

Resolute Mining Limited

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Resolute Mining starts expanding gold capacity of Ravenswood

Resolute Mining Limited (ASX:RSG) (LON:RSG) has started the first stage of the Ravenswood Expansion Project (REP) at Ravenswood Gold Mine in Queensland, Australia, targeting annual production of 80,000 ounces.

Stage I will increase total annual site processing capacity to 5 million tonnes by the end of 2019 and is an immediate low capital opportunity.

Resolute is targeting production of approximately 80,000 ounces of gold at an AISC of approximately A\$1,600/ounce in 2020 and the capital investment required is A\$6 million.

Cash flow for subsequent work

Processing of beneficiated low-grade stockpiles will generate sustained positive operating cash flows during subsequent development phases of the Ravenswood Expansion Project (REP).

Managing director and CEO John Welborn highlighted the importance of the increase in processing capacity and the implications of beneficiation on the potential for larger-scale production over a long mine life in an upgraded REP.

"Increasing the plant capacity to its historical rate of 5 million tonnes and using this capacity to process available low-grade stockpiles will deliver an immediately cashflow positive, profitable mining operation at Ravenswood.

"As a result, this solution allows Resolute to focus on the ultimate transformation of Ravenswood into a large-scale, low-cost tier one Australian gold mining operation with an exceptionally long mine life."

Recommissioning third grinding mill

Stage I of the REP includes recommissioning of the third grinding mill at the Nolans Processing Plant.

The three existing Ravenswood mills were operational prior to 2011 at annual throughput rates of about 5 million tonnes and predominantly processed material from the Sarsfield open pit.

Following the suspension of open pit mining at Sarsfield, the Nolans plant was de-rated to 1.5 million tonnes to exclusively process the higher-grade ore mined from the Mt Wright Underground Mine.

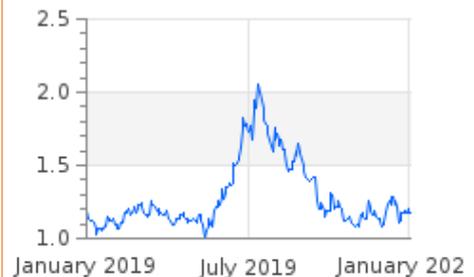
Recommissioning of the third mill has commenced and this is expected to be operational by the end of this year.

Increased processing capacity will allow Resolute to process greater volumes

Price: 1.14

Market Cap: \$1.03 billion

1 Year Share Price Graph



Share Information

Code: RSG

Listing: ASX

52 week High Low
2.12 0.965

Sector: Gold & silver

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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of low-grade material stockpiled during previous open pit operations at Sarsfield.

Stockpile has inferred resource

This stockpiled material includes an inferred mineral resource of 32.6 million tonnes at 0.4 g/t of gold for 390,000 ounces.

Beneficiation, via a combination of contract crushing and screening and owner-operated facilities, will result in an uplift in head grades to 0.5-0.6 g/t.

Welborn said: "The successful beneficiation trials conducted by Resolute, and the commissioning of a new beneficiation circuit at the Nolans Processing Plant, is consistent with a core strength of Resolute: mining smarter, using advanced technologies and innovative techniques to create sustainable value for all our stakeholders.

"Recently Resolute announced an increase of a million ounces of gold in ore reserves at Ravenswood.

"With almost three million ounces of gold in reserves the company is now directing its ongoing study work to focus on an optimised expansion project that can produce 200,000 ounces annually over a 15-year mine life.

"This outcome will deliver considerable economic benefits to the Ravenswood community, the Queensland Government and Resolute shareholders."

Review of REP

Recommissioning of the third grinding mill at Nolans Processing Plant is the first step in the eventual upgrading of the plant to support the REP.

The strategic review of the REP which began in early 2019 continues to provide strong encouragement for higher throughput and production rates than envisaged in earlier studies.

This work indicates that the development period for the full REP is estimated at 24 months.

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