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
	10m @ 4.91g/t Au from 69m
SERC094	14m @ 4.93g/t Au from 11m; and
	12m @ 1.92g/t Au from 60m

BA-01

BARC150	8m @ 9.07g/t Au from 119m; and
	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

Bibiani

The Phase 2 exploration drilling program at Bibiani commenced in December 2016 and was completed in June 2017 with 25,400m of diamond drilling undertaken from both surface and underground positions. The primary focus of the program was to convert Inferred Resources to the Indicated category and to explore for new unmined mineralised lodes. Exploration drilling continued until October 2017 testing targets outside of the main zones of mineralisation.

Excellent results were returned from the final holes in the Central Lode for the remainder of the program.

BSDD044W1	35m @ 3.9g/t Au from 516.12m
BSDD060	26m @ 5.0g/t Au from 347m
BSDD061	57m @ 2.1g/t Au from 328m
BSDD068	15m @ 8.5g/t Au from 488m (drilled after updated resource estimation)
BUDD084	50m @ 2.1g/t Au from 149m
BUDD087	29m @ 9.0g/t Au from 279m

Updated Mineral Resource Estimate

Following completion of the Phase 2 drilling program, the Bibiani mineralisation was reinterpreted and revised geological domain wireframes were constructed. Ordinary-kriged methodology constrained by these domain wireframes has been used. The Bibiani mineralised system has been classified into discreet domains which reflect the mineralisation and the natural grade of the deposit. Significantly, 65% of the updated Mineral Resource Estimate is contained within the Central Lode domain.

The updated Mineral Resource Estimate produced a 40% increase in total resources from the previous estimate. The updated combined Indicated and Inferred Resource is 21.7Mt at 3.6g/t Au at a 2g/t Au cut-off for a total of 2.5Moz. This is an increase of 729,000oz over the June 2016 estimate of 1.8Moz. In addition to a significant increase in volume, the grade of the total resources at Bibiani has increased from 3.5g/t Au to 3.6g/t Au. The updated Mineral Resource Estimate is primarily due to excellent results from 2 drilling within the Central Lode.

Total Indicated Resources now stand at 13.3Mt at 3.5g/t Au for 1.5Moz, an increase of 300,000oz over the previous estimate.

Ravenswood

Exploration in the Ravenswood area during the FY18 year focussed on the Buck Reef West area, initially exploring the underground potential of the Buck Reef Fault and subsequently completing an infill drill program and updated geological model and resource estimate for the Buck Reef West open cut resource. Small drilling programs were also completed at Christian Kruck and Igloo.

The Buck Reef West open cut infill drilling campaign was successful in converting all of the resources within the proposed pit design into measured and indicated categories. This drilling has increased the mineable resources at Buck Reef West and will now undergo re-optimisation and redesign to include the increased resources into an updated reserve model.

Review of Operations

Strategic Investments

During FY18, Resolute continued to be active in taking strategic positions in listed, African focused gold explorers with a view to establishing a portfolio of investments that extend the Company's project pipeline and provide a source of medium term potential growth opportunities. Resolute's strategy is to invest in well managed African focused companies holding promising tenure in highly prospective gold regions.

Resolute's strategic investments portfolio consists of the following stakes:

Loncor Resources Inc:	Kilo Goldmines Inc:	Manas Resources Limited:	Orca Gold Inc:	Mako Gold Limited:	Oklo Resources Limited:
27%	27%	23%	17%	19%	10%

Strategic Investments during FY18

Sudan

Orca Gold

In June / July 2018, Resolute acquired a 17% interest in TSX-listed, Sudan-focused explorer/developer, Orca Gold Inc (Orca), through a share placement. Resolute's investment was executed in 2 tranches with consideration split between cash and Resolute shares. Orca is targeting the release of a feasibility study for its Block 14 gold project which hosts 3.8Moz of gold resources during Q4 CY18. Once in production, Block 14 is expected to deliver production of 200,000oz annually. Resolute and Orca are also collaborating on opportunities in Sudan, Cote d'Ivoire and elsewhere in Africa. Further information on Orca can be found at http://orcagold.com.

Mali

Oklo Resources

In FY18, Resolute increased its shareholding in ASX-listed, Malian-focused explorer Oklo Resources Limited (Oklo) from 5% to 8.8% through on-market purchases. Following the end of the financial year, Resolute has acquired additional shares on market taking its interest to 10.3%. Further information on Oklo can be found at https://www.okloresources.com.

Democratic Republic of Congo (DRC)

Loncor Resources

In June 2018, Resolute acquired a 27% interest in Loncor Resources Inc (Loncor), which also has extensive holdings in the north of the Democratic Republic of Congo (DRC). Loncor currently holds c.1.2Moz of gold resources across its DRC tenements. Resolute's interest was acquired through a C$2.6m share placement and the issuance of C$2.5m of Resolute shares. Further information on Loncor can be found at http://www.loncor.com/s/Home.asp.

Cote d'Ivoire

Mako Gold and Manas Resources

In April 2018, Resolute supported the initial public offering of ASX-listed, Cote d'Ivoire-focused explorer Mako Gold Limited (Mako). Following the end of the financial year, Resolute increased its stake in Mako from 15.8 to 19.5% through on market purchases. Further information on Mako can be found at http://www.makogold.com.au. Resolute further grew its Cote d'Ivoire exploration interests by increasing its interest in Manas Resources Limited (Manas) from 19.9% to 22.8% through a share swap following the end of the financial year. Further information on Manas can be found at http://manasresources.com.au.

Ore Reserves

Reserves and Resources comply with the Australasian Code for Reporting of Mineral Resources and Reserves (The JORC Code 2004 and JORC Code 2012)

	2018					2017					
ORE RESERVES	Tonnes (000s)	Gold grade (g/t)	Ounces (000s)	Group Share %	Group Share Ounces	Tonnes (000s)	Gold grade (g/t)	Ounces (000s)	Group Share %	Group Share Ounces	
	Proved					Proved					Comment on Changes
Australia											
Mt Wright	166	2.7	14	100%	14	258	2.6	22	100%	22	Depletion due to mining
Sarsfield	28,450	0.8	747	100%	747	28,450	0.8	747	100%	747	No change
Nolans East	350	0.7	8	100%	8	1,543	0.8	37	100%	37	Depletion due to mining
Stockpiles (O/C)	665	0.6	13	100%	13	482	0.6	9	100%	9	Movement in operating stockpiles
Buck Reef West	13,650	0.9	400	100%	400	13,652	0.9	400	100%	400	No change
Mali											
Syama Stockpiles (sulphide)	30	1.8	2	80%	2	55	1.7	3	80%	2	Movement in operating stockpiles
Satellite Deposits	0	0.0	0	80%	0	896	2.4	68	80%	54	Depletion due to mining
Stockpiles (satellite deposits)	962	1.9	60	80%	48	824	1.9	51	80%	41	Movement in operating stockpiles
Tabakoroni	1,831	3.1	187	90%	168	1,335	3.1	133	85%	113	Resource reviewed with additional drilling
Total Proved	**46,104**	**1.0**	**1,431**		**1,400**	**47,495**	**1.0**	**1,470**		**1,426**	
	Probable					Probable					Comment on Changes
Australia											
Mt Wright	0	0.0	0	100%	0	0	0.0	0	100%	0	
Mt Wright Stockpiles	9	2.3	1	100%	1	11	2.6	1	100%	1	Movement in operating stockpiles
Sarsfield	18,640	0.7	423	100%	423	18,640	0.7	423	100%	423	No change
Nolans East	0	0.0	0	100%	0	612	0.7	14	100%	14	Depletion due to mining
Stockpiles (O/C)	0	0.0	0	100%	0	319	0.6	7	100%	7	Movement in operating stockpiles
Buck Reef West	4,670	0.8	124	100%	124	4,669	0.8	124	100%	124	No change
Mali											
Syama Underground	35,200	2.7	3,000	80%	2,400	23,855	2.8	2,171	80%	1,737	Updated resource model
Syama Stockpiles (sulphide)	2,555	1.3	107	80%	86	3,339	1.4	146	80%	117	Movement in operating stockpiles
Satellite Deposits	0	0.0	0	80%	0	1,459	2.4	112	80%	90	Depletion due to mining
Stockpiles (satellite deposits)	2,438	1.3	103	80%	82	962	1.8	54	80%	43	Movement in operating stockpiles
Tabakoroni	857	2.4	67	90%	60	1,821	2.8	163	85%	139	Resource reviewed with additional drilling
Ghana											
Bibiani	5,480	3.7	644	90%	580	5,480	3.7	644	90%	580	No change
Total Probable	**69,849**	**2.0**	**4,469**		**3,756**	**61,167**	**2.0**	**3,859**		**3,274**	
Total Reserves	**115,952**	**1.6**	**5,900**		**5,156**	**108,662**	**1.5**	**5,329**		**4,699**	

Notes:
1. Mineral Resources include Ore Reserves. Differences may occur due to rounding.
2. Reserves are reported above 0.4 g/t cut-off for Sarsfield and Buck Reef West and Nolans East.
3. Mt Wright Reserves are reported above 2.3 g/t cut off.
4. Syama Underground Reserves are reported above 1.9 g/t.
5. Tabakoroni Reserves are reported above 1.10 g/t.
6. Bibiani Reserves are reported above 2.75 g/t.

Mineral Resources

MINERAL RESOURCES	2018 Tonnes (000s)	2018 Gold grade (g/t)	2018 Ounces (000s)	2018 Group Share %	2018 Group Share Ounces	2017 Tonnes (000s)	2017 Gold grade (g/t)	2017 Ounces (000s)	2017 Group Share %	2017 Group Share Ounces	
	Measured					Measured					Comment on Changes
Australia											
Mt Wright	311	3.5	35	100%	35	311	3.5	35	100%	35	
Sarsfield	43,588	0.8	1,125	100%	1,125	45,522	0.8	1,168	100%	1,168	Depletion due to mining Nolans East
Buck Reef West	18,400	0.9	532	100%	532	18,400	0.9	532	100%	532	No change
Mali											
Syama stockpiles (sulphide)	30	1.8	2	80%	2	55	1.7	3	80%	2	Movement in operating stockpiles
Satellite Deposits	0	0.0	0	80%	0	2,337	2.1	159	80%	127	Mining depletion, updated model
Stockpiles (satellite deposits)	962	1.9	60	80%	48	824	1.9	51	80%	41	Movement in operating stockpiles
Tabakoroni	3,186	2.9	292	90%	263	3,210	2.9	296	85%	252	Resource reviewed with additional drilling
Total Measured	**66,478**	**1.0**	**2,046**		**2,004**	**70,659**	**1.0**	**2,244**		**2,157**	
	Indicated					Indicated					Comment on Changes
Australia											
Mt Wright	0	0.0	0	100%	0	0	0.0	0	100%	0	
Stockpiles (sulphide)	9	2.3	1	100%	1	11	2.6	1	100%	1	Movement in operating stockpiles
Sarsfield	38,497	0.7	882	100%	882	38,497	0.7	882	100%	882	No change
Buck Reef West	20,400	0.8	525	100%	525	20,400	0.8	525	100%	525	No change
Mali											
Syama Underground	45,700	3.2	4,800	80%	3,840	37,396	2.8	3,373	80%	2,698	Updated model Nov 2017
Syama stockpiles (sulphide)	2,555	1.3	107	80%	86	3,339	1.4	146	80%	117	Movement in operating stockpiles
Satellite Deposits	3,877	2.4	295	80%	236	3,566	2.1	243	80%	194	Mining depletion, updated model
Stockpiles (satellite deposits)	2,438	1.3	103	80%	82	962	1.8	54	80%	43	Movement in operating stockpiles
Tellem	1,770	1.9	110	80%	88	1,770	1.9	110	80%	88	No change
Paysans	1,195	1.5	56	80%	45	1,195	1.5	56	80%	45	No change
Tabakoroni	3,991	2.2	281	90%	253	4,010	2.2	289	85%	246	Resource reviewed with additional drilling
Ghana											
Bibiani	13,255	3.5	1,493	90%	1,344	11,180	3.3	1,184	90%	1,066	Updated resource model
Sudan											
Galat Sufar South	11,601	1.3	474	17%	474						
Wadi Doum	529	2.1	35	17%	35						
DRC											
Makapela	594	8.7	166	27%	166						
Total Indicated	**146,412**	**2.0**	**9,327**		**8,056**	**122,326**	**1.7**	**6,863**		**5,905**	

MINERAL RESOURCES	2018 Tonnes (000s)	2018 Gold grade (g/t)	2018 Ounces (000s)	2018 Group Share %	2018 Group Share Ounces	2017 Tonnes (000s)	2017 Gold grade (g/t)	2017 Ounces (000s)	2017 Group Share %	2017 Group Share Ounces	
	Indicated					Indicated					Comment on Changes
Australia											
Mt Wright	735	3.0	71	100%	71	1,079	3.1	107	100%	107	Depletion due to mining
Sarsfield	22,079	0.7	518	100%	518	22,079	0.7	518	100%	518	No change
Buck Reef West	17,000	0.7	383	100%	383	17,000	0.7	383	100%	383	No change
Welcome Breccia	2,036	3.2	208	100%	208	2,036	3.2	208	100%	208	No change
Waste Dump	33,700	0.4	401	100%	401						New resource
Mali											
Syama Underground	11,500	3.1	1,100	80%	880	8,095	2.9	767	80%	614	Updated model Nov 2017
Satellite Deposits	506	2.5	40	80%	32	1,397	2.2	97	80%	78	Mining depletion, updated model
Stockpiles (satellite deposits)	64	1.4	3	80%	2	64	1.4	3	80%	2	No change
Tellem	400	2.5	35	80%	28	400	2.5	35	80%	28	No change
Paysans	545	1.5	26	80%	21	545	1.5	26	80%	21	No change
Tabakoroni	3,253	2.0	205	90%	185	3,000	2.0	193	85%	164	Resource reviewed with additional drilling
Tailings Storage Facility	17,000	0.7	365	80%	292						
Ghana											
Bibiani	8,438	3.7	1,011	90%	910	4,485	4.1	591	90%	532	Updated resource model
Sudan											
Galat Sufar South	2,968	1.2	112	17%	112						New resource
Wadi Doum	336	1.3	14	17%	14						New resource
DRC											
Makapela	864	5.3	148	27%	148						New resource
Adumbi	5,616	2.5	451	27%	451						New resource
Total Inferred	127,039	1.2	5,091		4,656	60,180	1.5	2,928		2,654	
Global Total Resources	**339,929**	**1.5**	**16,465**		**14,716**	**253,165**	**1.5**	**12,035**		**10,716**	

Notes:
1. Mineral Resources include Ore Reserves. Differences may occur due to rounding.
2. Resources are reported above 0.4 g/t cut-off for Sarsfield and Buck Reef West and Nolans East.
3. Mt Wright Resources are reported above 2.3 g/t cut off.
4. Syama Underground Resources quoted above 1.5g/t cut off.
5. Resources for Satellite deposits are reported above a cut off of 1.5g/t.
6. Resources for the Tabakoroni Open Pit are reported above a cut off of 1.0g/t.
7. Bibiani Resources are reported above 2.0 g/t cut off.
8. Galat Sufar South resources reported above a 0.6g/t cut-off.
9. Wadi Doum resources reported above a 0.6g/t cut-off.
10. Makapela resources reported above a 2.75g/t cut-off.
11. Adumbi resources reported above a 0.9g/t cut-off.
12. Mineral Resources held by Orca Gold, Loncor Resources and Kilo Goldmines are reported as NI43-101 compliant estimates.


MONIQUE KEITA

Sustainability

Dear fellow shareholders,

The principle of sustainability has always underpinned the way we do business at Resolute. Our community partnerships, environmental stewardship, balance sheet strength and key strategic decisions are all based on the principles of sustainable development. Effectively managing sustainability directly impacts our reputation and our ability to create value for all stakeholders.

Resolute is proud of the contributions it makes to the economies of our host countries. We have been operating in Africa for more than 20 years and over this time have made economic contributions in of c.US$2 billion. Our license to operate carries a responsibility to contribute to local and national development and to ensure that we create a positive economic, social and environmental legacy.

The core business of our operations creates jobs, purchases goods and services from local providers and builds infrastructure, enabling us to make a significant and long-term contribution to our host economies in three ways:

1. Value creation supply chain covering the direct contribution of our exploration projects and operating assets;
2. Payments of taxes, license and approval fees, and royalties; and
3. Local community and environment programs.

John Welborn
Managing Director & CEO

Our People

Resolute respects and encourages workplace diversity and strives to create a flexible and inclusive work environment. Resolute endeavours to treat all employees equally and fairly, regardless of gender, age, culture, religion or disability.

Our employees

Excluding Contractors	Including Contractors
843	2,155

Employees by location (headcount)

Australia	Ghana	Mali
257	56	530

Diversity

Our Diversity and Inclusion Policy outlines the company's commitment to having a high performing workforce that is representative of the communities in which we operate. This includes, but is not limited to, representation of gender, indigenous and national workforce diversity. The policy also applies to the recruitment process, where we are committed to selecting the best candidates from a diverse field of candidates.

The gender balance within the Resolute Australian workforce is detailed in the table below, along with benchmarking data specific to mining from the Workplace Gender Equality Agency (WGEA Benchmark data 2016-2017). The overall representation of women has increased in the year and now stands at 21.3%.

	Women	Men	WGEA Women
KMP*	67.0%	33.0%	14.8%
Senior Managers	0.0%	100.0%	16.0%
Other Managers	12.5%	87.5%	17.1%
Overall	21.3%	78.7%	16.1%

*excludes CEO

The submission of the Resolute Workplace Gender Equality Agency report in 2018 continues to demonstrate our public commitment to transparency and accountability in this area. This report is available on our website at http://www.rml.com.au/corporate-governance.

Talent Attraction and Retention

At Resolute, our employees are key to our success and we have various programs in place to attract, train and retain talented individuals.

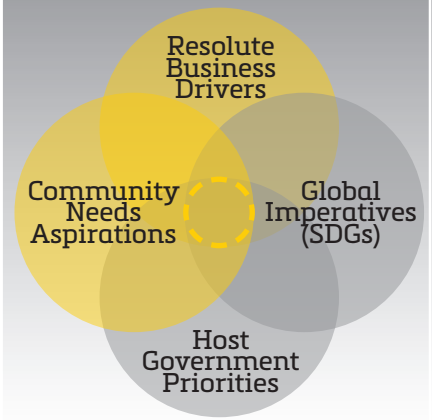
The Malian Talent Development Program was implemented in FY18 with the aim to advance the capabilities of Malian employees by building leadership and technical capability to position them to advance into more senior positions at the Syama Gold Mine. In FY18, seven employees were selected and have participated in the program. The inaugural year has seen the promotion of one participant into a role previously held by an expatriate employee and has provided opportunities to visit other Resolute operations and offices and completion of a Certificate IV in Leadership and Management. The program will continue to recruit participants on an annual basis.

In Australia, Resolute provided internships to eight university students in FY18. The interns gained invaluable hands on experience at both our Ravenswood and Syama operations and in the Perth corporate office in a range of engineering and corporate functions, with one student commencing in a graduate position. The period also saw three graduates, three trainees and three apprenticeships appointed at Ravenswood Mine.

The Resolute Foundation

Mine Gold. Create (More) Value.

The Resolute Foundation is the umbrella through which Resolute will deliver future community development initiatives. The Resolute Foundation will drive fiscal discipline, enable Resolute to leverage expertise and funding from partners and provide opportunities to increase the scale and reach of our programs and initiatives, delivering greater benefits and increasing value for the business, our local communities and host countries.

TARGET THE EFFORT	MANAGE THE SPEND	LEVERAGE CONTRIBUTIONS
	Supports the strategy Safe & Ethical Informed & Understood Full Cost Capture Builds on Strengths	Resolute Contractors Partners Donations ↓ The Resolute FOUNDATION

We will take a considered and methodical approach as we grow the Foundation, focusing our effort where we believe we are most likely to make a difference and using the inherent strengths, skills and capacities of the company, our partners, our host governments and local people.

Community Relations

Our Approach

Resolute's approach to community relations is guided by our Community Relations Policy. Our activities are focused on four focus areas being community health and wellbeing, water and sanitation, income generation, and education.

The Company prefers to have a direct involvement in community support projects rather than simply providing funding. This hands on approach means investing time and effort working with communities and local government to identify shared interests and priorities and working together to deliver lasting benefits. The community initiatives undertaken by the Company during FY18 are set out below.

Syama

A Five-Year Community Development Plan has been created that outlines the commitments, principles, processes and activities for Community Development at Syama. The Development Plan is focused on activities that are guided by the following key principles:

1. Supports one or more of the four local development focus areas of income generation, education, water and sanitation and community health and well-being;
2. Informed by consultation and joint assessment of community needs, aspirations and priorities;
3. Encourages self-help to avoid dependency;
4. Enable the building of long-term skills and capabilities; and
5. Is sustainable in the long-term without needing the continuing support of the Company.

At Tabakoroni, a new operations-focused Community Relations Management Plan has been implemented ahead of mine start-up. The wide-ranging plan addresses payment of compensation for land required for development of the Tabakoroni mine, cultural protocols to be observed before and during operations and frameworks for consultation and community development. The new plan has been developed to set the foundation to continue the excellent relationships Resolute has established with local communities over many years of exploration activities at Tabakoroni.

Community Health and Wellbeing

Under the focus area of Community Health, Resolute continued its initiatives focused on targeting Malaria, HIVAIDS and maternal health. The ongoing work, in partnership with the Regional Health Office of Sikasso, the National HIV Prevention High Council and the Health District of Kadiolo, has seen continued progress in addressing these national and global health issues.

Syama's highly successful and wide-reaching health education broadcasts on local radio continued with 104 sessions during the year covering a wide range of topics including infectious disease prevention, family planning, sexual health and the benefits of good sanitation. The broadcasts are part of a broader health promotion program which includes face-to-face sessions at schools and with women groups, community leaders and local youth.

In order to increase capabilities within the local health system, Resolute was focused on refurbishment and construction of medical infrastructure, provision of medical materials and upskilling of community-based medical staff with ongoing training in topics ranging from pediatric care, gynecological and obstetrical emergencies management to infectious diseases care and pulmonary illnesses care.

Income Generation

Improving the opportunities for local people to increase their household income through developing their own businesses and growing the local economy is a

key objective of Resolute's income generation focus area. These income generation programs are typically targeted at motivated individuals or small groups, with personal accountability being an essential attribute for success. The Company believes that sustainable change will not occur unless Resolute works with individuals, families and communities to take responsibility for the consequences of their decisions and actions.

The bottom-up process used by Resolute, where community members take the initiative and the Company responds with technical and financial support applies recognised good international development practice.

Resolute's subsidiary, SOMISY, established the first of its income generation programs in 2011 and currently has active groups in 8 communities operating 13 micro agri-businesses, the most recent being chilli pepper growing and marketing by a women's group in Kembéréké.

Ravenswood

Community Health and Wellbeing

Resolute helps to fill the gap in local medical services with mine site nurses providing emergency medical care to local residents and providing support to the Royal Flying Doctor Service to run medical clinics in the town.

Water and Sanitation

Resolute continued to manage the local water supply infrastructure including the Suhr's Creek Dam and the associated potable water treatment plant on behalf of the local council. The treatment plant provides drinking water to the Ravenswood community and the Company's operation.

Education / Community

A new partnership between Resolute and the University of Queensland will see students from the Advanced Heritage Field School developing conservation management plans for heritage sites in Ravenswood.

