

Resolute Mining Limited

21:24 05 Jan 2020

Resolute Mining mitigates risk by locking in price early for gold sales

Resolute Mining Limited (ASX:RSG) has forward sold an additional 22,800 ounces of gold at an average price of US\$1,553 per ounce in scheduled 3,800-ounce monthly deliveries.

This hedging activity adds to the 55,000 ounces of gold forward sold at an average price of US\$1,510 per ounce in monthly deliveries from July 2020.

Resolute's total gold hedge book consists of 177,800 ounces in monthly deliveries out to December 2020.

Notably, this represents less than 3% of its Ore Reserves across its portfolio of four operating gold mines and projects.

Locking in high prices secures cash flow

Resolute's managing director and CEO John Welborn said: "Incremental expansion of our US dollar hedging position at current levels which are significantly above our budgeted gold price, protects and supports Resolute's revenue and cash flow.

"Resolute's active gold sales program and discretionary near-term hedging protects the company's balance sheet and supports our revenue and cash flows.

"With long mine lives, large gold inventories, and an industry-leading production growth profile, Resolute remains strongly leveraged to future upside in gold prices."

CY2019 guidance of 400,000 ounces

Resolute's production and cost guidance for the 12 months to 31 December 2019 is 400,000 ounces of gold at an all-in sustaining cost (AISC) of US\$1,020 per ounce.

Hedging is locking in over US\$500 per ounce margin ensuring strong cash flows for the company.

Furthermore, if the gold price continues to move higher, Resolute will remain exposed given the hedge book covers about 45% of the 2019 planned production.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

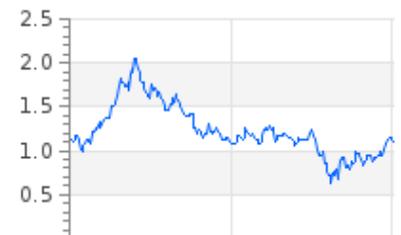
Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

Price: 1.1175

Market Cap: \$1.23 billion

1 Year Share Price Graph



May 2019 November 2019 May 2020

Share Information

Code: RSG

Listing: ASX

52 week High Low
2.12 0.605

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.

action@proactiveinvestors.com

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Resolute Mining Limited named herein, including the promotion by the Company of Resolute Mining Limited in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).