

Resolute Mining Limited

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Resolute Mining strengthens Australian dollar gold hedge with a further 30,000 ounces

Resolute Mining Limited (ASX:RSG) has strengthened its Australian dollar gold hedge book by forward selling an additional 30,000 ounces of gold at an average price of \$1,783 per ounce.

Monthly deliveries of 5,000 ounces have been scheduled between July and December 2019.

The move has been made to take advantage of strength in the gold price in order to extend the company's Australian dollar-denominated gold hedge position.

"Responsible hedging strategies"

Managing director and CEO John Welborn said it was pleasing to continue Resolute's success in maximising gold sales revenue through responsible hedging strategies.

"We continue to actively manage our gold sales and undertake hedging to take advantage of gold price volatility, maximise revenues, and protect the company's balance sheet.

"A small increase in our Australian dollar hedging position at levels significantly above our budgeted gold price will further protect the company's revenue and cash flow generation in 2019."

Shares were up more than 6% intra-day to a high of \$1.16.5 on strong volume of more than 7 million.

The objective of this Australian dollar hedging is to protect projected returns from the Ravenswood mine in Queensland during the staged development phase of the Ravenswood Expansion Project.

This phase will see the operation transition back to large-scale open pit mining and will deliver a new 14-year mine life.

Additional hedging extends Resolute's forward gold sales program of 85,000 ounces.

This consists of 30,000 ounces of gold forward sold at an average price of US\$1,250 per ounce and 55,000 ounces of gold forward sold at prices between A\$1,715 per ounce and A\$1,736 per ounce.

Total hedge book stands at 115,000 ounces

The total gold hedge book as at December 21, 2018, including the new

Price: 1.195

Market Cap: \$1.08 billion

1 Year Share Price Graph



October 2018 April 2019 October 2019

Share Information

Code: RSG

Listing: ASX

52 week	High	Low
	2.12	0.91

Sector: Mining

Website: www.resolute-ltd.com.au

Company Synopsis:

Resolute Mining (ASX:RSG) (LON:RSG) is a successful gold miner with more than 25 years of continuous production. The Company is an experienced explorer, developer, and operator, having operated nine gold mines across Australia and Africa which have produced 8 million ounces of gold.

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Australian dollar gold hedges, is 115,000 ounces in monthly deliveries out to December 2019.

This represents about 30% of Resolute's expected gold production over this period.

Welborn added: "Resolute remains strongly leveraged to future upside in gold prices. The company's current hedge book represents less than 2% of our current ore reserves."

READ: Resolute Mining delivering Syama gold mine on time and on budget

The company has this month started sublevel cave ore production from the new Syama Underground Gold Mine in Mali.

Syama will be the world's first, purpose-built, fully automated sublevel cave gold mine.

"It is a world-class, long-life, low-cost asset that will deliver long-term benefits to our shareholders, stakeholders, and local Mali communities for years to come," Welborn stated.

READ: Resolute Mining discovers more gold at Tabakoroni

Further gold mineralisation has also recently discovered at the Tabakoroni project in southern Mali after drilling intersected wide zones of high-grade gold sulphide mineralisation.

This has extended the strike length to 1.5 kilometres in length at Tabakoroni, at which Resolute is developing a compelling case for a future standalone underground operation.

READ: Resolute Mining's Ravenswood expansion receives prescribed project status extension

The company has also had the prescribed project status of its Ravenswood Expansion Project extended until November 30, 2020, by the Queensland State Government.

The company has undertaken a streamlined approval process to ensure it receives the regulatory approvals required for Ravenswood and to provide opportunities for further project enhancements.

All major approvals for the updated Ravenswood expansion have been received, including environmental and heritage approvals for mining at the Sarsfield and Buck Reef West open pits.

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