This latest initiative builds on the many other Heritage focused initiatives underway at Ravenswood such as the Tourism Directions Plan, support of the Ravenswood Restoration and Preservation Association and celebration of Ravenswood's 150th Anniversary.

Resolute and the Birriah Aboriginal Corporation finalised a Native Title Agreement for the REP leases/ tenements. The agreement includes financial, cultural heritage and indigenous participation undertakings and commitments.

Resolute's Community Relations Officer assisted the Ravenswood Restoration and Preservation Association in writing grant applications for various community projects. In FY18, over $90,000 in grants were received by the Ravenswood community for projects such as repairs to the heritage listed assay office, talking signs for tourism, funding for the 150 Years Festival to be held in October and a public art project for the 150th Anniversary.

Bibiani

The principle vehicle through which the Company consults with the Bibiani community is the Resolute Foundation Advisory Panel (RFAP). RFAP is now in its second year of operation, with community representatives from Bibiani and Resolute's Mensin Gold Bibiani Limited (MGBL) employees working together to develop a level of trust and build the strong links that will enable future opportunities to be realised. The RFAP operates four development sub-committees, each addressing one of the focus areas.

Community Health and Wellbeing / Water and Sanitation

Resolute and MGBL has undertaken sanitation works, including the construction of a mechanised water-pump and storage tank, and conducts medical outreach and health education programs. Resolute is also proud to be the major sponsor of the Bibiani Gold Stars football team. MGBL is also exploring new opportunities for partnering with the Municipal Assembly in areas of infrastructure development and alternative livelihood programs.

Education

Two school buildings which were committed to in 2017 have been completed, built by local contractors to standards required by the Ghana Education Service. The shared commitment to education at all levels has seen in a number of tertiary education scholarships being granted to deserving local youth, quiz competitions between the primary schools, establishment of debating clubs in the two secondary schools, additional vacation study classes and career guidance and counselling.

Income Generation

MGBL entered into a new partnership with the government funded Business Advisory Council to encourage small business development. A pilot program initiated during the year offered business training across three vocations identified through a consultative process undertaken by the RFAP.

Environment

Our Approach

The Resolute Environmental Policy outlines our commitment to applying environmental controls and procedures so as to minimise and mitigate our impact on land, water, air quality, climate and biodiversity and comply with the requirements of applicable legislation, regulations and rules.

We identify and assess the potential environmental effects of our activities and manage associated risk accordingly. We also aim to continually improve and regularly monitor, audit and review our environmental performance across all of our operations.

The environmental initiatives undertaken by the Company during FY18 are set out below.

Syama

Rehabilitation

The ongoing land rehabilitation program resulted in planting another 19 hectares of waste rock dump and disturbed areas with a mix of indigenous plant species. A new income generating initiative resulted in 25% of the saplings being sourced from nurseries established as commercial enterprises by women community groups in Dieou and Tembleni, with the remainder raised in the company nursery. A new community enterprise established in Fourou will increase the number of saplings purchased for future rehabilitation programs.

Monitoring

Routine monitoring of water quality and quantity upstream and downstream of the Syama operations and of the ambient air quality in the five villages in closest proximity was supplemented with periodic audits undertaken by the government mining and geological technical service. Audit recommendations to strengthen the groundwater monitoring network and improve surface water management resulted in the installation of a number of additional groundwater monitoring boreholes at the Tailings Storage Facility

Reduction of Emissions

Resolute has been examining opportunities to reduce its reliance on diesel at Syama. During 2018, Resolute conducted an international expression of interest process seeking proposals for an independent power producer model whereby a third party would be responsible for construction and operation of new power generation facilities. The Company has also, in parallel, investigated an owner-operator model. This work, which mirrors similar energy progress being made across the mining industry, has identified a new hybrid energy solution for Syama. This lower cost self-generated power provides significant advantages for Syama, including the possible opportunity to provide social and economic benefits for the region.

Ravenswood

Approvals and Heritage

Resolute has been granted the Buck Reef West Environmental Authority Amendment Application and the associated Buck Reef Mining Lease Applications. These approvals and agreements have been achieved through a careful process aimed at balancing the needs of heritage, the natural environment, economic development and community. As part of gaining these approvals, Resolute has signed two significant Heritage Agreements with the Queensland Government.

The complex approvals process required for the REP has been streamlined by the assistance of various Queensland Government agencies, specifically the Department of Environment and Science, Department of Natural Resources, Mines and Energy and the Coordinator General within the Department of State Development. This assistance has enabled the approval process for Buck Reef West to remain on schedule and in turn allow for continuity of mining operations at Ravenswood. The 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 agreements the Department of Environment and Science has granted the Exemption Certificates which will enable the REP to proceed.

Rehabilitation

Over 450 native trees were planted in Ravenswood as part of Golden Trees, a collaborative project between the Birriah Indigenous people and Resolute. The Birriah, the traditional owners of the land surrounding Ravenswood, completed the pilot program in mid-June after planting an area of 2.75 hectares surrounding three sides of the Ravenswood cemetery. The new plantings will form an environmental zone between the cemetery and some of the future mining operations when work begins on the Ravenswood Expansion Project around Buck Reef West.

Training

An Environmental Graduate Program was initiated during the year, with the first two successful applicants from James Cook University taking up their positions in August 2017 The Graduate Environment Officers learn environment management skills and monitoring tasks as well as conduct environmental awareness presentations. The new roles assist existing staff with the increased monitoring responsibilities of the Ravenswood Expansion Project while providing the Graduates with the opportunity to develop the skills necessary for successful careers in the environment field.

Bibiani

During 2016 Resolute completed and submitted an Environmental Impact Assessment (EIA) for Bibiani. The process for community consultation and initial government review of the EIA was completed in early 2018 and the final EIA was submitted to the Ghanaian Environmental Protection Agency in March 2018. In June 2018, Resolute was granted Environmental Permit Authorisation to recommission Bibiani, with the permit and its conditions broadly consistent with the Company's proposed plan to recommission Bibiani.

This landmark approval enables Resolute to put its operational readiness plan into action. As part of this plan Resolute will commence the process of securing a Mining Operating Permit which is the next key approval required to enable the Company to progress Bibiani towards production.

Health & Safety

Our Approach

With the growth of our business and the improved methods available to manage the health and safety of our people and those that work with us, Resolute recognises the need to adapt and evolve to ensure the highest health and safety standards. Our philosophy is one of continual improvement and as such, Resolute has developed and implemented a new and innovative approach to health and safety across our business under the R-CARE banner. R-CARE is a completely revised suite of Health and Safety Policies which underpin Resolute's commitment to zero harm have been implemented and are already having a positive effect in site-based risk reduction objectives.

Performance

To effectively monitor safety performance, Resolute measures both leading and lagging indicators within our operations. Leading indicators are those activities such as regular audits and formal safety interactions that ensure we are doing all we can to prevent an unplanned event. Lagging indicators, represent the incident frequency rates (IFR) per million hours worked for the various types of incidents that have occurred across our operations.

Resolute's Total Recordable Incident Frequency Rate (TRIFR) for FY18 was 3.23, an increase on the FY17 figure of 2.56. This increase was largely driven by the number of new projects being undertaken in 2018, predominantly being undertaken by contractors and sub-contractors which has resulted in a renewed focus on contractor management to reverse this trend.

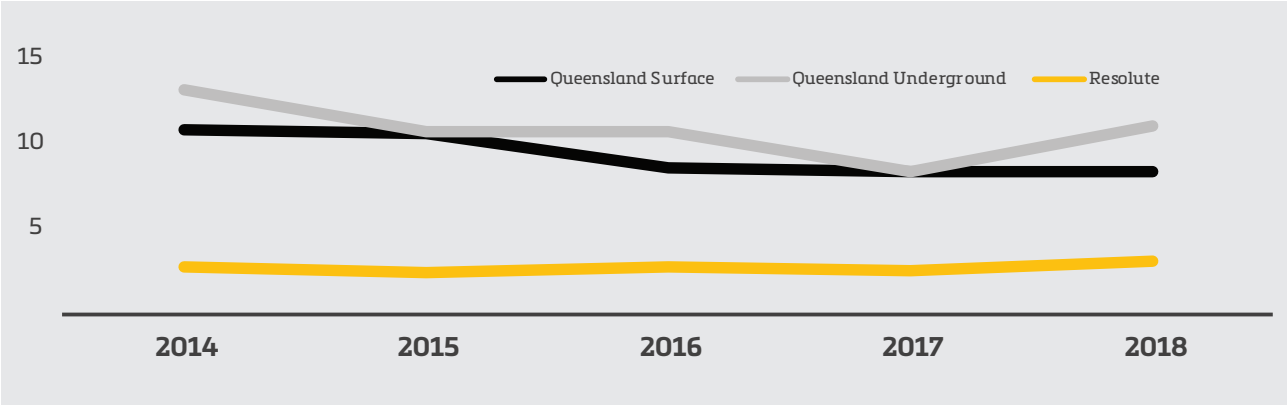


Figure 5: Resolute TRIFR Relative to Industry Averages

R-CARE

Committed • Accountable • Responsible • Empowered

R-CARE has been developed in-house. Being created by Resolute for Resolute is a key success factor in why the program has been well received and is already having a positive influence across all sites in our business.

R-Care is based on the four key principles/actions of all employees and contractors being Committed, Accountable, Responsible and Empowered.

Committed

- To working safely, all of the time.
- To taking pride, in everything we do.
- To improving the way we work.

Accountable

- To the people we work with.
- For the quality of our work.
- To the expectations of our business.

Responsible

- To our families.
- To the way we treat others.
- For learning from our mistakes.

Empowered

- To speak up and share our ideas.
- To stop anything we believe is unsafe.
- To challenge the things, we could do better.

Security

As a global mining company, Resolute explores, develops and operates in countries and locations with a complex range of security issues. Our operations in Mali and Ghana are supported by public security groups overseen by expert security advisors. These advisors work closely with Resolute executive management to maintain awareness and drive security initiatives.

A major focus of the team this year has been on the company's ability to make informed operational decisions, based on improved security information and situational awareness.

A priority for the African based Security team has been the deployment of appropriate technology to support security operations. Whilst not a new concept to the mining environment, the use of drones by day and night to provide persistent video coverage of key areas is a major enhancement to the team's capability. The employment of such technology also permits the company to cover large areas quickly and respond appropriately to minimise risk.

The challenge is to always keep our people safe, no matter the location or time. As part of that goal, whilst the team continue to recruit and train the best possible staff, to provide the on ground capability, every opportunity is also taken to provide them with tools to enhance their efficiency.


M Sylva

Governance

Code of Conduct

Resolute willingly operates under a strict Code of Conduct (Code) that underpins, guides and enhances the conduct and behaviour of Directors, employees and contractors in performing their everyday roles. The Code provides that the following core principles guide employee behaviour:

- to act with integrity and professionalism in the performance of their duties and in the proper use of company information, funds, equipment and facilities;
- to exercise fairness, proper courtesy and consideration in all their dealings in the course of carrying out their duties; and
- to avoid real, apparent or perceived conflicts of interest.

Resolute aspires to achieve best practice, creating opportunities for its business partners to assist both stakeholders and communities, while operating openly, honestly, and with integrity and responsibility and maintaining a strong sense of corporate social responsibility. In maintaining its social corporate responsibility, Resolute will conduct its business ethically, adhering to the core principles stated in the Code, encourage community initiatives, consider the environment and ensure a safe, equal and supportive workplace.

Conflicts of Interest

Resolute recognises that proper disclosure and management of conflicts of interests is integral to its reputation and business objectives. It is Resolute's policy that all Directors and employees (Personnel) must, wherever possible, avoid any conflict of interest, must disclose any potential for a conflict of interest, and where a conflict cannot be avoided, must manage that conflict of interest. The duty to avoid, disclose, and manage conflicts of interest does not prohibit all conflicts of interest – rather it requires that conflicts are adequately disclosed and managed when they arise. The Company's Conflicts of Interest Policy provides specific detail and is available to view online at www.rml.com.au/corporate-governance.

Insider Trading

It is Resolute's policy that directors and employees must ensure all trading of company securities they undertake complies with the Australian Corporations Act and Regulations (particularly the prohibitions on insider trading). The Company's Securities Trading Policy provides specific detail and is available to view online at www.rml.com.au/corporate-governance.

Conducting Business Overseas

It is Resolute's policy that its business affairs and operations should at all times be conducted legally, ethically, and in accordance with community standards of integrity and propriety. The Code requires business dealings must be conducted in accordance with Australian and other applicable jurisdictions' anti-bribery laws. The Company's Anti-Bribery and Corruption Policy and Whistleblower Policy provide specific detail and are available to view online at www.rml.com.au/corporate-governance.

Additional Policies

In addition to those mentioned above, Resolute has implemented the following charters and additional policies all of which are available to view online at www.rml.com.au/corporate-governance:

- Board Charter
- Audit and Risk Committee Charter
- Remuneration Committee Charter
- Nomination Committee Charter
- Continuous Disclosure Policy
- Communication Strategy
- Diversity and Inclusion Policy
- Performance Evaluation Process
- Privacy Policy
- Procedure for Appointment of New Directors

Board

The Board of Directors is responsible for the corporate governance of the Company. The Board guides and monitors the Company's business and affairs on behalf of Resolute shareholders by whom they are elected and to whom they are accountable.

The table below sets out the detail of the tenure of each Director as at 30 June 2018.

Director	Role of Director	First Appointed	Qualification
Martin Botha	Non-Executive Director (appointed Chairman from 29 June 2017)	February 2014	BScEng
John Welborn	Managing Director	February 2015	BCom, FCA, FAIM, SAFin, MAICD, MAusIMM, JP
Peter Sullivan	Non-Executive Director	June 2001	BEng, MBA
Henry (Bill) Price	Non-Executive Director	November 2003	BCom, FCA, MAICD
Yasmin Broughton	Non-Executive Director	June 2017	BCom, PG Law, GAICD
Mark Potts	Non-Executive Director	June 2017	BSc (Hons)

On 7 September 2018, Ms Sabina Shugg was appointed to the Board as a Non-Executive Director. Ms Shugg's qualifications are MBA and BEng (Mining). Mr Henry (Bill) Price will retire from the Board prior to the Company's Annual General Meeting in October 2018.

The table below sets out the detail of the independence of each Director as at 30 June 2018.

Director	Non-Executive	Independent	Gender
Martin Botha	Yes	Yes	Male
John Welborn	No	No	Male
Peter Sullivan	Yes	No	Male
Henry (Bill) Price	Yes	Yes	Male
Yasmin Broughton	Yes	Yes	Female
Mark Potts	Yes	Yes	Male

On 7 September 2018, Ms Sabina Shugg was appointed to the Board as a Non-Executive Director. Ms Shugg is independent and female.

Mr Henry (Bill) Price will retire from the Board prior to the Company's Annual General Meeting in October 2018.

The Company's Board Charter outlines the functions reserved to the Board and those delegated to management. The Board Charter delineates the responsibilities and functions of the Board as being distinct from those of management. Resolute's Board Charter is available to view online at www.rml.com.au/corporate-governance.

Committees

The Board has established the following sub-committees to assist with internal control and business risk management:

- Audit and Risk Committee
- Remuneration Committee
- Nomination Committee

Audit and Risk Committee

As at 30 June 2018, the Audit and Risk Committee consisted of the following Non-Executive Directors:

- Ms Y. Broughton (Chair)
- Mr M. Botha
- Mr P. Sullivan
- Mr H. Price
- Mr M. Potts

As at 30 June 2018 and as at the date of this statement, all of the above listed members of the Audit and Risk Committee other than Mr Sullivan are independent. .

The Audit and Risk Committee provides the Board with additional assurance regarding the reliability of the financial information for inclusion in the financial reports, and is also responsible for:

- ensuring compliance with statutory responsibilities relating to accounting policy and disclosure;
- liaising with, discussing and resolving relevant issues with the auditors;
- assessing the adequacy of accounting, financial and operating controls;
- the review of half-year and annual financial statements before submission to the Board; and
- the assessment, management and monitoring of business risk.

The Audit and Risk Committee Charter is available to view at www.rml.com.au/corporate-governance.

Remuneration Committee

As at 30 June 2018, the Remuneration Committee consisted of the following Non-Executive Directors:

- Mr P. Sullivan (Chair)
- Mr M. Botha
- Mr H. Price
- Ms Y. Broughton

As at 30 June 2018 and as at the date of this statement, all of the above listed members of the Remuneration Committee other than Mr Sullivan are independent

The Remuneration Committee is responsible for recommending, monitoring and reviewing compensation arrangements for Resolute's Directors, CEO, Executive Committee and employees, and making subsequent recommendations to the Board.

The Remuneration Committee Charter is available to view online at www.rml.com.au/corporate-governance.

Nomination Committee

As at 30 June 2018, the Nomination Committee consisted of the following Non-Executive Directors:

- Mr M. Botha (Chair)
- Mr H. Price
- Ms Y. Broughton
- Mr M. Potts

As at 30 June 2018 and as at the date of the statement, all of the above listed members of the Nomination Committee are independent.

The Nomination Committee ensures Board members are appropriately qualified and experienced to discharge their responsibilities and implements procedures to assess the performance of the CEO and the Executive Committee.

The Nomination Committee Charter is available to view online at www.rml.com.au/corporate-governance.

Corporate Governance Statement

The Board has adopted the "Corporate Governance Principles and Recommendations 3rd edition" established by the ASX Corporate Governance Council and published by the Australian Securities Exchange (ASX) in March 2014.

Resolute's Corporate Governance Statement is available to view online at www.rml.com.au/corporate-governance.

Risk Management

Resolute takes an active approach to risk management across the Company and its operations. The Board has ultimate responsibility for ensuring material risks faced by the Company are identified and overseeing appropriate control and monitoring systems are in place to manage the impact of these risks in accordance with the articulated risk appetite.

The Audit and Risk Committee has the mandate from the Board to provide risk management oversight across material risks in accordance with the Risk Management Policy and Standard. The Audit and Risk Committee continues to work closely with management in relation to the assessment, monitoring and ongoing management of business risk and to carry out assessments of internal controls and processes for improvement opportunities.

The annual risk based Internal Audit Plan is utilised as one of the ways to provide the Audit and Risk Committee with assurance that the material risks are being appropriately managed in line with articulated risk appetite.

Resolute is continuously seeking ways to improve its risk management systems and controls including engaging KPMG on an ongoing basis to assist the Company with the implementation and continual development of its risk management framework and supporting processes.

During FY18, Resolute further enhanced its risk management practices and continues to use facilitated workshops and interviews to assist in the identification and assessment of key risks as well as the existing controls and strategies to appropriately manage risk across its corporate activities and strategy, operations and projects. A summary of the material business risks is set out below.

Risk	Mitigation / Comment
Strategic Risks	
Asset Portfolio	
Resolute's revenue is derived from two assets - the Syama gold mine in Mali and the Ravenswood gold mine in Queensland. Reliance on two assets in two different geographical locations requires continual focus on managing efficient operations. Targeted projects to enhance asset reliability and effectiveness are required to ensure Resolute's ongoing success. Whilst geographical diversity is an advantage, there is currently limited overall diversification in our portfolio.	Resolute assesses a range of growth opportunities to build on its existing portfolio as well as ensuring that efficient production from existing assets is maximised. For example, exploration activities are ongoing in Cote d'Ivoire and Egypt and a feasibility study for the Bibiani Gold Project in Ghana has been completed showing a viable development pathway.
Financial Risks	
Changes to Commodity Prices, Cash Flow and Credit Risk	
Resolute's financial performance is closely linked to the market price of gold. Financial performance may also be impacted through foreign exchange movements, or where there is an inability to secure adequate funding.	Resolute monitors its exposure to commodity price fluctuations and foreign exchange rate fluctuations as part of financial and treasury planning and controls procedures. Gold hedging may be implemented in certain defined scenarios to ensure the long term funding of existing projects and significant capital expenditure programmes such as the Syama Underground expansion. Resolute maintains excellent relationships with a syndicate of international banking counterparts.

Risk	Mitigation / Comment
Fraud and Corruption	
Resolute is aware of the risk of internal fraud and corruption activities, and the various ways that such risk may transpire. There is also awareness that the risk is increased where there are differences in financial processes, language barriers or cultural differences between stakeholders.	Resolute conducts fraud risk assessments and has internal controls in place to manage the risk of fraudulent or corrupt activities including an independently operated whistle blower hotline.
Operational performance	
As a listed company, Resolute is aware of the importance of maintaining required and/or planned operational performance, in order to meet return on investment targets and shareholder expectations.	Resolute's focus on a culture of good governance and disclosure is aimed to provide up-to-date information on activities impacting shareholders and other key stakeholders.
Project Delivery	
Resolute understands the importance of safe and effective project delivery in enabling its growth strategy and operational performance. There is also awareness of the risks faced in delivering projects across diverse jurisdictions, and operating environments.	Resolute employs a range of project management tools to manage and monitor project delivery. Further the Company's corporate governance structures provide rigour and oversight from investment commitment to project status monitoring and strategic direction.
Operational Risks	
Social Licence	
Resolute acknowledges its social responsibility to support local communities and the importance of proactive engagement in enabling on-going success across all its current and future mining activities.	Resolute is proactive in its engagement with local communities and stakeholders and places a high importance on its social responsibility. Our Corporate Social Responsibility plan outlines our engagement strategy.
Environmental / Sustainability	
Mining activity creates environmental responsibility and Resolute understands and respects its cross jurisdictional mining obligations.	Resolute's Environmental Policy provides the corporate control and framework for managing environmental risk and monitoring and reporting against environmental obligations.
Safety	
The mining workplace environment is subject to a number of hazards, including the risk of serious injury or fatality while working on site. The physical remoteness of sites also increases the risk of commuting to site and the availability of medical assistance in the event of an incident. Resolute is also aware of the less likely risk of an outbreak of a serious illness amongst the workforce and the associated potential for large-scale disruption to operations as a consequence.	Resolute employs a wide range of industry standard safety management systems in order to ensure the safety of our workers. We provide appropriate training and supervision on safety management, which promotes and embeds safe operating practices. Syama has a well equipped medical centre on site and Resolute provides health insurance coverage for not only our local workers but also for their immediate families.
Security and Conflict Risk	
Resolute understands the external physical security risks presented by artisanal mining activities, territorial conflicts and/or terrorist actions which could impact our people, our operations and our broader supply chain.	Resolute employs a range of physical and cyber security measures to mitigate the risk of harm to our workers and damage to our assets. Country-level information is continuously monitored to assess the risk of terrorism and security plans are in place to mitigate identified risks.

Risk	Mitigation / Comment
Technology	
Resolute understands that innovation in mining technology is key to future competitiveness and a failure to adopt more efficient techniques and technologies represents a risk to improving business processes and gaining efficiencies.	Resolute monitors technological advancements that could be adopted or incorporated into our operations, particularly where new technologies offer the potential to improve safety and efficiency outcomes. For example, the Syama Underground Expansion project utilises leading edge technology and global specialists in designing and building the heavily automated, highly mechanised mine of the future while allowing the local workforce to be upskilled in the latest technologies in underground mining.
External Risks	
Geopolitical, Legal and Regulatory Developments	
Resolute's operational and exploration activities are subject to extensive regulation in the relevant jurisdictions. Operating in multiple jurisdictions naturally brings with it greater complexity and inherent risk. Changes to existing applicable laws and regulations, more stringent interpretations of existing laws or inconsistent interpretation or application of existing laws by relevant authorities have the potential to adversely impact Resolute's business activities.	Resolute monitors legal and geopolitical risks as part of centralised risk management processes. These risks for a key part of the overall assessment when considering changes to operations or pursuing new growth opportunities. Resolute management actively engage in dialogue with Governments and policy makers at the most senior levels to discuss regulatory developments that are applicable to Resolute's business activities.

Fiscal Responsibility

2018 FINANCIAL YEAR

	Syama	Bibiani	Total
	AUD	AUD	AUD
Royalties	18,278,622	-	**18,278,622**
Corporate & other taxes	37,140,943	500,417	**37,641,360**
PAYE Tax	15,493,315	163,777	**15,657,092**
Local vendor payments	265,002,138	9,501,173	**274,503,312**
Local salaries	10,100,668	2,077,773	**12,178,441**
CSR Spending	380,758	500,988	**881,746**
Total	**346,396,444**	**12,744,129**	**359,140,573**

2018 LIFE TO DATE

	Syama	Tanzania	Bibiani	Total
	AUD	AUD	AUD	AUD
Royalties	141,751,518	62,233,249	1,736,548	**205,721,315**
Corporate & other taxes	60,742,005	111,517,453	2,281,577	**174,541,035**
PAYE Tax	122,938,452	39,045,449	1,323,759	**163,307,660**
Local vendor payments	1,190,843,595	534,817,302	43,718,224	**1,769,379,122**
Local salaries	71,374,990	37,070,597	28,929,731	**137,375,318**
CSR Spending	4,834,474	4,610,935	1,199,597	**10,645,006**
Total	**1,592,485,034**	**789,294,985**	**79,189,436**	**2,460,969,455**

Financial Report

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Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the "Group" or "Resolute") consisting of Resolute Mining Limited and the entities it controlled at the end of, or during, the year ended 30 June 2018.

Corporate Information

Resolute Mining Limited ("RML", "Resolute" or "the Company") is a company limited by shares that is incorporated and domiciled in Australia.

Directors

The names and details of the directors of Resolute Mining Limited in office during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Marthinus (Martin) Botha (Non-Executive Chairman)

BScEng

Mr Martin Botha was appointed Chairman in June 2017 after being appointed to the board in February 2014. Mr Botha is an Engineering Surveyor by training with 30 years' experience in international investment banking. A founding director in Standard Bank Plc's London-centred international operations, Mr Botha established and led the development of the core global natural resources trading and financing franchises, as well as various geographic operations, including those in the Russian Commonwealth of Independent States, Turkey and the Middle East. Mr Botha is currently non-executive Chairman of Sberbank CIB (UK) Ltd, a securities broker regulated by the UK Financial Services Authority, and is a non-executive director of Zeta Resources Limited (appointed 2013). Mr Botha graduated with first class honours from the University of Cape Town and is based in London.

Mr Botha is Chair of the Nomination Committee, and a member of the Audit and Risk Committee and the Remuneration Committee.

John Welborn (Managing Director and Chief Executive Officer)

BCom, FCA, FAIM, MAICD, MAusIMM, SAFin, JP

Mr John Welborn was appointed Managing Director and Chief Executive Officer on 1 July 2015. Mr Welborn is a Chartered Accountant with a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Australian Institute of Management and is a member of the Australian Institute of Mining and Metallurgy, the Financial Services Institute of Australasia, and the Australian Institute of Company Directors.

Mr Welborn is a Director of the World Gold Council (appointed 2017) and is a non-executive director of Equatorial Resources Limited (appointed 2010), Kilo Goldmines Limited (appointed 2017), and is Chairman of Orbital Corporation Limited (appointed 2014). Mr Welborn is Chair of the Environment and Community Development Committee and the Safety, Security and Occupational Health Committee.

Peter Sullivan (Non-Executive Director)

BEng, MBA

Mr Peter Sullivan was appointed Managing Director and Chief Executive Officer of the Company in 2001 and retired as Chief Executive Officer on 30 June 2015 at which point he became a Non-Executive Director of the Company. Mr Sullivan is an engineer and has been involved in the management and strategic development of resource companies and projects for over 25 years. Mr Sullivan is also a director of GME Resources Limited (appointed 1996), Zeta Resources Limited (appointed 2013), Panoramic Resources Limited (appointed 2015) and Bligh Resources Limited (appointed 2017).

Mr Sullivan is Chair of the Remuneration Committee and a member of the Audit and Risk Committee.

Directors' Report

Directors (continued)

Henry (Bill) Price (Non-Executive Director)

BCom, FCA, MAICD

Mr Bill Price is a Non-Executive Director and was appointed to the board in 2003. Mr Price is a Fellow of Chartered Accountants Australia and New Zealand with over 35 years of experience in the accounting profession. Mr Price has extensive taxation and accounting experience in the corporate and mining sector. In addition to his professional qualifications, Mr Price is a member of the Australian Institute of Company Directors, a registered tax agent and registered company auditor. Mr Price is also a director of Tennis West.

Mr Price is a member of the Audit and Risk Committee (resigned as Chair in July 2017), the Remuneration Committee and the Nomination Committee.

Mark Potts (Non-Executive Director)

BSc (Hons)

Mr Mark Potts is a Non-Executive Director and was appointed to the board in June 2017. Mr Potts has held senior executive and board positions, in start-ups and large corporate environments, over a 30-year career. Most recently Mr Potts was the worldwide CTO and VP for Corporate Strategy at Hewlett Packard Enterprise. Prior to Hewlett Packard, Mr Potts was the founder of several successful, venture backed start-ups, that have driven technology disruption and business innovation in varied industries. Mr Potts is the non-executive chairman of Decimal Software Limited (appointed 2016), a non-executive director of Virtual Gaming World (appointed 2017) and board adviser to Advara (appointed 2014) and Modis Australia (appointed 2010).

Mr Potts is a member of the Audit and Risk Committee and the Nomination Committee.

Yasmin Broughton (Non-Executive Director)

BComm PG Law GAICD

Ms Yasmin Broughton is a Non-Executive Director and was appointed to the board in June 2017. Ms Broughton is a corporate lawyer with significant experience working as both a director and an executive in a diverse range of industries. Ms Broughton has over 14 years' experience working with ASX-listed companies as an officer and has a deep understanding of corporate governance, including compliance and managing complex legal issues. Ms Broughton is also a non-executive director of Synergy, the Insurance Commission of Western Australia and Edge Employment Solutions Inc.

Ms Broughton is Chair of the Audit and Risk Committee, and a member of the Remuneration Committee and the Nomination Committee.

General Counsel / Company Secretary

Amber Stanton

LLB

Ms Amber Stanton is a corporate lawyer and was appointed as General Counsel / Company Secretary in August 2017. Prior to joining Resolute, Ms Stanton was a partner at two international law firms, specialising in mergers and acquisitions, capital markets, energy and resources and general corporate and commercial matters. Ms Stanton was the WA winner of the 2011 Telstra Business Women's Award (Corporate and Private Sector) and is a director of the Liver Foundation of Western Australia.

Directors' Report

Interests in the shares and options of Resolute and related bodies corporate

As at the date of this report, the interests of the directors in shares, options and performance rights of Resolute Mining Limited and related bodies corporate were:

	Fully Paid Ordinary Shares	Performance Rights
J. Welborn	2,600,000	4,666,500
M. Botha	-	-
H. Price	194,745	-
P. Sullivan	2,840,674	-
M. Potts	26,825	-
Y. Broughton	-	-
	5,662,244	4,666,500

Nature of Operations and Principal Activities

The principal activities of entities within the consolidated entity during the year were:

- Gold mining; and,
- prospecting and exploration for minerals.

There has been no significant change in the nature of those activities during the year.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company other than those stated throughout this Report.

Significant Events after Reporting Date

On 13 July 2018, Resolute entered into a US$100m Revolving Loan Facility agreement with Investec Australia Limited. The first drawdown under the facility was made on 20 August 2018 for US$30m. Resolute also completed the below strategic investments on 13 July 2018:

- Acquisition of 16,182,480 shares in Orca Gold Inc via the issue of 8,953,421 Resolute shares
- Acquisition of 79,290,000 shares in Manas Resources Limited via the issue of 317,160 Resolute shares
- Resolute issued 2,012,466 Resolute Shares to Arnold Kondrat in consideration for the acquisition of 25,000,000 shares in Loncor Resources Inc.

On 23 August 2018, the Company declared a final dividend on ordinary shares in respect of the 2018 financial year of 2.0 cents per share. The dividend has not been provided for in the 30 June 2018 financial statements.

Financial Position and Performance

- Cash, bullion and listed investments of A$112m (FY17: A$290m)
- FY18 net profit after tax of A$78m (FY17: A$166m)
- Revenue from gold and silver sales of A$446m (FY17: A$541m)
- Gross profit from operations of A$69m (FY17: A$177m)
- Return on equity of 12% (FY17: 49%)
- Diluted earnings per share of 8.72 cents (FY17: 18.61 cents)
- Net cash flows from operations of A$28m (FY17: A$186m).
- Net investing cash outflows of A$269m (FY17: A$128m).
- Net financing cash outflows of A$15m (FY17: A$136m inflow).

Directors' Report

Operations

- Gold production of 284koz at All-in Sustaining Cost (AISC) of A$1,355/oz (US$1,052/oz) ahead of revised guidance (280koz at A$1,360/oz)
- Gold production from the Syama Gold Mine in Mali (Syama) in FY18 was 194koz at an AISC of A$1,286/oz (US$998/oz)
    - The current financial year represents the last period where production at Syama is sourced from a variety of different sources including the low grade Syama sulphide open pit ore stockpiles
    - In future, the Syama sulphide circuit will exclusively operate on higher grade sulphide material sourced from the new Syama Underground which is on track to commence sub-level caving in December 2018 and will then ramp-up to throughput rate of 2.4 million tonnes per annum in 2019. Oxide production will be from the new Namakan satellite open pit at the Tabakoroni Project adjacent to Syama
- Gold production from the Ravenswood Gold Mine in Australia (Ravenswood) in FY18 was 90koz at an AISC of A$1,394/oz (US$1,071/oz)
    - Mine life at the Mt Wright underground mine has continued beyond expectations with ore production supplemented by ore open pit mining from Nolans East and low grade stockpiles

FY18 Summary	Units	Syama Sulphide	Syama Oxide	Syama Total	Ravenswood	GROUP Total
UG lateral development	m	6,690	-	6,690	-	6,690
UG vertical development	m	1,567	-	1,567	238	1,805
Total UG lateral development	m	8,257	-	8,257	238	8,495
UG ore mined	t	168,601	-	168,601	525,803	694,404
UG grade mined	g/t	2.88	-	2.88	2.40	2.52
OP operating waste	BCM	289,818	2,697,67	2,987,496	763,465	3,750,96
OP ore mined	BCM	374,341	775,677	1,150,018	703,794	1,853,81
OP grade mined	g/t	2.32	2.09	2.18	0.66	1.54
Total ore mined	t	1,210,204	1,594,64	2,804,851	2,459,319	5,264,17
Total tonnes processed	t	1,967,503	1,396,80	3,364,308	2,445,010	5,809,31
Grade processed	g/t	2.00	2.16	2.07	1.19	1.70
Recovery	%	72.0	82.0	77.7	94.4	82.8
Gold recovered	oz	91,322	78,891	170,213	88,355	258,568
Gold in circuit drawdown/(addition)	oz	13,073	10,925	23,998	1,620	25,617
Gold produced (poured)	oz	104,395	89,816	194,211	89,975	284,185
Gold bullion in metal account movement (increase)/decrease	oz	(7,624)	(5,005)	(12,629)	(9,176)	(21,804)
Gold sold	oz	96,771	84,811	181,582	80,799	262,381
Achieved gold price	A$/oz	1,699	1,699	1,699	1,710	1,703
	US$/oz	1,317	1,317	1,317	1,321	1,318
Cost Summary						
Mining	A$/oz	910	493	717	573	671
Processing	A$/oz	617	355	496	562	517
Administration	A$/oz	240	182	213	211	212
Stockpile Adjustments	A$/oz	129	(78)	33	(77)	(2)
Gold in Circuit Movement	A$/oz	123	93	109	16	79
Amortisation/(Deferral) of stripping costs	A$/oz	(1)	129	59	45	55
Transfer of underground development costs to development	A$/oz	(804)	-	(431)	-	(294)
Cash Cost	A$/oz	1,214	1,174	1,196	1,330	1,238
	US$/oz	942	911	928	1,019	960
Royalties	A$/oz	95	95	95	77	92
By-product credits	A$/oz	(2)	(2)	(2)	(9)	(5)
Amortisation/(Deferral) of stripping costs	A$/oz	1	(128)	(59)	(46)	(55)
Sustaining capital + others	A$/oz	37	27	32	31	33
Overhead costs	A$/oz	24	24	24	11	9
Administration Costs	A$/oz					43
All-In Sustaining Cost (AISC) AISC is calculated on gold produced (poured)	A$/oz	1,369	1,190	1,286	1,394	1,355
	US$/oz	1,062	924	998	1,071	1,052
Depreciation and amortisation	A$/oz	88	30	61	29	28

Directors' Report

Development: Study Updates

- Resolute progressed studies across its portfolio in FY18 culminating in the release of updates for Syama, Ravenswood and Bibiani in early July 2018
- At Syama, the Definitive Feasibility Study (DFS) Update delivered a significant reduction in the Life of Mine (LOM) AISC to US$746/oz (from US$881/oz)
    - Mine life extended by 4 years from 2028 to 2032
    - Syama Underground Probable Reserve increased by 38% to 3.0Moz (35.2Mt at 2.7 g/t)
    - Expanded cave footprint; targeting annual production in excess of 300,000oz per annum
    - Fully automated loading and haulage of underground ore
- At Ravenswood, significant enhancements were identified for the Ravenswood Expansion Project as part of study work
    - LOM AISC lowered to US$823/oz ($A1,097/oz)
    - Production of c.115,000oz annually through to 2032
    - Major expansion capital deferred through changes in mine sequencing
- At Bibiani, a Feasibility Study Update demonstrates a potential low cost, long life operation with robust economics
    - Targeting 100,000oz per annum over a 10 year LOM at an AISC of c.US$750/oz

Exploration

- Drilling results from Nafolo, Syama and Tabakoroni continue to demonstrate potential expansions to the existing Syama mine plan from underground mining; multi-rig exploration drilling programs continue
    - Nafolo is a major discovery which remains open in all directions
    - Potential for a standalone high grade underground mine at Tabakoroni
- Substantial increases in Resolute's Ore Reserves and Mineral Resources as at 30 June 2018 as a result of outstanding exploration success and positive equity investments
    - Global Mineral Resources increased 35% to 16.5 million ounces (Moz)
    - Group Ore Reserves increased by 17% to 5.9Moz
    - Total Syama Underground Indicated and Inferred Resources increased to 5.7Moz; this was a 39% increase from the previous total underground resource of 1.6Moz
    - A maiden Inferred Resource for Nafolo discovery of 400,000 ounces was also established
    - Bibiani Indicated and Inferred Resources increased by 40% to 2.5Moz
- Discovery cost of A$36.5 per Reserve ounce and A$14.5 per Resource ounce

Corporate

- Strategic investment made in various African gold explorers including Oklo Resources Limited and Mako Gold Limited which are listed on the ASX and Orca Gold Inc and Loncor Resources Inc which are listed on the TSX
- US$100m Revolving Loan Facility was established with Investec Australia Limited to enhance financial flexibility allow Resolute to pursue growth opportunities as they arise

Environmental Regulation performance

The consolidated entity holds licences and abides by Acts and Regulations issued by the relevant mining and environmental protection authorities of the various countries in which the Group operates. These licences, Acts and Regulations specify limits and regulate the management of discharges to the air, surface waters and groundwater associated with the mining operations as well as the storage and use of hazardous materials.

There have been no significant known breaches of the consolidated entity's licence conditions or of the relevant Acts and Regulations. Levels of sulphate and some trace elements have been measured above license limits at the Ravenswood operation. The operation is cooperating with the Queensland Department of Environment and Science to evaluate and control surface and groundwater quality.

Directors' Report

Remuneration Report

The following information has been audited.

This remuneration report outlines the director and executive remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 and its Regulations. The following information has been audited as required by section 308(c) of the Corporations Act 2001.

The remuneration report is presented under the following sections:

1. Introduction
2. Remuneration governance
3. Executive remuneration arrangements and outcomes for 2018
4. Non-executive director remuneration arrangements and outcomes for 2018
5. Additional disclosures relating to options and shares
6. Loans to key management personnel and their related parties

1. Introduction

The remuneration report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, the term "executive" includes the Chief Executive Officer (CEO), executive directors and other senior executives of the Company and the Group.

Key management personnel

(i) Directors

Name	Position held during the financial year
J. Welborn	Managing Director and Chief Executive Officer
M. Botha	Non-Executive Director (Non-Executive Chairman)
H. Price	Non-Executive Director
P. Sullivan	Non-Executive Director
Y. Broughton	Non-Executive Director
M. Potts	Non-Executive Director

(ii) Executives

Name	Position held during the financial year
P. Beilby	Chief Operating Officer
L. de Bruin	Chief Financial Officer
A. Stanton	General Counsel and Company Secretary (appointed 4 August 2017)
G. Fitzgerald	Company Secretary (resigned 4 August 2017)

Directors' Report

Remuneration Report (continued)

2. Remuneration Governance

Remuneration Committee

The Remuneration Committee is responsible for determining and reviewing the compensation arrangements for directors, the Chief Executive Officer and the executive team. Executive remuneration is reviewed annually having regard to individual and business performance, relevant comparative information and internal and independent external information.

In accordance with best practice governance the Remuneration Committee is comprised solely of non-executive directors.

Nomination Committee

The Nomination Committee is responsible for Board and Board Committee membership, succession planning and performance evaluation.

In accordance with best practice governance the Remuneration Committee is comprised solely of non-executive directors.

Remuneration Structure

In accordance with best practice governance, the structure of non-executive director and senior executive remuneration is separate and distinct.

Remuneration Report Approval at 2017 AGM

The 30 June 2017 remuneration report received positive shareholder support at the 2017 AGM with a vote of more than 99% in favour.

3. Executive Remuneration arrangements and outcomes for 2018

RML Remuneration Policy

The Board recognises that the performance of the Company depends upon the quality of its executives. To achieve its financial and operating objectives, the Company must attract, motivate and retain highly skilled directors and executives.

The Company embodies the following principles in its remuneration framework:

- Provides competitive rewards to attract high calibre executives;
- Structures remuneration at a level that reflects the executive's duties and accountabilities and is competitive within Australia;
- Benchmarks remuneration against appropriate groups; and
- Aligns executive incentive rewards with the creation of value for shareholders.

Objective
The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to ensure total remuneration is competitive by market standards.

Structure
In determining the level and make up of executive remuneration, the Remuneration Committee uses an external consultant's Remuneration Report to determine market levels of remuneration for comparable executive roles in the mining industry. An external advisor has been used to assist in the design and implementation of a Remuneration Framework that is in line with industry practice.

It is the Nomination Committee's policy that employment contracts are entered into with the Chief Executive Officer and the executive employees. Details of these contracts are outlined later in this report.

Remuneration consists of the following key elements:

- Fixed remuneration
- Variable remuneration
    - Short term incentives (STI); and,
    - Long term incentives (LTI).

Directors' Report

Remuneration Report (continued)

3. Executive Remuneration arrangements and outcomes for 2018 (continued)

The proportion of fixed remuneration and variable remuneration (potential short term and long term incentives) is established for each executive by the Remuneration Committee and for the year ended 30 June 2018 was as follows:

		Variable remuneration	
CEO	Fixed Remuneration (40%)	Target STI (20%)	Target LTI (40%)
Other Executives	Fixed Remuneration (47%)	Target STI (23%)	Target LTI (30%)

Fixed Remuneration

Objective
The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Fixed remuneration is reviewed annually by the Remuneration Committee. The process consists of a review of individual performance, relevant experience, and relevant comparable remuneration in the mining industry and more broadly across other sectors.

Structure
Executives receive a base salary and statutory superannuation as part of their Fixed Remuneration.

Variable Remuneration – Short Term Incentive ("STI")

Objective
The objective of the STI is to generate greater alignment between performance and remuneration levels for the purpose of driving operational excellence.

Structure
The STI is an annual "at risk" component of remuneration for executives. It is payable based on performance against key performance indicators (KPIs) set at the beginning of the financial year. STI's are structured to remunerate executives for achieving annual Company targets and their own individual performance targets. The net amount of any STI after allowing for applicable taxation, is payable in cash.

KPIs require the achievement of strategic, operational or financial measures and are linked to the drivers of business performance. For each KPI there are defined "threshold", "target" and "stretch" measures which are capable of objective assessment. For the executives, a below "threshold" performance delivers a nil STI, a "threshold" performance delivers a STI equal to 12.5% of fixed remuneration, a "target" performance delivers a STI equal to 50% of fixed remuneration, and a "stretch" performance delivers a STI equal to 75% of fixed remuneration. Pro-rata payment applies on a straight line basis between "threshold" and "target" and from "target" to "stretch" Performance.

Target performance represents challenging levels of performance. Stretch performance requires significant performance above and beyond normal expectations and if achieved is anticipated to result in a substantial improvement in key strategic outcomes, operational or financial results, and/or the business performance of the Company.

The Remuneration Committee is responsible for recommending KPIs to the Board for each executive and then later assessing the extent to which the KPIs of the executive have been achieved, and the amount to be paid to each executive. To assist in making this assessment, the Committee receives detailed reports and presentations on the performance of the business from the CEO, Company Secretary and independent remuneration consultants as required.

Directors' Report

Remuneration Report (continued)

3. Executive Remuneration arrangements and outcomes for 2018 (continued)

The STI measures comprise:

- Improved safety performance – measured by:
    - a lag indicator in the form of a specified reduction in the Total Recordable Injury Frequency Rate in comparison to prior years; and
    - specified lead indicators designed to be proactive and influence future events with measures being put in place to prevent incidents and injury. As part of this process, a Safety Action Performance list is prepared each year outlining a set of actions and deliverables.
- The achievement of defined targets relative to budget relating to:
    - operating cash flow;
    - gold poured; and
    - cost per tonne milled.
- A set of personal performance metrics designed to drive optimum operational performance as specifically related to each executive portfolio.

These measures have been selected as they can be reliably measured, are key drivers of value for shareholders and encourage behaviours in line with the Company's core values.

Actual STI performance for the year ending 30 June 2018
Actual performance for the year ending 30 June 2018 was an average of 78% of target performance for Executives.

Variable Remuneration – Long Term Incentive ("LTI")

Objective
The objective of the LTI plan is to reward executives in a manner which aligns this element of remuneration with the creation of shareholder wealth.

As such LTIs are provided to executives who are able to influence the generation of shareholder value and thus have an impact on the Company's performance against the relevant long-term performance hurdles.

a) Selecting the right plan vehicle

Under a Performance Rights Plan, executives are granted a right to be issued a share in the future subject to performance based vesting conditions being met.

b) Grant Frequency and LTI quantum

Upon Board instigation, Executives receive a new grant of performance rights every year and the LTI forms a key component of the executive's Total Annual Remuneration.

The LTI dollar value that executives are entitled to receive is set at a fixed percentage of their fixed remuneration and equates to 100% of fixed remuneration for the Chief Executive Officer and 65% of fixed remuneration for the other executives.

c) Performance Conditions

Performance conditions have been selected that reward executives for creating shareholder value as determined via the change in the Company's share price (Relative Total Shareholder Return) and via reserves/resources growth over a 3 year period.

The LTI performance is structured as follows:

Performance Rights will vest subject to meeting service and performance conditions as defined below:

- 75% of the Rights will be performance tested against the relative total shareholder return ("RTSR") measure over a 3 year period; and,
- 25% of the Rights will be performance tested against the reserve/resource growth over a 3 year period.

Directors' Report

Remuneration Report (continued)

3. Executive Remuneration arrangements and outcomes for 2018 (continued)

Reflecting on market practice the Board has decided that the most appropriate performance measure to track share price performance is via a relative TSR measure. The Company's TSR is updated each year and is measured against a customised peer group comprising the following companies:

- Alacer Gold Corporation
- Beadell Resources Ltd
- Endeavour Mining Corporation
- Evolution Mining Ltd
- Kingsgate Consolidated Ltd
- Medusa Mining Ltd
- Northern Star Resources Limited
- OceanaGold Corporation
- Perseus Mining Ltd
- Ramelius Resources Ltd
- Regis Resources Ltd
- Saracen Mining Ltd
- Silver Lake Resources Ltd
- St Barbara Ltd
- Teranga Gold Corporation
- Troy Resources Limited

For the year ending 30 June 2018, in order for performance rights to vest, the Company's performance must be at or above the 50th percentile in relation to TSR as compared to its peer companies. The following table sets out the vesting schedule based on the Company's relative TSR performance for the year ending 30 June 2018:

Relative TSR performance	Performance Vesting Outcomes
Less than 50th percentile	0% vesting
At the 50th percentile	50% vesting
Between 50th and 75th percentile	Linear vesting
75th percentile and above	100% vesting

The second performance condition is resource and reserve growth net of depletion over a 3 year period. Broadly, the quantum of the increase in resources and reserves will determine the number of performance rights to vest.

The following table sets out the vesting outcome based on the Company's resource and reserve growth performance:

Resource and Reserve Growth Performance	Performance Vesting Outcomes
R&R depleted	0% vesting
R&R maintained	50% vesting
R&R between maintain and 30% growth	Linear vesting
R&R grown by 30% or more	100% vesting

d) Performance period

Grants under the LTI need to serve a number of different purposes:

(i) act as a key retention tool; and,
(ii) focus on future shareholder value generation.

Therefore, the awards under the LTI relate to a 3 year period and provide a structure that is focused on long term sustainable shareholder value generation.

e) Change of Control Provisions

On the occurrence of a change of control event of Resolute Mining Limited, the Board will determine, in its sole and absolute discretion, the manner in which all unvested and vested awards will be dealt with.

Directors' Report

Remuneration Report (continued)

3. Executive Remuneration arrangements and outcomes for 2018 (continued)

Actual LTI performance for the 3 year period ending 30 June 2018

For the year ending 30 June 2018 the Company's LTI was tested against the relative TSR performance measure and the resource and reserve growth measure. The Company achieved a TSR of above the 75th percentile relative to companies in the customised peer group. There was 16% actual growth in resource and reserve performance resulting in a 69% vesting outcome for this measure. Overall when accounting for both measures, the vesting outcome for performance rights due to vest is 92%.

Company Performance

The table below shows the performance of the Consolidated Entity over the last 5 years:

		30 June 2018	30 June 2017	(Restated) 30 June 2016	30 June 2015	30 June 2014
Net profit/(loss) after tax	$'000	77,837	166,096	200,732	(568,760)	29,156
Basic earnings/(loss) per share	cents/share	8.85	19.05	26.79	(78.39)	5.20

Executive Employment Contracts

Remuneration arrangements for KMP are formalised in employment agreements. The following table outlines the details of contracts with key management personnel:

Name	Title	Term of Agreement	Notice Period by Executive	Notice Period by Company	Termination Benefit[1]
John Welborn	Managing Director and Chief Executive Officer	Open	6 months	12 months	Redundancy as per NES
Peter Beilby	Chief Operating Officer	Open	3 months	6 months	Redundancy as per NES
Lee-Anne de Bruin	Chief Financial Officer	Open	3 months	3 months	Redundancy as per NES
Greg Fitzgerald	Company Secretary (resigned 4 August 2017)	Open	3 months	6 months	Redundancy as per NES
Amber Stanton	General Counsel and Company Secretary	Open	3 months	3 months	Redundancy as per NES

[1] NES is the National Employment Standards.

Directors' Report

Remuneration Report (continued)

3. Executive Remuneration arrangements and outcomes for 2018 (continued)

		SHORT TERM BENEFITS				POST EMPLOY-MENT BENEFITS	LONG TERM BENEFITS	SHARE BASED PAYMENTS		PERFORMANCE RELATED	
	Financial Year	Base Remuneration	Non Monetary Benefits (i)	Short Term Incentive (ii)	Annual Leave Expense	Superannuation	Long Service Leave Expense	Performance Rights	Total	Short Term Incentive, Options and Performance Rights	Options and Performance Rights
		$	$	$	$	$	$	$	$	%	%
J. Welborn	2018	648,615	5,070	312,199	56,058	25,000	34,184	1,408,339	2,489,465	69	57
	2017	649,037	-	394,274	54,005	30,000	12,682	864,239	2,004,237	63	43
P. Beilby	2018	395,438	5,070	154,608	34,397	25,000	18,495	234,761	867,769	45	27
	2017	365,407	-	180,485	34,260	35,000	15,656	176,279	807,087	44	22
L. de Bruin (iii)	2018	363,462	5,070	191,895	31,096	25,000	13,582	195,286	825,391	47	24
	2017	145,509	-	76,698	11,083	14,094	-	39,931	287,315	41	14
G. Fitzgerald (iv)	2018	19,600	5,639	-	2,818	20,012	1,082	-	49,151	-	-
	2017	319,260	5,271	197,422	29,393	35,000	9,553	(193,475)	402,424	1	-
A. Stanton (v)	2018	240,658	5,070	99,486	9,432	20,049	6,716	43,658	425,069	34	10
Total	2018	1,667,773	25,919	758,188	133,801	115,061	74,059	1,882,044	4,656,845		
	2017	1,479,213	5,271	848,879	128,741	114,094	37,891	886,974	3,501,063		

i. Non-monetary benefits include, where applicable, the cost to the Company of providing fringe benefits, the fringe benefits tax on those benefits and all other benefits received by the executive.

ii. The Short Term Incentives for the year ended 30 June 2018 will be paid in cash in September 2018. The Short Term Incentives for the year ended 30 June 2017 were paid in cash on 15 September 2017.

iii. Ms de Bruin was appointed on 27 February 2017.

iv. Mr Fitzgerald resigned as Chief Financial Officer on 27 February 2017 and as Company Secretary on 4 August 2017.

v. Ms Stanton was appointed on 4 August 2017.

vi. The total for 2017 of $3,501,063 in this table is less than the total for 2017 in the Remuneration Report for the year ended 30 June 2017 of $5,389,202 as it does not include $1,888,139 for the following personnel who were included in the remuneration report for the year ended 30 June 2017. As they are no longer classified as key management personnel, they have not been included in the remuneration report for the year ended 30 June 2018 above:

- *P. Henharen – General Manager – Project Delivery (up until 4 April 2018)*
- *V. Hughes – General Manager – People, Culture and Information (resigned 22 December 2017)*
- *D. Kelly – General Manager – Corporate Strategy*
- *B. Mowat – General Manager – Exploration*

Directors' Report

Remuneration Report (continued)

4. Non-Executive Director Remuneration Arrangements and Outcomes for 2018

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Company's constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination was at the Annual General Meeting held on 29 November 2016 when the shareholders approved an aggregate remuneration of $1,000,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The board considers fees paid to non-executive directors of comparable companies when undertaking the annual review process. Each non-executive director receives a fee for being a director of the Company. The fee size is commensurate with the workload and responsibilities undertaken.

Non-executive directors do not participate in any incentive programs.

The remuneration for non-executive directors for the year ended 30 June 2018 and 30 June 2017 is detailed in the table below.

Non-executive director remuneration for the years ended 30 June 2018 and 30 June 2017

	Financial Year	SHORT TERM BENEFITS		SHARE BASED PAYMENTS	POST EMPLOYMENT BENEFITS	
		Remuneration	Non-Monetary Benefits	Performance Rights	Superannuation	Total
		$	$	$	$	
Non-executive directors						
M. Botha	2018	175,000	-	-	-	175,000
	2017	90,000	-	-	-	90,000
P. Huston (i)	2018	-	-	-	-	-
	2017	192,500	-	-	-	192,500
P. Sullivan	2018	68,592	13,600	-	7,808	90,000
	2017	68,591	13,600	(54,012)	7,808	35,987
H. Price	2018	65,000	-	-	25,000	90,000
	2017	55,000	-	-	35,000	90,000
M. Potts	2018	90,000	-	-	-	90,000
	2017	550	-	-	-	550
Y. Broughton (ii)	2018	118,000	-	-	-	118,000
	2017	550	-	-	-	550
Total	2018	516,592	13,600	-	32,808	563,000
	2017	407,191	13,600	(54,012)	42,808	409,587

i. Mr Huston resigned on 29 June 2017.

ii. $28,000 included in Ms Broughton's remuneration relates to company secretarial consultancy services provided during the 2018 financial year.

Directors' Report

Remuneration Report (continued)

5. Additional Disclosures Relating to Options and Shares

No options were held by key management personnel during the year.

Details of performance rights holdings of key management personnel are as follows:

2018	Balance at the start of the year	Granted during the year as compensation								Lapsed during the year	Vested during the year	Balance at the end of the year
		Number	Issue date	Fair value of performance rights at grant date	Total Fair value of performance rights at grant date	Vesting period (years)	Vesting date	Expiry of performance rights	Exercise price of performance rights granted during the year			
				$	$				$			
Directors												
P. Sullivan	351,297	-	-	-	-	-	-	-	-	(182,674)	(168,623)	-
J. Welborn	4,079,000	587,500	28 Nov 2017	0.74	437,100	3	30 Jun 2020	1 Jul 2022	$nil	-	-	4,666,500
Other key management personnel												
P. Beilby	1,552,352	238,880	17 Oct 2017	0.81	192,357	3	30 Jun 2020	1 Jul 2022	$nil	(229,325)	(211,684)	1,350,223
L. de Bruin	208,000	216,667	17 Oct 2017	0.81	174,633	3	30 Jun 2020	1 Jul 2022	$nil	-	-	424,667
A. Stanton	-	162,500	17 Oct 2017	0.81	130,975	3	30 Jun 2020	1 Jul 2022	$nil	-	-	162,500

iii. Performance rights vest in accordance with the Resolute Mining Limited Remuneration Policy and Equity Incentive Plan which outline the key performance indicators that need to be satisfied. The percentage of performance rights granted during the financial year that also vested during the financial year is nil.

Directors' Report

Remuneration Report (continued)

5. Additional Disclosures Relating to Options and Shares

Details of shareholdings of key management personnel are as follows:

2018	Balance at the start of the year	Received during the year on the vesting of performance rights	Purchased on market during the year	Other changes during the year	Shares sold on market during the year	Balance at the end of the year
Directors						
P. Sullivan	3,072,051	168,623	-		(400,000)	2,840,674
H. Price	194,745	-	-		-	194,745
J. Welborn (i)	1,990,000	-	480,000	30,000	-	2,500,000
M. Potts	26,825	-	-		-	26,825
Other key management personnel						
P. Beilby	354,883	211,684	-		(200,000)	366,567
G. Fitzgerald (ii)	235,902	-	-	(235,902)	-	-

(i) Refer to Appendix 3Y released on 8 September 2017.

(ii) These were the number of shares held by Mr Fitzgerald when he ceased employment on 4 August 2017.

6. Loans to Key Management Personnel and their Related Parties

There were no loans to key management personnel during the years ended 30 June 2018 and 30 June 2017.

This is the end of the audited information.

Directors' Report

Performance Rights

Outstanding performance rights at the date of this report are as follows:

Grant date	Vesting date	Exercise price	Number on issue
24/10/16	30/06/19	-	2,305,137
29/11/16	30/06/19	-	600,000
29/11/16	30/06/20	-	1,000,000
17/10/17	30/06/20	-	1,506,454
28/11/17	30/06/20	-	587,500
07/03/18	30/06/20	-	319,571
			6,318,662

Indemnification and Insurance of Directors and Officers

RML maintains an insurance policy for its directors and officers against certain liabilities arising as a result of work performed in the capacity as directors and officers. The company has paid an insurance premium for the policy. The contract of insurance prohibits disclosure of the amount of the premium and the nature of the liabilities insured.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Auditor Independence

Refer to page 21 for the Auditor's Independence Declaration to the Directors of Resolute Mining Limited.

Directors' Meetings

The number of meetings and resolutions of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Full Board	Audit	Remuneration	Nomination
M. Botha	10	5	3	3
P. Sullivan	10	5	3	n/a
J. Welborn	10	n/a	n/a	n/a
H. Price	10	5	3	3
M. Potts	10	5	1*	3
Y. Broughton	10	5	3	3
Number of meetings held	10	5	3	3

* Mr Potts was present at all Remuneration Committee meetings held until he ceased to be a member of the Remuneration Committee on 26 October 2017.

The details of the functions of the other committees of the Board are presented in the Corporate Governance Statement.

Directors' Report

Rounding

RML is a Company of the kind specified in Australian Securities and Investments Commission Corporations (Rounding in Financial Directors' Reports) Instrument 2016/191. In accordance with that class order, amounts in the financial report and the Directors' Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

Non-Audit Services

Non-audit services were provided by the entity's auditor, Ernst & Young for the year ended 30 June 2018. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young Australia received or are due to receive $20,000 for the provision of sustainability services in the year ended 30 June 2018 (2017: $0).

Signed in accordance with a resolution of the directors.

J.P. Welborn

Managing Director and CEO

Perth, Western Australia

23 August 2018

Building a better working world

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Auditor's independence declaration to the Directors of Resolute Mining Limited

As lead auditor for the audit of Resolute Mining Limited for the year ended 30 June 2018, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Resolute Mining Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
23 August 2018

GB:EH:RSG:250

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Consolidated Statement of Comprehensive Income

	Note	2018 $'000	2017 $'000
Revenue from gold and silver sales	A.1	445,555	541,177
Costs of production relating to gold sales	A.1	(329,676)	(309,323)
Gross profit before depreciation, amortisation and other operating costs		**115,879**	**231,854**
Depreciation and amortisation relating to gold sales	A.1	(14,417)	(19,727)
Other operating costs relating to gold sales	A.1	(32,138)	(35,222)
Gross profit from operations		**69,324**	**176,905**
Other income	A.1	2,999	2,052
Other expenses	A.1	(2,449)	(202)
Exploration and business development expenditure	A.1	(15,686)	(8,430)
Administration and other corporate expenses	A.1	(14,133)	(10,913)
Share-based payments expense	A.1	(1,782)	(1,184)
Treasury - realised gains	A.1	2,096	4,039
Fair value movements and unrealised treasury transactions	A.1	43,396	9,039
Share of associates' losses	A.1/E.4	(1,500)	(1,799)
Depreciation of non-mine site assets	A.1	(130)	(83)
Finance costs	A.1	(4,298)	(3,328)
Profit before tax		**77,837**	**166,096**
Tax expense		-	-
Profit for the year		**77,837**	**166,096**
Profit attributable to:			
Members of the parent		65,570	136,371
Non-controlling interest	E.5	12,267	29,725
		77,837	**166,096**

Consolidated Statement of Comprehensive Income (continued)

	Note	2018 $'000	2017 $'000
Profit for the year (brought forward)		77,837	166,096
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations:			
- Members of the parent		(1,759)	2,501
Changes in the fair value/realisation of available for sale financial assets, net of tax		(989)	281
Items that may not be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations:			
- Non-controlling interest		(1,253)	1,120
Other comprehensive (loss)/income for the year, net of tax		**(4,001)**	**3,902**
Total comprehensive income for the year		**73,836**	**169,998**
Total comprehensive income attributable to:			
Members of the parent		62,823	139,153
Non-controlling interest		11,013	30,845
		73,836	**169,998**
Earnings per share for net profit attributable to the ordinary equity holders of the parent:			
Basic earnings per share	A.3	**8.85 cents**	**19.05 cents**
Diluted earnings per share	A.3	**8.72 cents**	**18.61 cents**

Consolidated Statement of Financial Position

	Note	2018 $'000	2017 $'000
Current assets			
Cash	C.1	42,445	282,060
Receivables	D.1	45,097	5,748
Inventories	D.2	234,720	202,074
Available for sale financial assets	D.3	22,859	3,595
Prepayments and other assets		5,299	2,679
Current tax asset		20,811	-
Financial derivative assets	D.3	-	2,214
Total current assets		**371,231**	**498,370**
Non current assets			
Prepayments	D.4	15,862	-
Investments in associates	E.4	6,994	5,840
Deferred tax assets	A.4	9,456	15,333
Other financial assets	D.3	3,751	3,651
Exploration and evaluation	B.2	53,162	64,879
Development	B.1	302,158	159,612
Property, plant and equipment	B.1	172,656	90,068
Total non current assets		**564,039**	**339,383**
Total assets		**935,270**	**837,753**
Current liabilities			
Payables	D.5	92,488	65,152
Interest bearing liabilities	C.2	47,282	34,558
Provisions	D.6	21,171	18,726
Current tax liabilities		-	3,979
Total current liabilities		**160,941**	**122,415**
Non current liabilities			
Provisions	D.6	65,687	66,140
Total non current liabilities		**65,687**	**66,140**
Total liabilities		**226,628**	**188,555**
Net assets		**708,642**	**649,198**
Equity attributable to equity holders of the parent			
Contributed equity	C.4	544,972	544,987
Reserves	C.5	37,011	38,408
Retained earnings		134,073	83,333
Total equity attributable to equity holders of the parent		**716,056**	**666,728**
Non-controlling interest	E.5	**(7,414)**	**(17,530)**
Total equity		**708,642**	**649,198**

Consolidated Statement of Changes in Equity

	Contributed equity	Net unrealised gain/(loss) reserve	Convertible notes/ Share options equity reserve	Non-controlling interests reserve	Employee equity benefits reserve	Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Non-controlling interest	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2017	**544,987**	**213**	**6,371**	**-**	**14,291**	**17,533**	**83,333**	**(17,530)**	**649,198**
Profit for the year	-	-	-	-	-	-	65,570	12,267	77,837
Other comprehensive loss, net of tax	-	(989)	-	-	-	(1,759)	-	(1,253)	(4,001)
Total comprehensive (loss)/income for the year, net of tax	**-**	**(989)**	**-**	**-**	**-**	**(1,759)**	**65,570**	**11,014**	**73,836**
Share issue costs	(15)	-	-	-	-	-	-	-	(15)
Dividends paid	-	-	-	-	-	-	(14,830)	-	(14,830)
Non-controlling interest arising from change in ownership interest	-	-	-	(934)	-	-	-	(898)	(1,832)
Share-based payments to employees	-	-	-	-	2,285	-	-	-	2,285
At 30 June 2018	**544,972**	**(776)**	**6,371**	**(934)**	**16,576**	**15,774**	**134,073**	**(7,414)**	**708,642**

Consolidated Statement of Changes in Equity (continued)

	Contributed equity	Net unrealised gain/(loss) reserve	Convertible notes/ Share options equity reserve	Employee equity benefits reserve	Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Non-controlling interest	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2016	**395,198**	**(68)**	**6,371**	**12,092**	**15,032**	**(41,836)**	**(48,375)**	**338,414**
Profit for the year	-	-	-	-	-	136,371	29,725	166,096
Other comprehensive loss, net of tax	-	281	-	-	2,501	-	1,120	3,902
Total comprehensive (loss)/income for the year, net of tax	**-**	**281**	**-**	**-**	**2,501**	**136,371**	**30,845**	**169,998**
Shares issued	152,697	-	-	-	-	-	-	152,697
Share issue costs	(2,908)	-	-	-	-	-	-	(2,908)
Dividends paid	-	-	-	-	-	(11,202)	-	(11,202)
Share-based payments to employees	-	-	-	2,199	-	-	-	2,199
At 30 June 2017	**544,987**	**213**	**6,371**	**14,291**	**17,533**	**83,333**	**(17,530)**	**649,198**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement

	Note	2018 $'000	2017 $'000
Cash flows from operating activities			
Receipts from customers		447,495	545,159
Payments to suppliers, employees and others		(391,955)	(339,181)
Exploration expenditure		(15,686)	(8,430)
Interest paid		(2,410)	(1,818)
Interest received		2,166	2,022
Income tax paid		(11,251)	(11,368)
Net cash flows from operating activities	**C.1**	**28,359**	**186,384**
Cash flows used in investing activities			
Payments for property, plant & equipment		(88,421)	(37,326)
Payments for development activities		(138,565)	(61,809)
Payments for evaluation activities		(11,747)	(20,602)
Proceeds from sale of property, plant & equipment		510	2,233
Payments for other financial assets		(22,878)	(7,492)
Acquisition of a share of a non-controlling interest		(1,832)	-
Loans advanced to other parties		(5,133)	-
Other investing activities		(890)	(2,757)
Net cash flows used in investing activities		**(268,956)**	**(127,753)**
Cash flows used in financing activities			
Proceeds from issuing ordinary shares		-	150,000
Costs of issuing ordinary shares		(15)	(2,849)
Repayment of lease liability		-	(234)
Dividend paid		(14,830)	(11,202)
Net cash flows (used in)/from financing activities		**(14,845)**	**135,715**
Net (decrease)/increase in cash and cash equivalents		**(255,442)**	**194,346**
Cash and cash equivalents at the beginning of the financial year		247,502	53,417
Exchange rate adjustment		3,103	(261)
Cash and cash equivalents at the end of the period		**(4,837)**	**247,502**
Cash and cash equivalents comprise the following:			
Cash at bank and on hand	C.1	42,445	282,060
Bank overdraft	C.2	(47,282)	(34,558)
		(4,837)	**247,502**

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

About this Report

The financial report of Resolute Mining Limited and its controlled entities ("Resolute", "consolidated entity" or the "Group") for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the Directors on 23 August 2018.

Resolute Mining Limited (the parent entity) is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are described in the directors' report and in the segment information in Note A.1. There has been no significant change in the nature of those activities during the year.

Statement of Compliance

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Board and the Corporations Act 2001. The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The accounting policies are consistent with those disclosed in the 30 June 2017 Financial Report, except for the impact of all new or amended Standards and Interpretations. The adoption of these Standards and Interpretations did not result in any significant changes to the Group's accounting policies.

The financial report includes financial information for Resolute Mining Limited ("RML") as an individual entity and the consolidated entity consisting of RML and its subsidiaries. Where appropriate, comparative information has been reclassified.

Basis of Preparation

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities at fair value.

The financial report comprises the financial statements of the Group and its subsidiaries as at 30 June each year. Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date at which control is transferred out of the Group. Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Interests in associates are equity accounted and are not part of the consolidated Group.

Rounding of Amounts

The financial report has been prepared in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated.

Currency

Items in the financial statements of each of the Group's entities are measured in their respective functional currencies. Resolute Mining Limited's functional and presentation currency is Australian dollars.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items classified as net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

About this Report (continued)

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position;
- income and expenses for each consolidated statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and,
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold or borrowings repaid, a proportionate share of such exchange differences are recognised in the consolidated statement of comprehensive income as part of the gain or loss on sale.

Financial and Capital Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including gold price risk, diesel fuel price risk, currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks, where considered appropriate, to minimise potential adverse effects on the financial performance of the Group. The Group may use derivative financial instruments to manage certain risk exposures. Derivatives have been used exclusively for managing financial risks, and not as trading or other speculative instruments.

Risk management is carried out by the Group's Audit and Risk Committee under policies approved by the Board of Directors. The Audit and Risk Committee identifies, evaluates and manages financial risks as deemed appropriate. The Board provides guidance for overall risk management, including guidance on specific areas, such as mitigating commodity price, foreign exchange, interest rate and credit risks, and derivative financial instrument risk.

Foreign exchange risk management

The Group receives multiple currency proceeds on the sale of its gold production and significant costs for the Syama Gold Project and the Bibiani Project are denominated in AUD, EUR, USD and the local currencies of those projects, and as such movements within these currencies expose the Group to exchange rate risk.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk can be measured by performing a sensitivity analysis that quantifies the impact of different assumed exchange rates on the Group's forecast cash flows.

The Group's Audit and Risk Committee continues to manage and monitor foreign exchange currency risk. At present, the Group does not specifically hedge its exposure to foreign currency exchange rate movements.

Diesel price risk management

The Group is exposed to movements in the diesel fuel price. The costs incurred purchasing diesel fuel for use by the Group's operations is significant. The Group's Audit and Risk Committee continues to manage and monitor diesel fuel price risk. At present, the Group does not specifically hedge its exposure to diesel fuel price movements.

The below risks arise in the normal course of the Group's business. Risk information can be found in the following sections:

Section C	Capital risk
Section C	Interest rate risk
Section C	Liquidity risk
Section D	Credit risk

Notes to the Financial Statements A: Earnings for the Year

In this section

Results and the performance of the Group, with segmental information highlighting the core areas of the Group's operations. It also includes details about the Group's tax position.

A.1 Segment revenues and expenses

Operating segment information

The Group has identified three operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer and his executive team (the Chief Operating Decision Maker) in assessing performance and in determining the allocation of resources.

Operating segments are identified by management as being operating mine sites and are managed separately and operate in different regulatory and economic environments.

Performance is measured based on gold poured and cost of production per ounce poured. The accounting policies used by the Group in reporting segments are the same as those used in the preparation of financial statements.

The following items and associated assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Realised and unrealised treasury transactions, including derivative contract transactions;
- Finance costs - including adjustments on provisions due to discounting;
- Share of associates' losses and,
- Net gains/losses on disposal of available-for-sale investments.

Recognition and measurement

Revenue from gold and other sales

Revenue is recognised when the risk and reward of ownership has passed from the Group to an external party and the selling price can be determined with reasonable accuracy. Sales revenue represents gross proceeds receivable from the customer.

Revenue from the sale of by-products such as silver is included in sales revenue.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed and are included in profit or loss as part of borrowing costs.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's outstanding borrowings during the period.

Notes to the Financial Statements A: Earnings for the Year

A.1 Segment revenues and expenses (continued)

For the year ended 30 June 2018	Ravenswood (Australia)	Syama (Mali)	Bibiani (Ghana)	Unallocated (b)		Total
				Corporate/ Other	Treasury	
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue						
Gold and silver sales at spot to external customers (a)	138,463	307,092	-	-	-	445,555
Total segment gold and silver sales revenue	**138,463**	**307,092**	**-**	**-**	**-**	**445,555**
Costs of production	(120,011)	(237,453)	-	-	-	(357,464)
Gold in circuit inventories movement	12,478	15,310	-	-	-	27,788
Costs of production relating to gold sales	(107,533)	(222,143)	-	-	-	(329,676)
Royalty expense	(6,915)	(19,309)	-	-	-	(26,224)
Operational support costs	(256)	(5,651)	-	(7)	-	(5,914)
Other operating costs relating to gold sales	(7,171)	(24,960)	-	(7)	-	(32,138)
Administration and other corporate expenses	(4,664)	(2,497)	-	(6,972)	-	(14,133)
Share-based payments expense	-	-	-	(1,782)	-	(1,782)
Exploration and business development expenditure	(7,364)	(1,044)	(2,381)	(4,897)	-	(15,686)
Earnings/(loss) before interest, tax, depreciation and amortisation	**11,731**	**56,448**	**(2,381)**	**(13,658)**	**-**	**52,140**
Amortisation of evaluation, development and rehabilitation costs	(1,297)	(3,498)	-	-	-	(4,795)
Depreciation of mine site properties, plant and equipment	(1,274)	(8,348)	-	-	-	(9,622)
Depreciation and amortisation relating to gold sales	(2,571)	(11,846)	-	-	-	(14,417)
Segment operating result before treasury, other income/(expenses) and tax	**9,160**	**44,602**	**(2,381)**	**(13,658)**	**-**	**37,723**

Notes to the Financial Statements A: Earnings for the Year

A.1 Segment revenues and expenses (continued)

For the year ended 30 June 2018	Ravenswood (Australia)	Syama (Mali)	Bibiani (Ghana)	Unallocated (b)		Total
				Corporate/ Other	Treasury	
	$'000	$'000	$'000	$'000	$'000	$'000
Segment operating result before treasury, other income/(expenses) and tax (brought forward)	**9,160**	**44,602**	**(2,381)**	**(13,658)**	**-**	**37,723**
Interest income	-	-	-	-	2,595	2,595
Other income	-	-	-	-	80	80
Gain on sale of property, plant and equipment	324	-	-	-	-	324
Total other income	324	-	-	-	2,675	2,999
Interest and fees	-	-	-	-	(2,793)	(2,793)
Rehabilitation and restoration provision accretion	(899)	(606)	-	-	-	(1,505)
Finance costs	(899)	(606)	-	-	(2,793)	(4,298)
Realised foreign exchange gain	-	-	-	-	2,311	2,311
Realised loss on forward contracts	-	-	-	-	(215)	(215)
Treasury - realised gains	-	-	-	-	2,096	2,096
Inventories net realisable value movements and obsolete consumables	1,283	11,542	-	(3)	-	12,822
Unrealised foreign exchange gain	-	-	-	-	287	287
Unrealised foreign exchange gain on intercompany balances	-	-	-	-	30,287	30,287
Fair value movements and unrealised treasury transactions	1,283	11,542	-	(3)	30,574	43,396
Other expenses	-	(675)	(1,774)	-	-	(2,449)
Share of associates' losses	-	-	-	-	(1,500)	(1,500)
Depreciation of non mine site assets	-	-	-	(130)	-	(130)
Profit/(loss) for the year	**9,868**	**54,863**	**(4,155)**	**(13,791)**	**31,052**	**77,837**

Notes to the Financial Statements A: Earnings for the Year

A.1 Segment revenues and expenses (continued)

For the year ended 30 June 2017	Ravenswood (Australia)	Syama (Mali)	Bibiani (Ghana)	Unallocated (b)		Total
				Corporate/ Other	Treasury	
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue						
Gold and silver sales at spot to external customers (a)	158,032	381,293	-	-	1,852	541,177
Total segment gold and silver sales revenue	**158,032**	**381,293**	**-**	**-**	**1,852**	**541,177**
Costs of production	(115,285)	(213,947)	-	-	-	(329,232)
Gold in circuit inventories movement	(4,113)	24,022	-	-	-	19,909
Costs of production relating to gold sales	(119,398)	(189,925)	-	-	-	(309,323)
Royalty expense	(7,912)	(24,687)	-	-	-	(32,599)
Operational support costs	(196)	(2,427)	-	-	-	(2,623)
Other operating costs relating to gold sales	(8,108)	(27,114)	-	-	-	(35,222)
Administration and other corporate expenses	(2,561)	(2,182)	-	(6,170)	-	(10,913)
Share-based payments expense	-	-	-	(1,184)	-	(1,184)
Exploration and business development expenditure	(3,993)	(1,643)	(1,053)	(1,741)	-	(8,430)
Earnings/(loss) before interest, tax, depreciation and amortisation	**23,972**	**160,429**	**(1,053)**	**(9,095)**	**1,852**	**176,105**
Amortisation of evaluation, development and rehabilitation costs	(7,807)	(3,238)	-	-	-	(11,045)
Depreciation of mine site properties, plant and equipment	(2,025)	(6,657)	-	-	-	(8,682)
Depreciation and amortisation relating to gold sales	(9,832)	(9,895)	-	-	-	(19,727)
Segment operating result before treasury, other income/(expenses) and tax	**14,140**	**150,534**	**(1,053)**	**(9,095)**	**1,852**	**156,378**

Notes to the Financial Statements A: Earnings for the Year

A.1 Segment revenues and expenses (continued)

For the year ended 30 June 2017	Ravenswood (Australia)	Syama (Mali)	Bibiani (Ghana)	Unallocated (b)		Total
				Corporate/ Other	Treasury	
	$'000	$'000	$'000	$'000	$'000	$'000
Segment operating result before treasury, other income/(expenses) and tax (brought forward)	**14,140**	**150,534**	**(1,053)**	**(9,095)**	**1,852**	**156,378**
Interest income	-	-	-	-	1,983	1,983
Profit on sale of available for sale financial assets	-	-	-	-	-	-
Other income	-	-	-	-	69	69
Total other income	-	-	-	-	2,052	2,052
Interest and fees	-	-	-	-	(2,146)	(2,146)
Rehabilitation and restoration provision accretion	(694)	(488)	-	-	-	(1,182)
Finance costs	(694)	(488)	-	-	(2,146)	(3,328)
Realised foreign exchange loss	-	-	-	-	(841)	(841)
Realised gains on forward contracts	-	-	-	-	4,016	4,016
Realised gain on available for sale investments	-	-	-	-	864	864
Treasury - realised gains	-	-	-	-	4,039	4,039
Inventories net realisable value movements and obsolete consumables	1,132	10,292	224	-		11,648
Unrealised foreign exchange gain					446	446
Unrealised gains on forward contracts	-	-	-	-	2,629	2,629
Unrealised foreign exchange loss on intercompany balances	-	-	-	-	(5,684)	(5,684)
Fair value movements and unrealised treasury transactions	1,132	10,292	224	-	(2,609)	9,039
Gain/(loss) on sale of property, plant and equipment	(45)	-	(170)	22	-	(193)
Withholding tax expenses	-	-		(9)	-	(9)
Other expenses	(45)	-	(170)	13	-	(202)
Share of associates' losses	-	-	-	-	(1,799)	(1,799)
Depreciation of non mine site assets	-	-	-	(83)	-	(83)
Profit/(loss) for the year	**14,533**	**160,338**	**(999)**	**(9,165)**	**1,389**	**166,096**

Notes to the Financial Statements A: Earnings for the Year

A.1 Segment revenues and expenses (continued)

(a) Revenue from external sales for each reportable segment is derived from several customers.

(b) This information does not represent an operating segment as defined by AASB 8, however this information is analysed in this format by the Chief Operating Decision maker, and forms part of the reconciliation of the results and positions of the operating segments to the financial statements.

A.2 Dividends paid or proposed

	2018	2017
	$'000	$'000
Proposed dividends on ordinary shares:		
Final dividend for 2018: 2.0 cents per share (2017: 2.0 cents per share)	14,830	14,740

The dividend has not been provided for in the 30 June 2018 financial statements.

A.3 Earnings per share

	2018	2017
Basic earnings per share		
Profit attributable to ordinary equity holders of the parent for basic earnings per share ($'000)	65,570	136,371
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	740,664,832	716,015,281
Basic earnings per share (cents per share)	**8.85**	**19.05**
Diluted earnings per share		
Profit used in calculation of diluted earnings per share ($'000)	65,570	136,371
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	740,664,832	716,015,281
Weighted average number of notional shares used in determining diluted EPS	11,307,704	16,653,016
Weighted average number of ordinary shares outstanding during the period used in the calculation of diluted EPS	751,972,536	732,653,297
Number of potential ordinary shares that are not dilutive and hence not included in calculation of diluted EPS	-	-
Diluted earnings per share (cents per share)	**8.72**	**18.61**

Measurement

Basic earnings per share ("EPS") is calculated as net profit attributable to members, adjusted to exclude preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as the net profit attributable to members, adjusted for:

- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and,
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares
- divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Notes to the Financial Statements A: Earnings for the Year

A.3 Earnings per share (continued)

Information on the classification of securities

Options and performance rights granted to employees (including Key Management Personnel) as described in E.10 are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent they are dilutive. These options and performance rights have not been included in the determination of basic earnings per share.

A.4 Taxes

	2018	2017
	$'000	$'000
a) Income tax expense		
Current tax expense	(5,877)	15,333
Deferred tax benefit	5,877	(15,333)
Total tax expense	-	-
b) Numerical reconciliation of income tax expense to prima facie tax expense		
Profit from continuing operations before income tax expense	77,837	166,096
Profit before income tax expense	77,837	166,096
Prima facie income tax expense at 30% (2017: 30%)	23,351	49,829
(Deduct)/add:		
- (unrecognised tax losses and other temporary differences utilised)	(19,907)	(35,323)
- effect of different rates of tax on overseas income	-	(15,705)
- effect of share based payments expense not deductible	705	526
- other permanent differences	(4,149)	673
Income tax expense attributable to net profit	-	-

Notes to the Financial Statements A: Earnings for the Year

A.4 Taxes (continued)

	2018	2017
	$'000	$'000
c) Tax losses (tax effected)		
Revenue losses		
Australia	11,997	12,767
Mali	-	-
Ghana	23,158	36,676
	35,155	**49,443**
Capital losses		
Australia	52,314	50,084
Total tax losses not used against deferred tax liabilities for which no deferred tax asset has been recognised (potential tax benefit at the prevailing tax rates of the respective jurisdictions) (tax effected)	**87,469**	**99,527**
d) Movements in the deferred tax assets balance		
Balance at the beginning of the year	15,333	-
(Charged)/credited to the income statement	(5,877)	15,333
Balance as at the end of the year	**9,456**	**15,333**
The deferred tax assets balance comprises temporary differences attributable to:		
Receivables	82,958	84,715
Inventories	1,008	1,009
Available for sale financial assets	9,320	9,154
Mineral exploration and development interests	137,472	150,377
Property, plant and equipment	53,731	54,729
Payables	30	11
Provisions	9,504	21,844
Temporary differences not recognised	(267,616)	(289,257)
	26,407	**32,582**
Set off of deferred tax liabilities pursuant to set off provisions	(16,951)	(17,249)
Net deferred tax assets	**9,456**	**15,333**

Notes to the Financial Statements A: Earnings for the Year

A.4 Taxes (continued)

	2018	2017
	$'000	$'000
e) Movements in the deferred tax liabilities balance		
The deferred tax liabilities balance comprises temporary differences attributable to:		
Receivables	1,553	889
Inventories	8,191	8,191
Mineral exploration and development interests	7,207	8,169
Property, plant and equipment	-	-
	16,951	17,249
Set off of deferred tax liabilities pursuant to set off provisions	(16,951)	(17,249)
Net deferred tax liabilities	-	-
f) The equity balance comprises temporary differences attributable to:		
Convertible notes equity reserve	194	194
Option equity reserve	2,566	2,566
Unrealised loss reserve	64	64
Net temporary differences in equity	2,824	2,824
Set-off of deferred tax liabilities pursuant to set-off provisions	(64)	(64)
Total temporary differences in equity	2,760	2,760
FRANKING CREDITS		
The amount of franking credits available for subsequent financial years is as follows. The amount has been determined using a tax rate of 30%.	108	108

Recognition and measurement

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and by unused tax losses (if appropriate).

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits only if it is probable that sufficient future taxable income will be available to utilise those temporary differences and losses.

Notes to the Financial Statements A: Earnings for the Year

A.4 Taxes (continued)

Recognition and measurement (continued)

Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable profit or loss; or the accounting profit or loss arising from taxable differences related to investment in subsidiaries, associates and interests in joint ventures to the extent that:

- the Group is able to control the reversal of the temporary difference; and
- the temporary difference is not expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. Deferred tax assets and liabilities are offset only if certain criteria are met. Income taxes relating to items recognised directly in equity are recognised in equity.

Tax consolidation

RML and its wholly-owned Australian controlled entities implemented the tax consolidation legislation as of 1 July 2002 and the entities in the tax consolidated group entered into a tax sharing agreement, which limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Resolute Mining Limited. The entities have also entered into a tax funding agreement under which the wholly owned entities fully compensate Resolute Mining Limited for any current tax payable assumed and are compensated by Resolute Mining Limited for any current tax receivable.

Key estimates and judgements

The Group records its best estimate of these items based upon the latest information available and management's interpretation of enacted tax laws. Whilst the Group believes it has adequately provided for the outcome of these matters, future results may include favourable or unfavourable adjustments as assessments are made, or resolved.

The recognition basis of deductible temporary differences and unused tax losses in the form of deferred tax assets is reviewed at the end of each reporting period and de-recognised to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Pursuant to the Establishment Convention between the State of Mali and Societe des Mines de Syama S.A. (owner of the Syama Gold Mine), there was an income tax holiday for 5 years post the declaration of "first commercial production" at Syama, which commenced on 1 January 2012. The tax holiday came to an end on 31 December 2016 and taxable profits arising after that date are subject to tax in accordance with the Establishment Convention.

A deferred income tax asset of $9.5 million has been recognised at 30 June 2018 in relation to deductible temporary differences. Realisation of sufficient taxable profit in future periods is regarded as probable.

The future benefit will only be obtained if:

(i) future assessable income is derived of a nature and an amount sufficient to enable the benefit to be realised;
(ii) the conditions for deductibility imposed by tax legislation have been continued to be complied with; and,
(iii) no changes in tax legislation adversely affect the consolidated entity in realising the benefit.

Notes to the Financial Statements B: Production and Growth Assets

In this section

Included in this section is relevant information about recognition, measurement, depreciation, amortisation and impairment considerations of the core producing and growth (exploration and evaluation) assets of Resolute.

B.1 Mine properties and property, plant and equipment

Recognition and measurement

Stripping activity asset

The Group incurs waste removal costs (stripping costs) in the creation of improved access and mining flexibility in relation to ore to be mined in the future. The costs are capitalised as a stripping activity asset, where certain criteria are met. Once the Group has identified its production stripping for each surface mining operation, it identifies the separate components for the ore bodies in each of its mining operations. An identifiable component is a specific volume of the ore body that is made more accessible by the stripping activity. The costs of each component are amortised on a units of production basis in applying a stripping ratio.

Development expenditure

g) Areas in Development
Costs incurred in preparing mines for production including the required plant infrastructure.

h) Areas in Production
Represent the accumulation of all acquired exploration, evaluation and development expenditure in which economic mining of a mineral reserve has commenced. Amortisation of costs is provided on the unit-of-production method.

Property, plant and equipment

Property, plant and equipment are stated at cost less any accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and,
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided on a straight-line basis on all property plant and equipment other than land. Major depreciation periods are:

	Life	Method
Motor vehicles	3 years	Straight line
Office equipment	3 years	Straight line
Plant and equipment	Life of mine years / unit of production	Straight line

Notes to the Financial Statements B: Production and Growth Assets

B.1 Mine properties and property, plant and equipment (continued)

Key estimates and judgements

Stripping activity assets
Judgement is required to identify a suitable production measure to be used to allocate production stripping costs between inventory and any stripping activity asset(s) for each component. The Group considers that the ratio of the expected volume of waste to be stripped for an expected volume of ore to be mined for a specific component of the ore body, to be the most suitable production measure.

An identifiable component is a specific volume of the ore body that is made more accessible by the stripping activity.

Judgement is also required to identify and define these components, and also to determine the expected volumes (e.g. tones) of waste to be stripped and ore to be mined in each of these components. These assessments are based on the information available in the mine plan which will vary between mines for a number of reasons, including, the geological characteristics of the ore body, the geographical location and/or financial considerations.

Stripping ratio
The Group has adopted a policy of deferring production stage stripping costs and amortising them on a units-of-production basis. Significant judgement is required in determining the contained ore units for each mine. Factors that are considered include:

- any proposed changes in the design of the mine;
- estimates of the quantities of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction;
- future production levels;
- future commodity prices; and,
- future cash costs of production and capital expenditure.

Determining the beginning of production
The Group ceases capitalising pre-production costs and begins depreciation and amortisation of mine assets at the point commercial production commences. This is based on the specific circumstances of the project, and considers when the specific asset becomes 'available for use' as intended by management which includes consideration of the following factors:

- the level of redevelopment expenditure compared to project cost estimates;
- completion of a reasonable period of testing of the mine plant and equipment;
- mineral recoveries, availability and throughput levels at or near expected/feasibility study levels;
- the ability to produce gold into a saleable form (where more than an insignificant amount is produced); and,
- the achievement of continuous production.

Estimation of mineral reserves and resources – refer to B.3

Notes to the Financial Statements B: Production and Growth Assets

B.1 Mine properties and property, plant and equipment (continued)

30 June 2018	Plant and Equipment						Development Expenditure		
	Buildings	Plant & Equipment	Motor Vehicles	Office Equipment	Leased Assets	Total	Mine Properties	Striping Activity Asset	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Opening write down value	7,637	77,543	750	2,845	1,293	**90,068**	143,641	15,971	**159,612**
Additions	-	88,004	246	112	-	**88,362**	122,117	33,307	**155,424**
Disposals	-	(20)	-	(46)	(207)	**(273)**	-	-	**-**
Depreciation expense	(167)	(9,284)	(22)	(174)	(429)	**(10,076)**	-	-	**-**
Transfers from exploration and evaluation	-	-	-	-	-	**-**	23,368	-	**23,368**
Amounts amortised to costs of production relating to gold sales	-	-	-	-	-	**-**	-	(48,936)	**(48,936)**
Amortisation expense	-	-	-	-	-	**-**	(4,471)	-	**(4,471)**
Adjustments to rehabilitation and restoration obligations	-	-	-	-	-	**-**	6,856	-	**6,856**
Foreign currency translation	307	4,142	26	101	(1)	**4,575**	9,878	427	**10,305**
At 30 June net of accumulated depreciation	**7,777**	**160,385**	**1,000**	**2,838**	**656**	**172,656**	**301,389**	**769**	**302,158**
Cost	17,199	553,642	5,705	9,724	21,928	**608,198**	669,230	49,705	**718,935**
Accumulated depreciation and impairment	(9,422)	(393,257)	(4,705)	(6,886)	(21,272)	**(435,542)**	(367,841)	(48,936)	**(416,777)**
Net carrying amount	**7,777**	**160,385**	**1,000**	**2,838**	**656**	**172,656**	**301,389**	**769**	**302,158**

Notes to the Financial Statements B: Production and Growth Assets

B.1 Mine properties and property, plant and equipment (continued)

30 June 2017	Plant and Equipment						Development Expenditure		
	Buildings	Plant & Equipment	Motor Vehicles	Office Equipment	Leased Assets	Total	Mine Properties	Striping Activity Asset	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Opening write down value	8,016	46,787	811	2,744	3,298	**61,656**	88,116	29,074	**117,190**
Additions	-	40,032	-	306	-	**40,338**	62,245	42,111	**104,356**
Reversal of impairment	-	408	11	-	-	**419**	-	-	**-**
Disposals	-	(662)	(13)	-	(963)	**(1,638)**	-	-	**-**
Depreciation expense	(160)	(7,876)	(40)	(125)	(1,638)	**(9,839)**	-	-	**-**
Amounts amortised to costs of production relating to gold sales	-	-	-	-	-	**-**	-	(54,818)	**(54,818)**
Amortisation expense	-	-	-	-	-	**-**	(9,198)	-	**(9,198)**
Adjustments to rehabilitation and restoration obligations	-	-	-	-	-	**-**	1,327	-	**1,327**
Foreign currency translation	(219)	(1,146)	(19)	(80)	596	**(868)**	1,151	(396)	**755**
At 30 June net of accumulated depreciation	**7,637**	**77,543**	**750**	**2,845**	**1,293**	**90,068**	**143,641**	**15,971**	**159,612**
Cost	15,582	435,206	3,319	7,216	24,813	**486,136**	507,011	70,789	**577,800**
Accumulated depreciation and impairment	(7,945)	(357,663)	(2,569)	(4,371)	(23,520)	**(396,068)**	(363,370)	(54,818)	**(418,188)**
Net carrying amount	**7,637**	**77,543**	**750**	**2,845**	**1,293**	**90,068**	**143,641**	**15,971**	**159,612**

Notes to the Financial Statements B: Production and Growth Assets

B.2 Exploration and evaluation assets

Exploration and evaluation (at cost)	2018	2017
	$'000	$'000
Balance at the beginning of the year	64,879	46,292
Expenditure during the year	14,592	19,835
Adjustments to rehabilitation obligations	(4,743)	(17)
Transfers to areas in development	(23,368)	-
Foreign currency translation	1,802	(1,231)
Balance at the end of the year	**53,162**	**64,879**

Recognition and measurement

Exploration expenditure is expensed to the consolidated statement of comprehensive income as and when it is incurred and included as part of cash flows from operating activities. Exploration costs are only capitalised to the consolidated statement of financial position if they result from an acquisition.

Evaluation expenditure is capitalised to the consolidated statement of financial position. Evaluation is deemed to be activities undertaken from the beginning of the pre-feasibility study conducted to assess the technical and commercial viability of extracting a mineral resource before moving into the Development phase. The criteria for carrying forward the costs are:

- Such costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively by its sale; or
- Evaluation activities in the area of interest which has not yet reached a state which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area are continuing.

Costs carried forward in respect of an area of interest which is abandoned are written off in the year in which the abandonment decision is made.

Exploration commitments

It is difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure in order to retain present interests in mineral tenements. Expenditure commitments on mineral tenure can be reduced by selective relinquishment of exploration tenure or by the renegotiation of expenditure commitments. The level of exploration expenditure expected in the year ending 30 June 2019 for the consolidated entity is approximately $21.438m (2018: $34.178m). This includes the minimum amounts required to retain tenure. There are no material exploration commitments further out than one year.

Notes to the Financial Statements B: Production and Growth Assets

B.3 Impairment of non-current assets

Recognition and measurement

Impairment testing

The carrying values of non-current assets are reviewed for impairment when indicators of impairment or a reversal of a prior period impairment may exist or changes in circumstances indicate the carrying value may not be recoverable. At a minimum the Group makes this assessment twice annually at 30 June and 31 December. No indicators of impairment or indicators for reversal of prior period impairment loss were identified.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of an asset is the greater of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Recognised Impairment

No impairment loss or reversal of prior period impairment loss was recognised in 2018.

Key estimates and judgements

Determination of mineral resources and ore reserves

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates, deferred stripping costs and provisions for decommissioning and restoration. The information in this report as it relates to ore reserves, mineral resources or mineralisation is reported in accordance with the Aus.IMM "Australian Code for reporting of Identified Mineral Resources and Ore Reserves". The information has been prepared by or under supervision of competent persons as identified by the Code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation which may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated.

Impairment of mine properties, plant and equipment

The future recoverability of capitalised mine properties and plant and equipment is dependent on a number of key factors including; gold price, discount rates used in determining the estimated discounted cash flows of Cash Generating Units ("CGUs"), foreign exchange rates, the level of proved and probable reserves and measured, indicated and inferred mineral resources that may be included in the determination of fair value less cost to dispose ("fair value"), future technological changes which could impact the cost of mining, and future legal changes (including changes to environmental restoration obligations). The costs to dispose are estimated by management based on prevailing market conditions.

When applicable, fair value is estimated based on discounted cash flows using market based commodity price and exchange assumptions, estimated quantities of recoverable minerals, production levels, operating costs and capital requirements, based on CGU life-of-mine (LOM) plans. Consideration is also given to analysts' valuations, and the market value of the Company's securities. The fair value methodology adopted is categorised as Level 3 in the fair value hierarchy (in accordance with Australian Accounting Standards).

Notes to the Financial Statements B: Production and Growth Assets

B.3 Impairment of non-current assets (continued)

Key estimates and judgements

Impairment of mine properties, plant and equipment (continued)
In determining the recoverable amount of CGUs at 30 June 2017, future cash flows were discounted using rates based on the Group's estimated weighted average cost of capital. When it is considered appropriate to do so, an additional premium is applied with regard to the geographic location and nature of the CGU. LOM operating and capital cost assumptions are based on the Group's latest budget and LOM plans.

Key Assumptions:
The table below summarises the key assumptions used in the carrying value assessments in prior year:

Gold price (US$ per ounce):	2018: N/A (2017: $1,210 - $1,270)	Commodity price and foreign exchange rates were estimated with reference to external market forecasts, and updated at least twice annually. The rates applied to the valuation had regard to observable market data.
Discount rate % (post tax)	2018: N/A (2017: 9% - 11%)	In determining the fair value of CGUs, the future cash flows were discounted using rates based on the Group's estimated real weighted average cost of capital, with an additional premium applied having regard to the geographic location of the CGU.
Operating and capital costs:	Life-of-mine operating and capital cost assumptions are based on the Group's latest budget and life-of-mine plans.	

B.4 Segment expenditure, assets and liabilities

For the year ended 30 June 2018	Ravenswood (Australia)	Syama (Mali)	Bibiani (Ghana)	Corp/ Other	Treasury	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Capital expenditure	21,162	161,855	9,822	29,204	-	222,043
Segment assets of continuing operations	98,435	638,125	87,337	111,371	-	935,268
Segment liabilities of continuing operations	63,068	137,287	10,503	15,770	-	226,628

For the year ended 30 June 2017	Ravenswood (Australia)	Syama (Mali)	Bibiani (Ghana)	Corp/ Other	Treasury	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Capital expenditure	13,797	87,665	17,731	3,225	-	122,418
Segment assets of continuing operations	77,314	385,712	78,405	296,322	-	837,753
Segment liabilities of continuing operations	58,228	105,623	16,221	8,483	-	188,555

Notes to the Financial Statements C: Cash, Debt and Capital

In this section

Cash, debt and capital position of the Group at the end of the reporting period.

C.1 Cash

	2018	2017
	$'000	$'000
Cash at bank and on hand	42,445	282,060
Reconciliation to cash flow statement		
For the purpose of the cash flow statement, cash and cash equivalents comprise the following at 30 June:		
Cash at bank and on hand	42,445	282,060
Bank overdraft	(47,282)	(34,558)
	(4,837)	**247,502**

The credit quality of cash and cash equivalents can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Cash at bank and short term deposits		
Counterparties with external credit ratings		
AA-	495	191,881
A	40,269	89,155
B	-	75
Counterparties without external credit ratings	1,681	949
Total cash at bank and short term deposits	**42,445**	**282,060**

Recognition and measurement

Cash and cash equivalents in the statement of financial position comprise cash at bank and short-term deposits with an original maturity of three months or less. Cash and cash equivalents are stated at face value in the statement of financial position.

Fair value and foreign exchange risk

The carrying amount of cash and cash equivalents approximates their fair value.

The Group held A$30.4 million of cash and cash equivalents at 30 June 2018 (2017: A$5.8 million) in currencies other than Australian dollars or a different currency to that of the functional currency of the company which holds the item. These exposures are predominantly US dollars (2018: A$11.9 million; 2017: A$3.8 million equivalent) and Euro (2018: A$5.0 million; 2017: A$1.5 million equivalent).

Average interest rates earned on cash and cash equivalents during the period was 2.4% (2017: 2.2%).

Notes to the Financial Statements C: Cash, Debt and Capital

C.1 Cash (continued)

Reconciliation of net profit from continuing operations after income tax to the net operating cash flows

	2018	2017
	$'000	$'000
Net profit from ordinary activities after income tax	77,837	166,096
Add/(deduct):		
Share based payments including employee long term incentive costs	1,782	1,184
Loss on sale of property, plant and equipment	587	193
Profit on sale of available for sale financial assets	-	(200)
Rehabilitation and restoration provision accretion	1,505	1,182
Rehabilitation and restoration cash expenditure	(1,223)	(1,783)
Depreciation and amortisation	14,547	19,811
Foreign exchange (gains)/losses	(30,574)	5,238
Inventory net realisable value movements	(12,822)	(11,424)
Share of associates' losses	1,500	1,799
Non cash finance costs	42	61
Realised gain on investment in associate	-	(864)
Unrealised gain on forwards contracts	-	(2,629)
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(32,949)	1,557
Increase in inventories	(8,905)	(15,610)
(Increase)/decrease in prepayments	(2,577)	1,196
Decrease in stripping activity asset	15,681	12,645
Increase in payables	24,112	27,678
(Increase)/decrease in current tax balances	(24,488)	3,118
Decrease/(increase) in deferred tax balances	6,751	(15,333)
Decrease in operating provisions	(2,447)	(7,531)
Net operating cash flows	**28,359**	**186,384**

Notes to the Financial Statements C: Cash, Debt and Capital

C.1 Cash (continued)

Cash flow by segment

	Ravenswood (Australia)	Syama (Ghana)	Bibiani (Ghana)	Unallocated (b)		Total
				Corp/ Other	Treasury	
	$'000	$'000	$'000	$'000	$'000	$'000
For the year ended 30 June 2018						
Cash flow by segment, including gold bullion, and gold shipped but unsold and held in metal accounts	(12,074)	(112,182)	(17,550)	(47,887)	(14,424)	(204,117)
Reconciliation of cash flow by segment to the cash flow statement:						
Movement in gold poured but unsold at market value						(40,726)
Mark to market movement in gold unsold						(605)
Movement in bank overdraft, including foreign exchange movements						(12,724)
Exchange rate adjustment in cash on hand						2,730
Movement in cash and cash equivalents per consolidated cash flow statement						**(255,442)**
For the year ended 30 June 2017						
Cash flow by segment, including gold bullion, and gold shipped but unsold and held in metal accounts	16,646	48,160	(16,089)	(20,460)	151,903	180,160
Reconciliation of cash flow by segment to the cash flow statement:						
Movement in gold poured but unsold at market value						22,071
Mark to market movement in gold unsold						(31)
Movement in bank overdraft, including foreign exchange movements						(8,102)
Exchange rate adjustment in cash on hand						248
Movement in cash and cash equivalents per consolidated cash flow statement						**194,346**

Notes to the Financial Statements C: Cash, Debt and Capital

C.2 Interest bearing liabilities

	2018	2017
	$'000	$'000
Bank overdraft - ref C3.1	47,282	34,558
	47,282	34,558

Recognition and measurement

All loans and borrowings are initially recognised at fair value less transaction costs and subsequently at amortised cost. Any difference between the proceeds received and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Resolute has a Security Trust Deed in place with various banks. The total assets of the entities over which security exists amounts to $875m (2017: $806m). $152m (2017: $88m) of these assets relate to property plant and equipment.

Finance leases

Finance leases, which effectively transfer to the consolidated entity all of the risks and benefits incidental to ownership of the leased item, are capitalised at the present value of the minimum lease payments, disclosed as leased property, plant and equipment, and amortised over the period the consolidated entity is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction in the lease liability. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Interest bearing liabilities

The Group's interest bearing liabilities have a fair value equal to the carrying value.

The Group held no interest bearing liabilities at 30 June 2018 (2017: Nil) in currencies other than Australian dollars or a different currency to that of the functional currency of the company which holds the item. Average interest rates charged on interest bearing liabilities at period end was 8.0% (2017: 8.0%).

During the 2018 year, the overdraft which is denominated in CFA increased during the period due to cash drawdowns of $10.6m AUD after the facility limit was increased by AUD$12m (5 billion CFA) to AUD$47m (20 billion CFA) and unrealised foreign exchange movements of $2.1m AUD.

Notes to the Financial Statements C: Cash, Debt and Capital

C.2 Interest bearing liabilities (continued)

Maturity profile of interest-bearing liabilities

The maturity profile of the Group's interest-bearing liabilities in total and for finance leases is as follows:

	2018	2017
	$'000	$'000
Borrowings		
Due within 1 to 3 months	-	-
Due within 4 months to one year	49,184	35,918
Due between one and five years	-	-
Total contractual repayments	**49,184**	**35,918**
Less finance charges	(1,902)	(1,360)
Total interest bearing liabilities	**47,282**	**34,558**

C.3 Financing facilities

C3.1 Bank overdraft

The current facility with the Bank Du Mali SA is in place and is subject to an annual revision in approximately September 2018. As at 30 June 2018 nil of the facility was unused.

C3.2 Syndicated facilities

RML has entered into the following Letter of Credit Facility Agreements:

- A A$35.0m Letter of Credit Facility Agreement with Citibank N.A. relating mainly to Environmental Performance Bonds for the Ravenswood Project. A$29.4m of this facility has been drawn and expires on 31 December 2019;
- A A$9.5m (US$7m) Letter of Credit Facility Agreement with Sociêtê General Ghana Limited relating to Environmental Performance Bonds for the Bibiani Project. This facility is fully drawn and expires on 31 December 2019.

The Citibank N.A. Letter of Credit Facility Agreement and hedging facilities provided by Investec Bank Plc and Citibank N.A. are secured by the following:

(iii) Cross Guarantee and Indemnity given by RML ("the Borrower"), Carpentaria Gold Pty Ltd, Resolute (Somisy) Limited, Resolute (Treasury) Pty Ltd and Resolute (Bibiani) Limited;
(iv) Share Mortgage granted by RML over all of its shares in Carpentaria Gold Pty Ltd;
(v) Share Mortgage granted by the Borrower over all of its shares in Resolute (Bibiani) Limited and Resolute (Somisy) Limited;
(vi) Fixed and Floating Charge granted by Resolute (Treasury) Pty Ltd over all its current and future assets including bank accounts and an assignment of all Hedging Contracts;
(vii) Mining Mortgage and Fixed and Floating Charge granted by Carpentaria Gold Pty Ltd, including mining mortgage over key Carpentaria Gold Pty Ltd mining tenements and charge over all the current and future assets of Carpentaria Gold Pty Ltd including bank accounts and an assignment of all Hedging Contracts;
(viii) Mortgage of Contractual Rights granted by Resolute Mining Limited in favour of the Security Trustee over a loan provided to Sociêtê des Mines de Syama SA;
(ix) Mortgage of Contractual Rights granted by Resolute (Bibiani) Limited in favour of the Security Trustee over a loan provided to Drilling and Mining Services Limited, Mensin Gold Bibiani Limited and Noble Mining Ghana Limited; and,
(x) Mortgage of Contractual Rights granted by Resolute (Treasury) Pty Ltd in favour of the Security Trustee over a loan provided to Mensin Gold Bibiani Limited.

Notes to the Financial Statements C: Cash, Debt and Capital

C.3 Financing facilities (continued)

C3.2 Syndicated facilities (continued)

Pursuant to the Syndicated Facilities Agreement and Letter of Credit Facility Agreement with Citibank N.A, the following ratios are required:

(xi) (Interest Cover Ratio): the ratio of EBITDA to Net Interest Expense will be greater than 5.00 times;
(xii) (Net Debt to EBITDA): the ratio of Net Debt to EBITDA will be less than 2.00 times;
(xiii) (Consolidated Gearing): the ratio of Net Debt to Equity will be less than 1.00 times;
(xiv) (Loan Life Cover Ratio): will be equal to or greater than 1.50:1; and,
(xv) (Reserve Tail Ratio): will exceed 30%.

There have been no breaches of these ratios. The Sociêtê General Ghana Limited Letter of Credit Facility Agreement is supported by a guarantee provided by Resolute Mining Limited.

C.4 Contributed Equity

	2018	2017
	$'000	$'000
Ordinary share capital:	544,972	544,987
741,477,595 ordinary fully paid shares (2017: 736,982,768)		
Movements in contributed equity, net of issuing costs:		
Balance at the beginning of the year	544,987	395,198
Issue of shares to Level 1 and 2 employees (net of costs)	(15)	-
Placement of shares to institutional investors (net of costs)	-	147,092
Shares issued pursuant to the Osisko Share Purchase Agreement (net of costs) [1]	-	2,544
Exercise of 130,000 unlisted options at $1.18 per share	-	153
Balance at the end of the year	**544,972**	**544,987**

[1]This relates to the purchase of 21,868,000 shares in Kilo Goldmines which resulted in the issue of 1,457,867 Resolute shares.

Recognition and measurement

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Rights of employee share based payment recipients

Refer to E.10 for details of the employee share based payment plans which includes option and performance rights plans. Each option entitles the holder to purchase one share. The names of all persons who currently hold employee share options or performance rights, granted at any time, are entered into the register kept by the Company, pursuant to Section 215 of the Corporations Act 2001. Persons entitled to exercise these options and holders of performance rights have no right, by virtue of the options, to participate in any share issue by the parent entity or any other body corporate.

Notes to the Financial Statements C: Cash, Debt and Capital

C.5 Other reserves

Reserve	Nature and purpose
Net unrealised gain/(loss) reserve	This reserve records fair value changes on available for sale investments.
Convertible notes/ Share options equity reserve	This reserve records the value of the equity portion (conversion rights) of the convertible notes and records the fair value of share options issued.
Employee benefits equity reserve	This reserve is used to recognise the fair value of options and performance rights granted over the vesting period of the securities provided to employees.
Foreign currency translation reserve	Represents exchange differences arising on translation of foreign controlled entities.
Non-controlling interest's reserve	This reserve records the difference between the fair value of the amount by which the non-controlling interests were adjusted to record their initial relative interest and the consideration paid for Resolute's acquisition for that share of the interest.

Key financial and capital risks associated with Cash, Debt and Capital

Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, or having the availability of funding through an adequate amount of undrawn committed credit facilities.

Interest rate risk management

Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group constantly analyses its interest rate exposure. Within this analysis consideration is given to the potential renewals of existing positions, alternative financing, alternative hedging positions and the mix of fixed and variable interest rates. There is no intention at this stage to enter into any interest rate swaps.

Capital risk management

The Group's and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure that is appropriate for the Group's current and/or projected financial position. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders (if any), return capital to shareholders, buy back its shares, issue new shares, borrow from financiers or sell assets to reduce debt.

The Group monitors the adequacy of capital by analysing cash flow forecasts over the term of the Life of Mine for each of its projects. To a lesser extent, gearing ratios are also used to monitor capital. Appropriate capital levels are maintained to ensure that all approved expenditure programs are adequately funded. This funding is derived from an appropriate combination of debt and equity. The gearing ratio at 30 June 2018 is 0% (2017: 0%). The Group is not subject to any externally imposed capital requirements.

The gearing ratio is calculated as net debt divided by total capital. Net debt is defined as interest bearing liabilities less cash, cash equivalents and market value of bullion on hand. Total capital is calculated as 'equity' as shown in the Consolidated Statement of Financial Position (including non-controlling interest) plus net debt.

The following table summarises the post-tax effect of the sensitivity of the Group's debt, cash and capital items on profit and equity at reporting date to movements that are reasonably possible in relation to interest rate risk and foreign exchange currency risk.

	Carrying Amount	Interest rate risk				Foreign exchange risk			
		-1%		+1%		-10%		+10%	
		Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
30 June 2018									
Cash	42,445	(279)	(279)	279	279	2,260	2,260	(1,849)	(1,849)
Total (decrease)/increase		**(279)**	**(279)**	**279**	**279**	**2,260**	**2,260**	**(1,849)**	**(1,849)**
30 June 2017									
Cash	282,060	(1,965)	(1,965)	1,965	1,965	560	560	(458)	(458)
Total (decrease)/increase		**(1,965)**	**(1,965)**	**1,965**	**1,965**	**560**	**560**	**(458)**	**(458)**

Notes to the Financial Statements D: Other assets and liabilities

In this section

Other assets and liabilities position at the end of the reporting period.

D.1 Receivables

	2018	2017
	$'000	$'000
Trade receivables	1,783	1,542
Taxation debtors [1]	38,181	4,206
Loans advanced to other parties [2]	5,133	-
	45,097	**5,748**

[1] The taxation debtors primarily relate to indirect taxes owing to the group by the State of Mali.
[2] Relates to loan advanced to a supplier which is secured over assets that the loan was used to purchase. Interest at the rate of 10% per annum is charged on the balance outstanding and the loan is repayable by the supplier by way of deduction from future amounts payable under the contract. The balances outstanding at 30 June 2018 is expected to be repaid within the next 12 months and therefore the loan has been classified as current.

The credit quality of receivables can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	2018	2017
	$'000	$'000
Counterparties with external credit ratings		
AA+	1,061	511
*Counterparties without external credit ratings **		
Group 1	43,689	5,192
Group 2	347	45
	45,097	**5,748**

**Group 1 refers to existing counterparties with no defaults in the past. Group 2 refers to existing counterparties where difficulty in recovering these debts in the past has been experienced.*

Recognition and measurement

Trade receivables are initially recognised at fair value and subsequently at amortised cost less a provision for any uncollectible debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Fair value and foreign exchange risk

The carrying amount of receivables approximates their fair value.

The Group held $1.8m receivables at 30 June 2018 (2017: $5.3m) in currencies other than Australian dollars or in a different currency to that of the functional currency of the company which holds the item.

Notes to the Financial Statements D: Other assets and liabilities

D.1 Receivables (continued)

As at 30 June, the aging analysis of current and non-current sundry debtors is as follows:

	2018	2017
	$'000	$'000
Neither past due nor impaired	18,300	5,327
0-30 days (Past due but not impaired)	7,117	-
31-60 days (Past due but not impaired)	6,032	-
61-90 days (Past due but not impaired)	5,114	-
+91 days (Past due but not impaired)	8,187	376
+91 days (Considered impaired)	347	45
	45,097	**5,748**

Payment terms on amounts past due but not impaired have not been re-negotiated, however the Group maintains direct contact with the relevant debtor and is satisfied that net receivables will be collected in full.

D.2 Inventories

	2018	2017
	$'000	$'000
Ore stockpiles		
-At cost	38,296	37,411
-At net realisable value	35,946	20,829
Total ore stockpiles	74,242	58,240
Gold bullion on hand - at cost[1]	28,675	209
Gold in circuit - at cost[2]	72,830	90,527
Consumables at cost	58,973	53,098
	234,720	**202,074**

[1] Resolute retains 21,962oz of gold bullion on hand at 30 June 2018 with a market value of $37.1m (2017: 244oz with a market value of $0.4m).
[2] Included in gold in circuit is inventory with carrying value of $54m that is expected to be processed after 12 months.

Recognition and measurement

Finished goods (bullion), gold in circuit and stockpiles of unprocessed ore are stated at the lower of cost and estimated net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to ore stockpiles and gold in circuit items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business (excluding derivatives) less the estimated costs of completion and the estimated costs necessary to make the sale. Consumables have been valued at cost less an appropriate provision for obsolescence. Cost is determined on a first-in-first-out basis.

Notes to the Financial Statements D: Other assets and liabilities

D.3 Other financial assets and liabilities

	2018	2017
	$'000	$'000
Available for sale financial assets (current)		
Shares at fair value - listed	22,859	3,595
Financial derivative assets (current)		
Gold forwards at fair value	-	2,214
Other financial assets (non-current)		
Environmental bond - restricted cash (face value approximates fair value)	3,707	3,570
Other	44	81
	3,751	**3,651**

Recognition and measurement

Available-for-sale financial assets
Available for sale financial assets consist of investments in ordinary shares, comprising principally of marketable equity securities. Investments are initially recognised at fair value plus transaction costs. Unrealised gains and losses arising from changes in the fair value of classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. A significant or prolonged decline in the fair value of a security results in the impairment charge being removed from equity and recognised in the consolidated statement of comprehensive income.

The fair value of the listed securities are based on quoted market prices and accordingly is a level 1 measurement basis on the fair value hierarchy.

Financial derivative assets
The gold forward contracts were valued using the valuation techniques with market observable inputs such as credit quality of counterparties, forward rate curves of the underlying commodity etc. The fair value methodology adopted was categorised as Level 2 in the fair value hierarchy.

Restricted cash
The environmental bond represents a receivable carried at amortised cost using the effective interest method. The Ghanaian Environmental Protection Authority holds $3.703m (AUD equivalent) of restricted cash as security for the rehabilitation and restoration provision of Mensin Gold Bibiani Limited's Bibiani project. There is no external credit rating basis for the Ghanaian Environmental Protection Authority. The average interest rate earned on the environmental bond during the period was 0.0% (2017: 0.0%).

Use of derivative instruments to assist in managing gold price risk
As part of the Group's risk management practices, selected financial instruments (such as gold forward sales contracts, gold call options and gold put options) may be used from time to time to reduce the impact a declining gold price has on project life revenue streams. Within this context, the programs undertaken are project specific and structured with the objective of retaining as much upside to the gold price as possible, and in any event, limiting derivative commitments to no more than 50% of the Group's gold reserves. The value of these financial instruments at any given point in time, will in times of volatile market conditions, show substantial variation over the short term. The hedging facilities provided by the Group's counterparties do not contain margin calls. The Group did not hedge account for these instruments.

Movements in fair value are accounted for through the consolidated statement of comprehensive income.

D.4 Prepayments

Non-current prepayments relate to payments made for the acquisition of plant and equipment.

Notes to the Financial Statements D: Other assets and liabilities

D.5 Payables

	2018	2017
	$'000	$'000
Trade creditors	36,234	36,331
Accruals	56,254	28,821
	92,488	**65,152**

Recognition and measurement

Liabilities for trade creditors and other amounts are carried at amortised cost which is the amount initially recognised, minus repayments whether or not billed to the consolidated entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accruals basis. Payables are non-interest bearing and generally settled on 30-90 day terms. Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

D.6 Provisions

	2018	2017
	$'000	$'000
Current		
Site restoration	5,330	715
Employee entitlements [1]	12,517	16,806
Dividend payable	135	135
Withholding taxes	473	262
Other provisions	2,716	808
	21,171	**18,726**
Non-Current		
Site restoration	64,257	64,710
Employee entitlements	1,430	1,430
	65,687	**66,140**

[1] Resolute Mining's 80% owned subsidiary Société des Mines de Syama SA ("SOMISY") received notifications from the Institut National de Prévoyance Sociale ("INPS") alleging SOMISY owed contributions to the INPS on salaries paid by SOMISY to its expatriate employees between January 2005 and July 2013. Malian Legislation requires the remittance of 24% of an employee's gross salary and a mandatory health insurance levy to the INPS department and is a form of social tax. In accordance with the Establishment Convention between SOMISY and the State of Mali, SOMISY is exempt from paying INPS contributions and the mandatory health insurance levy on expatriate employees during the Syama Mine Development Period. In accordance with the Establishment Convention, SOMISY did not remit INPS on expatriate salaries during the Mine Development Period, and then commenced remitting INPS on expatriate salaries after the cessation of the Mine Development Period. SOMISY has acted in accordance with the Establishment Convention at all times. The INPS department's claims are for the period during the Mine Development Period only and SOMISY's position is that it is not liable for payments during that period.

SOMISY unsuccessfully appealed against this INPS assessment, with a Malian Court of Appeal ruling in favour of the INPS department on the basis that it was not a government department and hence not a party to the Establishment Convention, so it was not obliged to follow its terms and conditions. In June 2016, a Settlement Agreement was executed by the parties to record an agreed instalment plan under which SOMISY fully discharges this disputed liability by paying A$11.5m (CFA 5,157,144,561) to INPS in instalments between 1 July 2016 and 30 June 2018. These instalments have now been paid in full.

A further demand for A$2.1m was received from INPS in February 2018 relating to the period August 2013 to September 2017. SOMISY is currently contesting this demand and negotiations are ongoing as at 30 June 2018.

Resolute continues to strongly dispute the validity of the INPS assessments and negotiations with the State of Mali are ongoing to recover the INPS contributions demanded by the State of Mali in breach the terms of the Establishment Convention. Successful negotiations will see the monies paid to date in breach of the Establishment Convention returned to SOMISY.

Notes to the Financial Statements D: Other assets and liabilities

D.6 Provisions (continued)

Recognition and measurement

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Employee benefits

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflow**s.**

Restoration obligations

The Group records the present value of the estimated cost of obligations, such as those under the consolidated entity's Environmental Policy, to restore operating locations in the period in which the obligation is incurred. The nature of restoration activities includes dismantling and removing structures, rehabilitating mines, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of affected areas.

	2018	2017
	$'000	$'000
Site restoration		
Balance at the beginning of the year	65,425	65,367
Rehabilitation and restoration provision accretion	1,505	1,182
Change in scope of restoration provision	2,113	1,310
Utilised during the year	(1,223)	(1,783)
Foreign exchange translation	1,767	(651)
Balance at the end of the year	**69,587**	**65,425**
Reconciled as:		
Current provision	5,330	715
Non-current provision	64,257	64,710
Total provision	**69,587**	**65,425**

Notes to the Financial Statements D: Other assets and liabilities

D.6 Provisions (continued)

Key estimates and judgements

Restoration

In determining an appropriate level of provision consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation. The discount rate used in the calculation of these provisions is consistent with the risk free rate. The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine-sites. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates. Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

Key financial risks associated with other assets and liabilities

Interest rate risk, diesel price risk and foreign exchange risk management

Refer to About this Report (page 29) and Section C (page 48) for details of how these risks are managed.

Credit risk management

The Group's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets.

Credit risk is managed on a Group basis. Credit risk predominately arises from cash, cash equivalents (refer to C1), gold bullion held in metal accounts, derivative financial instruments, deposits with banks and financial institutions and receivables from statutory authorities. For derivative financial instruments, management mitigates some credit risk by using a number of different hedging counterparties. Credit risk further arises in relation to financial guarantees given to certain parties. Such guarantees are only provided in exceptional circumstances and are subject to Audit and Risk Committee approval. With the exception of those items disclosed in C3 and a Resolute Mining parent company guarantee provided to Macquarie Bank Limited relating to their provision of a hedging facility, no guarantees have been provided to third parties as at the reporting date. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Foreign exchange risk management

The following table summarises the sensitivity to a reasonably possible change in foreign exchange rates with all other variables held constant:

		Foreign exchange risk			
		-10%		+10%	
	Carrying Amount	Profit	Equity	Profit	Equity
	$'000	$'000	$'000	$'000	$'000
30 June 2018					
Other financial assets	3,751	288	288	(236)	(236)
Loans advanced to other parties	5,133	243	243	(199)	(199)
Loans to subsidiaries	574,677	44,697	44,697	(36,570)	(36,570)
Payables	92,278	(1,123)	(1,123)	919	919
Total (decrease)/increase		**44,105**	**44,105**	**(36,086)**	**(36,086)**
30 June 2017					
Other financial assets	3,651	288	288	(227)	(227)
Loans to subsidiaries	389,797	30,318	30,318	(24,805)	(24,805)
Payables	65,152	(446)	(446)	365	365
Total (decrease)/increase		**30,160**	**30,160**	**(24,667)**	**(24,667)**

Notes to the Financial Statements E: Other items

In this section

Information on items which require disclosure to comply with Australian Accounting Standards and the Australian Corporations Act 2001.This section includes group structure information and other disclosures.

E.1 Contingent liabilities

Contingent liabilities

Amounts Potentially Payable to historical Bibiani Creditors

In June 2014, Mensin Gold Bibiani Limited, Drilling and Mining Services Limited and Noble Mining Ghana Limited (collectively referred to as the "Companies") entered into court approved Schemes of Arrangement ("Scheme") with their creditors and employees ("Scheme Creditors"). The Scheme enabled Resolute to secure, with the endorsement of the Ghanaian government, ultimate ownership of the Bibiani gold mine with protection from those liabilities which had been incurred at a time when the mine was owned by Noble. The Scheme outlines the timing and amounts of payments to be made by the Companies to a Scheme Fund and a Future Fund who in turn are responsible for making payments to the Scheme Creditors. The Scheme Creditors arise from transactions that occurred prior to the Companies becoming part of the Resolute group. The Scheme Fund and the Future Fund are administered by Ferrier Hodgson.

The implementation of the Scheme has had the effect of removing from the Companies' balance sheets all historical liabilities relating to amounts payable to Scheme Creditors and replacing this with an obligation to fund the Scheme Fund and Future Fund as and when necessary. The unconditional obligations to make payments to the Scheme Fund have been paid prior to 30 June 2018. In addition to those recorded payments and liabilities, the following contingent liabilities to provide funding to the Scheme Fund and Future Fund exist at year end:

- Potential payment to the Scheme Fund of US$3.600m ($4.854m) if, following receipt of the Feasibility Study, the board of Resolute, in its absolute discretion, makes a decision to proceed with the development of Bibiani; and;
- Potential payment to a Future Fund of up to US$7.800m ($10.516m) conditional upon the generation of Free Cashflow from Bibiani mine operations for the period of 5 years from the date that Commercial Production is declared. Free Cashflow means 25% of the sum of Project Revenue for that period less Permitted Payments for that period, which includes:
  - operational expenses and capital costs paid in connection with the mining operations; and,
  - repayment of principal and interest relating to funds advanced by Resolute up to the commencement of mining operations.

Notwithstanding the Scheme's approval by the court, the creditors, and the Ghanaian Minister of Mines, a Ghanaian creditor has sought to circumvent the operation of the Scheme and is seeking to enforce a winding up order against Mensin, on the basis of a debt incurred by Noble prior to implementation of the Scheme. Resolute is defending Mensin's right to unencumbered ownership of Bibiani which was a key element of the Scheme supported by both Resolute and the Ghanaian government.

E.2 Leases and other commitments

Operating leases

	2018	2017
	$'000	$'000
Due within one year	3,253	691
Due between one and five years	12,917	12,911
Aggregate lease expenditure contracted for at balance date but not provided for	16,170	13,602

Commitments

Other commitments not disclosed elsewhere in this report include:

Randgold/ Syama Royalty

Pursuant to the terms of the Syama Sale and Purchase agreement, Randgold Resources Limited will receive a royalty on Syama production, where the gold price exceeds US$350 per ounce, of US$10 per ounce on the first million ounces of gold production attributable to Resolute Mining Limited ("RML") and US$5 per ounce on the next three million attributable ounces of gold production. As at 30 June 2018, Resolute's 80% attributable share of Syama's project to date gold production was 1,234,640 ounces of gold, therefore the royalty is currently US$5 per ounce.

Notes to the Financial Statements E: Other items

E.2 Leases and other commitments (continued)

Commitments (continued)

Other contracted expenditure commitments

	2018	2017
	$'000	$'000
Due within one year	8,780	2,180
Aggregate lease expenditure contracted for at balance date but not provided for	**8,780**	**2,180**

Gold forward contracts

As part of its risk management policy, the Group enters into gold forward contracts to manage the gold price of a proportion of anticipated sales of gold. During the period, the Group entered into three gold forward contracts totalling 168,000 ounces. As at 30 June 2018, 84,000 ounces remains outstanding.

The gold forward contracts disclosed below did not meet the criteria of financial instruments for accounting purposes on the basis that they met the normal purchase/sale exemption because physical gold would be delivered into the contract. Accordingly, the contracts were accounted for as sale contracts with revenue recognised in the period in which the gold commitment was met.

	Gold for Physical Delivery Ounces	Contracted Gold Sale Price per Ounce ($A)	Value of Committed sales $'000
30 June 2018			
USD			
Within one year	36,000	1,796.90	64,688,400
	36,000		**64,688,400**
AUD			
Within one year	48,000	1,715.00	82,320,000
	48,000		**82,320,000**

E.3 Auditor remuneration

	2018	2017
	$	$
Auditing	175,500	179,360
Taxation planning advice and review and other services	20,000	-
	195,500	**179,360**
Amounts received or due and receivable by a related overseas office of Ernst & Young, from entities in the consolidated entity or related entities:		
Auditing (Ernst & Young, Ghana and Tanzania)	27,860	52,894
Total amounts received or due and receivable by Ernst & Young globally	**223,360**	**232,254**
Amounts received or due and receivable by non Ernst & Young firms for auditing	47,446	35,690

Notes to the Financial Statements E: Other items

E.4 Investments in associates

	2018	2017	2018	2017	2018	2017
Continuing Operations	**Kilo Goldmines Ltd**		**Manas Resources Ltd**		**Loncor Resources Inc**	
Shares held in associates (No. of shares)	46,568,000	46,568,000	523,899,835	523,899,835	51,000,000	-
CA$0.135 warrants, expiring 25 August 2018 (No. of warrants)	24,700,000	24,700,000	-	-	-	-
Percentage of ownership (%)	27.44%	27.44%	19.90%	19.90%	27.22%	-
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Listed	3,077	3,986	1,263	1,854	2,654	-
(b) Movements in the carrying amount of the Group's investment in associates						
At 1 July	3,986	-	1,854	-	-	-
Purchase of investment	-	5,485	-	2,155	2,654	-
Share of loss after income tax	(909)	(1,499)	(591)	(301)	-	-
At 30 June	3,077	3,986	1,263	1,854	2,654[1]	-
[1] On 13 July 2018, Resolute paid Loncor Resources Inc for 25 million shares acquired during the year, via the issue of 2,012,466 Resolute shares.						
(c) Fair value of investment in listed associates						
Market value of the Group's investment as at 30 June	1,195	1,627	3,143	2,096	3,927	-
(d) Summarised financial information						
The following table illustrates summarised financial information relating to the Group's associates:						
Extract from the associates' statement of financial position						
Current assets	388	3,485	9,500	10,666	2,539	-
Non-current assets	742	4,856	244	1,913	37,998	-
Total assets	1,130	8,341	9,744	12,579	40,537	-
Current liabilities	253	123	169	161	1,745	-
Non-current liabilities	2	675	-	-	11	-
Total liabilities	255	798	169	161	1,756	-
Net assets	875	7,543	9,575	12,418	38,781	-
Share of associates' net assets	**240**	**2,070**	**1,905**	**2,471**	**10,555**	**-**
Extract from the associates' statement of comprehensive income:						
Revenue	-	-	-	-	-	-
(Loss)/profit before tax, (loss)/profit for the year and total comprehensive loss	(3,248)	(6,781)	(2,844)	(5,498)	30	-

Notes to the Financial Statements E: Other items

E.5 Subsidiaries and non-controlling interests

Subsidiaries

The following were controlled entities during the year and have been included in the consolidated accounts. All entities in the consolidated entity carry on business in their place of incorporation.

Name of Controlled Entity and Country of Incorporation	Consolidated Entity Company Holding the Investment	Percentage of Shares Held by Consolidated Entity	
		2018	2017
		%	%
ACN 627 384 098 Pty Ltd, Australia [6]	Resolute Mining Limited	100	-
Amber Gold Cote d'Ivoire SARL, Cote d'Ivoire	Resolute (CDI Holdings) Pty Limited	100	100
Carpentaria Gold Pty Ltd, Aust.	Resolute Mining Limited	100	100
Drilling and Mining Services Limited, Ghana	Resolute (Bibiani) Pty Limited	100	100
Excalibur Cote d'Ivoire SARL, Cote d'Ivoire	Resolute (CDI Holdings) Pty Limited	100	100
Geb and Nut Resources SARL, Cote d'Ivoire	Resolute Cote D'Ivoire SARL	80	80
Resolute Corporate Services Pty Ltd, Aust.[1] (a)	Resolute (Treasury) Pty Ltd	100	100
Mensin Gold Bibiani Limited, Ghana	Resolute (Bibiani) Pty Limited	90	90
Nimba Resources SARL, Cote d'Ivoire	Resolute (CDI Holdings) Pty Limited	100	100
Noble Mining Ghana Limited, Ghana	Resolute (Bibiani) Pty Limited	100	100
Resolute (Bibiani) Pty Limited, Aust.[2] (a)	Resolute Mining Limited	100	100
Resolute Burkina Faso Pty Ltd, Australia [6]	Resolute Mining Limited	100	-
Resolute Canada Pty Ltd, Australia [6]	Resolute Mining Limited	100	-
Resolute Canada 2 Pty Ltd, Australia [6]	Resolute Mining Limited	100	-
Resolute (CDI Holdings) Pty Ltd, Aust. [3] (a)	Resolute Mining Limited	100	100
Resolute Cote D'Ivoire SARL, Cote d'Ivoire	Resolute (CDI Holdings) Pty Limited	100	100
Resolute Egypt (Australia) Pty Ltd, Aust.	Resolute Mining Limited	100	100
Resolute Egypt (Australia) 2 Pty Ltd, Aust.	Resolute Mining Limited	100	100
Resolute Egypt Pty Ltd, Egypt	Resolute Egypt (Australia) Pty Ltd Resolute Egypt (Australia) 2 Pty Ltd	50 50	50 50
Resolute Exploration SARL, Mali	Resolute (Finkolo) Pty Limited	100	100
Resolute (Finkolo) Pty Limited, Aust.[4] (a)	Resolute Mining Limited	100	100
Resolute (Ghana) Limited, Ghana	Resolute Mining Limited	100	100
Resolute Mali S.A.,Mali	Resolute (Somisy) Pty Limited	100	100
Resolute (Somisy) Pty Limited, Aust.[5] (a)	Resolute Mining Limited	100	100
Resolute Sudan Pty Ltd, Australia [6]	Resolute Mining Limited	100	-
Resolute Sudan 2 Pty Ltd, Australia [6]	Resolute Mining Limited	100	-
Resolute (Treasury) Pty Ltd, Aust. (a)	Resolute Mining Limited	100	100
RSG Tanzania Pty Ltd, Australia [6]	Resolute Mining Limited	100	-
RSG Tanzania 2 Pty Ltd, Australia [6]	Resolute Mining Limited	100	-
Sociêtê des Mines de Finkolo S.A, Mali	Resolute (Finkolo) Pty Limited	90	85
Sociêtê des Mines de Syama S.A., Mali	Resolute (Somisy) Pty Limited	80	80

(a) Entities not separately audited. Entity's audit scope is limited to the purpose of inclusion in the consolidated entity's accounts.
[1] Previously Goudhurst Pty Ltd, Aust.
[2] Previously Resolute (Bibiani) Limited, Jersey
[3] Previously Resolute (CDI Holdings) Limited, Jersey
[4] Previously Resolute (Finkolo) Limited, Jersey
[5] Previously Resolute (Somisy) Limited, Jersey
[6] Incorporated during the year

Notes to the Financial Statements E: Other items

E.5 Subsidiaries and non-controlling interests (continued)

Material partly owned subsidiaries

	2018	2017
	$'000	$'000
Accumulated share of (deficiency)/equity attributable to material Non-Controlling Interest:		
Sociêtê des Mines de Syama SA ("SOMISY")	(7,510)	(18,372)
Mensin Gold Bibiani Limited ("Mensin")	(1,700)	(2,203)
Sociêtê des Mines de Finkolo SA ("Finkolo")	1,796	3,045
Total Non-Controlling Interest	**(7,414)**	**(17,530)**
Profit/(loss) allocated to material Non-Controlling Interest:		
SOMISY	12,775	29,732
Mensin	(183)	5
Finkolo	(325)	(12)
Total Non-Controlling Interest	**12,267**	**29,725**

The summarised financial information of subsidiaries with non-controlling interests is provided below. This information is based on amounts before inter-company eliminations.

	2018	2017	2018	2017	2018	2017
	$'000	$'000	$'000	$'000	$'000	$'000
	SOMISY		Mensin		Finkolo	
Statement of Comprehensive Income						
Revenue	306,626	381,293	-	-	-	-
Gain/(loss) for the period	64,659	136,740	(1,734)	50	(3,219)	(934)
Total comprehensive income/(loss) for the period	64,659	136,740	(1,734)	50	(3,219)	(934)
Summarised Statement of Financial Position						
Current assets	293,236	214,194	4,086	4,030	5,857	305
Non-current assets	395,841	230,255	84,695	73,569	26,363	23,218
Current liabilities	(110,494)	(80,518)	(2,694)	(1,845)	(8,492)	(1,083)
Non-current liabilities - External	(37,946)	(32,520)	(9,502)	(13,984)	-	-
Non-current liabilities - Intra Resolute Mining Limited Group	(550,974)	(389,291)	(457,440)	(427,281)	(55,125)	(28,187)
Total deficiency	(10,337)	(57,880)	(380,855)	(365,511)	(31,397)	(5,747)
Summarised Statement of Cash Flow						
Operating	82,298	126,159	(1,550)	939	(8,076)	(897)
Investing	(176,896)	(77,999)	(12,829)	(17,028)	(13,480)	(1,368)
Net (decrease)/increase in cash and cash equivalents	(94,598)	48,160	(14,379)	(16,089)	(21,556)	(2,265)

Notes to the Financial Statements E: Other items

E.6 Joint operations

The consolidated entity has an interest in the following joint operations whose principal activities are to explore for gold.

Entity Holding Interest	Other Participant/Joint Operation	Percentage of Interest Held	
		2018	2017
		%	%
Resolute Mining Limited	Etruscan Resources Bermuda Ltd/N'Gokoli Est JV[1]	60%	60%

[1] Interests in joint operations greater than 50% have been accounted for as joint operations as all decision making requires unanimous agreement.

E.7 Subsequent events

On 13 July 2018, Resolute entered into a US$100m Revolving Loan Facility agreement with Investec Australia Limited. The first drawdown under the facility was made on 20 August 2018 for US$30m. Resolute also completed the below strategic investments on 13 July 2018:

- Acquisition of 16,182,480 shares in Orca Gold Inc via the issue of 8,953,421 Resolute shares
- Acquisition of 79,290,000 shares in Manas Resources Limited via the issue of 317,160 Resolute shares
- Resolute issued 2,012,466 Resolute Shares to Arnold Kondrat in consideration for the acquisition of 25,000,000 shares in Loncor Resources Inc.

On 23 August 2018, the Company declared a final dividend on ordinary shares in respect of the 2018 financial year of 2.0 cents per share. The dividend has not been provided for in the 30 June 2018 financial statements.

E.8 Related party disclosures

RML is the ultimate Australian holding company and there is no controlling entity of RML at 30 June 2018.

E.9 Parent entity information

	2018	2017
	$'000	$'000
Current assets	181	152
Total assets	460,338	463,578
Current liabilities	(1,323)	(1,214)
Total liabilities	(1,329)	(1,219)
Net assets	**459,009**	**462,359**
Issued capital	545,014	545,029
Accumulated losses	(97,710)	(94,404)
Convertible note equity reserve	549	549
Share option equity reserve	5,793	5,793
Employee equity benefits reserve	5,364	5,364
Reserves - unrealised (loss)/gain	(1)	28
Total shareholders equity	**459,009**	**462,359**
Profit of Resolute Mining Limited	8,035	6,743
Total comprehensive profit of Resolute Mining Limited	8,035	6,743

Refer to E1 for the contingent liabilities and commitments of Resolute Mining Limited. The parent company guarantees provided by Resolute Mining Limited as outlined in C3 have a nil written down value as at 30 June 2018 (2017: nil).

Notes to the Financial Statements E: Other items

E.10 Employee benefits and share based payments

	2018	2017
	$'000	$'000
Salaries	58,523	55,453
Superannuation	2,714	3,029
Share based payments expense	2,307	2,129
Total employee benefits charged to profit and loss	**63,544**	**60,611**

Share based payments
Equity-based compensation benefits are provided to employees via the Group's share option plan and performance rights plan. The Group determines the fair value of securities issued as an expense in the profit and loss over the vesting period with a corresponding increase in equity.

Key management personnel

Details of remuneration provided to key management personnel are as follows:

	2018	2017
	$	$
Short-term employee benefits	3,115,873	4,295,562
Post-employment benefits	147,869	240,858
Long-term employment benefits	74,058	50,089
Share-based payments	1,882,044	1,212,280
	5,219,845	**5,798,789**

The following personnel were included in the remuneration report for the year ended 30 June 2017 and, as they are no longer classified as key management personnel, have not been included in the remuneration report for the year ended 30 June 2018:

- P. Henharen – General Manager – Project Delivery (up until 4 April 2018)
- V. Hughes – General Manager – People, Culture and Information (resigned 22 December 2017)
- D. Kelly – General Manager – Corporate Strategy
- B. Mowat – General Manager – Exploration

Key estimates and judgements

Share based payments
The Group measures the cost of equity settled share based payment transactions with reference to the fair value at the grant date using a Black Scholes formula or Monte Carlo simulation. The valuations take into account the terms and conditions upon which the instruments were granted such as the exercise price, the term of the option or performance right, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option or performance right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option or performance right.

Notes to the Financial Statements E: Other items

E.10 Employee benefits and share based payments (continued)

Employee share option plan

The maximum number of options that can be issued under the Employee Share Option Plan is capped at 5% of the ordinary shares on issue. The options do not provide any dividend or voting rights. The options are not quoted on the ASX. One third of the options issued pursuant to the Plan are able to be exercised 6 months after issue, a further one third 18 months after issue and the remaining one third 30 months after issue.

Employees will only be able to exercise the options allocated to them if they meet certain performance criteria.

Option Category	2018				2017				Fair value of option at grant date
	Opening Number of Options	Lapsed During the Year	Exercised During the Year	Closing Number of Options	Opening Number of Options	Lapsed During the Year	Exercised During the Year	Closing Number of Options	
M	-	-	-	-	130,000	-	(130,000)	-	0.66
N	-	-	-	-	545,400	(545,400)	-	-	0.98
	-	**-**	**-**	**-**	**675,400**	**(545,400)**	**(130,000)**	**-**	
Weighted average exercise price	-	-	-	-	1.52	1.52	1.18	-	

The weighted average remaining contractual life for the share options outstanding as at 30 Jun 2018 is 0 years (2017: 0 years).

Refer to the 2015 Annual Report for details around the option categories above.

Notes to the Financial Statements E: Other items

E.10 Employee benefits and share based payments (continued)

Performance rights plan

The performance rights plan is broken down between:

Performance Rights Plan Category	Type of employee
Level 1	Managing Director and CEO
Level 2	Executive Team reporting to MD
Level 3	Site General Managers
Level 4	Other Participants as recommended by the MD
Special	Special, one-off awards as recommended by the MD

Plan category	Grant and frequency	Performance measures	Performance period
Level 1	Annually set at 100% of fixed remuneration for the Managing Director & CEO	• 75% of the rights will be performance tested against the relative total shareholder return ("TSR") measure over a 3 year period; and • 25% of the rights will be performance tested against the reserve/ resource growth over a 3 year period.	3 years
Level 2	Annually set at 65% of fixed remuneration	• 75% of the rights will be performance tested against the relative total shareholder return ("TSR") measure over a 3 year period; and • 25% of the rights will be performance tested against the reserve/ resource growth over a 3 year period.	3 years
Level 3	Annually set between 30% and 50% of fixed remuneration	• 75% of the rights will be performance tested against the relative total shareholder return ("TSR") measure over a 3 year period; and • 25% of the rights will be performance tested against the reserve/ resource growth over a 3 year period.	3 years
Level 4	Annually set between 10% and 20% of fixed remuneration	• 75% of the rights will be performance tested against the relative total shareholder return ("TSR") measure over a 3 year period; and • 25% of the rights will be performance tested against the reserve/ resource growth over a 3 year period.	3 years
Special	Varies	• 75% of the rights will be performance tested against the relative total shareholder return ("TSR") measure over a 3 year period; and • 25% of the rights will be performance tested against the reserve/ resource growth over a 3 year period.	3 years

Notes to the Financial Statements E: Other items

E.10 Employee benefits and share based payments (continued)

	Issue Date	Total Number	Fair Value per Right at Grant Date	Vesting Date
Performance rights on issue				
Level 1	01/07/15	4,151,047	$0.25	30/06/18[1]
Level 2	31/08/16	421,482	$1.89	30/06/18[1]
Band 1 to 4	24/10/16	2,305,137	$1.27	30/06/19
Band 1	29/11/16	400,000	$1.21	30/06/18[1]
Band 1	29/11/16	600,000	$1.20	30/06/19
Band 1	29/11/16	1,000,000	$1.18	30/06/20
Band 1 to 4	17/10/17	1,522,967	$0.81	30/06/20
Band 1	28/11/17	587,500	$0.74	30/06/20
Band 1 to 4	07/03/18	319,571	$0.85	30/06/20
As at 30 June 2018		**11,307,704**	**$0.80**	

[1] The actual number of performance rights vested will be determined post 30 June 2018.

	Date of Change	Total Number	Fair Value per Right at Grant Date	Vesting Date
Opening number of performance rights		16,653,016		
Increase through issue of performance rights to eligible employees (Band 1 to 4)	17/10/17	1,926,629	$0.81	30/06/20
Increase through issue of performance rights to eligible employees (Band 1)	28/11/17	587,500	$0.74	30/06/20
Decrease through lapsing of performance rights (Level 1)	04/08/17	(774,366)	$0.25	30/06/18
Decrease through lapsing of performance rights (Level 1)	04/08/17	(158,582)	$0.25	30/06/18
Decrease through lapsing of performance rights (Level 1)	04/08/17	(386,833)	$0.50	30/06/17
Decrease through lapsing of performance rights (Band 1 to 4)	04/08/17	(201,588)	$1.27	30/06/19
Decrease through conversion of shares upon vesting of performance rights (Level 1)	05/09/17	(894,607)	$0.50	30/06/17
Decrease through lapsing of performance rights (Level 1)	05/09/17	(969,157)	$0.50	30/06/17
Decrease through conversion of shares upon vesting of performance rights (Level 2)	05/09/17	(3,600,220)	$0.25	30/06/17
Decrease through lapsing of performance rights (Level 2)	05/09/17	(222,404)	$0.25	30/06/17
Decrease through lapsing of performance rights (Level 2)	07/03/18	(28,385)	$1.89	30/06/18
Decrease through lapsing of performance rights (Band 1 to 4)	07/03/18	(285,348)	$1.27	30/06/19
Decrease through lapsing of performance rights (Band 1 to 4)	07/03/18	(181,973)	$0.81	30/06/20
Increase through issue of performance rights to eligible employees (Band 1 to 4)	07/03/18	319,571	$0.85	30/06/20
Decrease through lapsing of performance rights (Band 1 to 4)	29/03/18	(62,776)	$1.27	30/06/19
Decrease through lapsing of performance rights (Band 1 to 4)	04/04/18	(126,737)	$1.27	30/06/19
Decrease through lapsing of performance rights (Band 1 to 4)	04/04/18	(162,500)	$0.81	30/06/20
Decrease through lapsing of performance rights (Band 1 to 4)	06/04/18	(16,508)	$1.27	30/06/19
Decrease through lapsing of performance rights (Band 1 to 4)	06/04/18	(16,954)	$0.81	30/06/20
Decrease through lapsing of performance rights (Level 2)	06/04/18	(20,611)	$1.89	30/06/18
Decrease through lapsing of performance rights (Band 1 to 4)	23/04/18	(19,802)	$1.27	30/06/19
Decrease through lapsing of performance rights (Band 1 to 4)	23/04/18	(18,068)	$0.81	30/06/20
Decrease through lapsing of performance rights (Band 1 to 4)	30/06/18	(24,167)	$0.81	30/06/20
Decrease through lapsing of performance rights (Band 1 to 4)	30/06/18	(7,426)	$1.27	30/06/19
Closing number of performance rights		**11,307,704**		

Notes to the Financial Statements E: Other items

E.10 Employee benefits and share based payments (continued)

The following table lists the key variables used in the valuation of performance rights:

Hurdle	2018						
	17 October 2017 Issue		28 November 2017 Issue		7 March 2018 Issue		
	Reserve and resources rights	TSR rights	Reserve and resources rights	TSR rights	Reserve and resources rights	TSR rights	Total
Number of performance rights issued	481,658	1,444,976	146,875	440,625	79,893	239,678	2,833,705
Underlying share price ($)	1.19	1.19	1.04	1.04	1.21	1.21	
Exercise price ($)	-	-	-	-	-	-	
Risk free rate	1.92%	1.92%	1.82%	1.82%	2.04%	2.04%	
Volatility factor	78%	78%	78%	78%	36%	36%	
Dividend yield	1.80%	1.80%	1.80%	1.80%	1.42%	1.42%	
Period of the rights from grant date (years)	3	3	2.59	2.59	2.32	2.32	

Effect of performance hurdles	Not reflected in valuation due to non-market condition	Reflected in valuation through Monte Carlo simulation	Weighted average
Value of performance right at grant date (Band 1 to 4)	$1.13	$0.70	$0.81
Value of performance right at grant date (Band 1)	$0.99	$0.66	$0.74
Value of performance right at grant date (Band 1 to 4)	$1.17	$0.75	$0.85

Hurdle	2017			
	Reserve and resources rights	TSR rights	Service rights	Total
Number of performance rights issued	777,097	2,331,292	575,145	3,683,534
Underlying share price ($)	1.68	1.68	1.89	
Exercise price ($)	-	-	-	
Risk free rate	1.85%	1.85%	1.44%	
Volatility factor	80%	80%	76%	
Dividend yield	1.10%	1.10%	0%	
Period of the rights from grant date (years)	3	3	2	

Effect of performance hurdles	Not reflected in valuation due to non-market condition	Reflected in valuation through Monte Carlo simulation	Weighted average
Value of performance right at grant date (Band 1 to 4)	$1.63	$1.15	$1.27
Value of performance right at grant date (Level 2)	$1.89	n/a	$1.89

Notes to the Financial Statements E: Other items

E.11 Other accounting policies

Derivatives

Derivatives are categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets or liabilities if they are either held for trading or are expected to be realised within 12 months of the consolidated statement of financial position date. Items of this nature are recorded at their fair values through profit or loss.

Investments in associates

The Group's investment in associates is accounted for using the equity method of accounting in the consolidated financial statements. An associate is an entity over which the Group has significant influence and that are neither subsidiaries nor joint arrangements. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables and loans, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

New and amended Accounting Standards and Interpretations issued but not yet effective

A number of new Standards, amendment of Standards and interpretations have recently been issued but are not yet effective and have not been adopted by the Group as at the financial reporting date. The potential effect of these Standards is yet to be fully determined. However, it is not expected that the new or amended Standards will significantly affect the Group's accounting policies, financial position or performance, except for the following:

<table>
<tr><th>Title</th><th>Application Date for Group</th><th>Detail</th></tr>
<tr><td>AASB 9 – Financial Instruments</td><td>1 July 2018</td><td>AASB 9 which contains accounting requirements for financial instruments, replacing AASB 139 Financial Instruments: Recognition and Measurement. The standard contains requirements in the areas of classification and measurement, impairment, hedge accounting and de-recognition.
Existing financial assets and liabilities of the Group were assessed in terms of the requirements of AASB 9. In this regard, the Group has determined that the adoption of AASB 9 will impact the classification of financial asset and liabilities as follows:
<table>
<tr><th>Class of financial instrument presented in the statement of financial position</th><th>Original measurement category under AASB 9 (i.e. prior to 1 July 2018)</th><th>New measurement category under AASB 9 (i.e. from 1 July 2018)</th></tr>
<tr><td>Cash and cash equivalents</td><td>Loans and receivables</td><td>Financial assets at amortised cost</td></tr>
<tr><td>Trade and other receivables</td><td>Loans and receivables</td><td>Financial assets at amortised cost</td></tr>
<tr><td>Available for sale financial assets</td><td>Available for sale financial assets</td><td>Financial assets will either be designated as fair value through other comprehensive income (when held for strategic investment reasons) or accounted for as financial assets at fair value through profit or loss</td></tr>
<tr><td>Other financial assets</td><td>Loans and receivables</td><td>Financial assets at amortised cost</td></tr>
<tr><td>Trade and other payables</td><td>Financial liability at amortised cost</td><td>Financial liability at amortised cost</td></tr>
<tr><td>Interest bearing loans and borrowings</td><td>Financial liability at amortised cost</td><td>Financial liability at amortised cost</td></tr>
</table>
The change in classification will not result in any re-measurement adjustments at 1 July 2018.</td></tr>
</table>

Notes to the Financial Statements E: Other items

E.11 Other accounting policies

New and amended Accounting Standards and Interpretations issued but not yet effective (continued)

Title	Application Date for Group	Detail
AASB 15 - Revenue from Contracts with Customers	1 July 2018	AASB 15 was issued in December 2015 and establishes a five-step model to account for revenue arising from contracts with customers. Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Under AASB 15 the revenue recognition model will change from one based on the transfer of risk and reward of ownership to the transfer of control of ownership. The Group will adopt the new standard on the required effective date of 1 July 2018. Revenue from gold sales is recognised when gold is sold out of the metal account. The Group has no other performance obligations once revenue has been sold off the metal account and accordingly, adoption of AASB 15 is not expected to have a material impact on revenue recognition.
AASB 2016-5 - Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions	1 July 2018	This Standard amends AASB 2 Share-based Payment, clarifying how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for: ► The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments. ► Share-based payment transactions with a net settlement feature for withholding tax obligations. ► A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The Group will adopt the new standard on the required effective date of 1 July 2018. Adoption of AASB 2016-5 is not expected to have a material impact.
AASB Interpretation 23, and relevant amending standards – Uncertainty over Income Tax Treatments	1 July 2019	The Interpretation clarifies the application of the recognition and measurement criteria in AASB 112 Income Taxes when there is uncertainty over income tax treatments. The Interpretation specifically addresses the following: ► Whether an entity considers uncertain tax treatments separately ► The assumptions an entity makes about the examination of tax treatments by taxation authorities ► How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates ► How an entity considers changes in facts and circumstances. The Group is in the process of assessing the impact of the new interpretation.
AASB16 – Leases	1 July 2019	AASB 16 provides a new lessee accounting model which requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. AASB 16 contains disclosure requirements for lessees. The Group is in the process of assessing the impact of the new lease standard.

Directors' Declaration

In accordance with a resolution of the directors of Resolute Mining Limited, I state that:

In the opinion of the directors:

a. the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the year ended on that date; and,

   ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

b. the financial statements and notes also comply with International Financial Reporting Standards as disclosed throughout this report;

c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and,

d. this declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2018.

On behalf of the Board

J.P. Welborn

Managing Director and CEO

Perth, Western Australia

23 August 2018

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Independent auditor's report to the Members of Resolute Mining Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Resolute Mining Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2018 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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1. Physical existence and valuation of ore stockpiles and gold in circuit

Why significant

As at 30 June 2018 the Group had ore stockpiles and gold in circuit inventories of $74,242,000 and $72,830,000 respectively (refer to Note D2).

Critical to the determination of the carrying value of ore stockpiles and gold in circuit inventories is the cost and net realisable value assumptions adopted by the Group in measuring the ore stockpiles and gold in circuit and the determination of the physical existence of the ore stockpiles (tonnes) and gold in circuit (ounces).

We focused on this matter because of the:

- Significant judgment required to assess the quantity of ore stockpiles and the quantity and recoverable metal content for gold in circuit. This includes determination of estimated grades, recovery rates and other geophysical properties.
- Significant estimates and judgments involved in the valuation of ore stockpiles and gold in circuit including the allocation of operating costs to various stock types included in ore stockpiles and gold in circuit inventories.
- Significant estimates involved in the determination of the net realisable value of ore stockpiles and gold in circuit, including the appropriateness of the estimated recoverable gold, selling price in the ordinary course of business and estimated costs of completion necessary to make the sale.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Obtained an understanding of the Group's processes and controls in place in determining the physical quantities and metal contents of stockpiles and gold in circuit, which included physical inspection at both the Syama and Ravenswood mine sites during the financial year.
- Assessed the qualifications, competence and objectivity of the Group's internal experts involved in determining the quantity and recoverable metal content for ore stockpiles and gold in circuit.
- Agreed the estimated grades, recovery rates and other geophysical properties against the underlying reports prepared by the Group's internal experts and assessed the reasonableness of this information based on the current operations.
- Assessed the accuracy of the inventory valuation models including assessing the nature of costs allocated to inventories in determining the unit cost of inventories.
- Assessed the carrying value of inventories at 30 June 2018 to evaluate whether they were valued at the lower of cost and net realisable value. This included evaluating the assumptions and methodologies used by the Group, in particular, those relating to the forecast gold price, costs to complete and gold recoveries.

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2. Impairment assessment of non-current assets

Why significant	How our audit addressed the key audit matter
As at 30 June 2018 the Group had non-current assets totaling $527,976,000 comprising capitalised development expenditure, property, plant and equipment and capitalised exploration and evaluation expenditure (refer to notes B1 and B2). At the end of each reporting period, the Group exercises judgment in determining whether there is any indication of impairment or indication that an impairment loss recognised in prior periods should be reversed. If any such indicators exists, the Group estimates the recoverable amount of that asset. No indicators of impairment or indicators of reversal of prior period impairment were identified in the current period (refer to Note B3) We focused on this matter because of the significant judgment involved in considering if indicators of impairment or indicators that an impairment loss recognised in prior periods should be reversed, were present.	We evaluated the Groups' assessment as to the presence of any indicators of impairment or indicators that an impairment loss recognised in prior periods should be reversed. Our audit procedures included the following: ▸ Comparison of the Group's market capitalisation relative to its net assets. ▸ Reading operational reports, board reports, minutes and market announcements. ▸ Consideration of changes to reserves and resources and other macro-economic factors including the gold price. ▸ Consideration of the status of capital projects via discussions with management, review of operational reports and minutes and site visits.

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3. Rehabilitation and restoration provisions

Why significant

As a consequence of its operations, the Group incurs obligations to rehabilitate and restore its mine sites. Rehabilitation activities are governed by local legislative requirements. As at 30 June 2018 the Group's consolidated statement of financial position includes provisions of $69,587,000 in respect of these obligations (refer to Note D6).

We focused on this matter because estimating the costs associated with these future activities requires judgment and estimation for factors such as timing of when rehabilitation will take place, the extent of the rehabilitation and restoration activities and economic assumptions relating to inflation and discount rates are taken into account to determine the provision amount.

How our audit addressed the key audit matter

We evaluated the assumptions and methodologies used by the Group in determining their rehabilitation obligations. Our audit procedures included the following:

- Assessed the qualifications, competence and objectivity of the Group's external and internal experts, the work of whom, formed the basis of the Group's rehabilitation cost estimates. We assessed the appropriateness of the cost estimates, including comparing these to historical rehabilitation costs incurred.
- Considered the estimated timing of when the rehabilitation cash flows will be incurred based on the life of mine and the resultant inflation and discount rate assumptions used in the Groups cost estimates, having regard to available economic data relating to future inflation and discount rates.
- Evaluated the adequacy of the Group's disclosures relating to rehabilitation obligations and considered the appropriateness of the accounting for the changes in the rehabilitation and restoration provision.

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4. Taxation

Why significant

The Group has operations in multiple countries, each with its own taxation legislation. The nature of the Group's activities give rise to various taxation obligations including corporate income tax, royalties, employment related taxes, and other indirect taxes.

As set out in the Consolidated Statement of Financial Position the Group has a current tax receivable of $20,811,000 and recognised deferred tax assets of $9,456,000 as at 30 June 2018.

In addition as set out in note A4 the Group has significant unrecognised tax assets at 30 June 2018.

We focused on this matter because the:

- Group is required to exercise significant judgment with regards to interpretation of enacted tax laws in these multiple countries. The Group engages external independent tax advisors to assist with the interpretation of tax laws when appropriate.
- Determination of the probability of the Group deriving taxable income in the future to utilise deferred tax assets is highly judgmental. This is subject to numerous assumptions around the future profitability of the Group's mining assets, which in turn is primarily dependent upon assumptions including future production levels, gold prices and exchange rates, operating and capital development costs.

How our audit addressed the key audit matter

Our audit procedures in relation to current and deferred tax included the following:

- Involved our tax specialists in the interpretation of enacted tax laws in these multiple jurisdictions, where necessary, including the related judgments and interpretations made by the Group.
- Considered the appropriateness of the Group's assumptions and estimates in relation to tax positions, assessed those assumptions and considered the advice the Group received from external experts to support the accounting for the tax positions in accordance with enacted laws.
- Where external experts were engaged by the Group, we assessed their qualifications, competence and objectivity.

In respect of deferred tax assets recognised and unrecognised at 30 June 2018, our audit procedures included the following:

- Evaluated the appropriateness of the Group's assessment of the probability of the Group deriving assessable income in the future to utilise the recognised deferred tax assets.
- Assessed the adequacy of the Group's disclosures relating to current and deferred tax in the 30 June 2018 financial report.

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Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's 2018 Annual Report other than the financial report and our auditor's report thereon. We obtained the Directors' Report that is to be included in the Annual Report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the Annual Report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the Directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Resolute Mining Limited for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
23 August 2018

Shareholder Information

Substantial shareholders as at 31 July 2018	*Number held*	*Percentage*
Ordinary shares		
ICM Limited	148,288,154	19.70%
Van Eck Associates Corporation	87,423,962	11.61%
Dimensional Fund Advisors LP	50,828,501	6.75%

Distribution of equity securities as at 31 July 2018		
Size of Holding	*Ordinary Shares*	
1 - 1,000	1,644	
1,001 - 5,000	2,518	
5,001 - 10,000	1,208	
10,001 - 100,000	1,757	
100,001 - and over	215	
Total equity security holders	**7,342**	
Number of equity security holders with less than a marketable parcel	**657**	

Voting rights		
i) Ordinary shares		

Under the Company's Constitution, all ordinary shares issued by the Company carry one vote per share without restriction.

Twenty largest shareholders as at 31 July 2018			
Name		***Number of ordinary shares***	***% of Issued Capital***
1	ICM Limited	148,288,154	19.70%
2	Van Eck Associates Corporation	87,423,962	11.61%
3	Dimensional Fund Advisors LP	50,828,501	6.75%
4	L1 Capital Pty Ltd.	30,729,184	4.08%
5	The Vanguard Group, Inc.	24,414,045	3.24%
6	Wellington Management Company, LLP	23,372,012	3.10%
7	BlackRock, Inc.	18,938,570	2.52%
8	Oppenheimer Funds, Inc.	15,950,478	2.12%
9	LSV Asset Management	12,796,865	1.70%
10	Lemanik S.A.	11,796,233	1.57%
11	Ellerston Capital Limited	10,968,333	1.46%
12	Commonwealth Bank Group	10,737,877	1.43%
13	State Street Corporation	10,450,785	1.39%
14	Baker Steel Capital Managers LLP	9,901,000	1.32%
15	Investec Group	9,385,900	1.25%
16	Orca Gold Inc.	7,653,659	1.02%
17	UBS AG	5,364,930	0.71%
18	IFM Investors	5,166,776	0.69%
19	Truffle Hound Capital, LLC	5,000,000	0.66%
20	Accident Compensation Corporation	4,729,655	0.63%
		503,896,919	**66.95%**

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