



**Resolute**

# ASX Announcement

**5 August 2021**

## Sale of Bibiani Gold Mine for US\$90 million in cash

### Highlights

- Resolute has entered into an agreement to sell the Bibiani Gold Mine in Ghana to Asante Gold Corporation.
- Cash consideration will be payable as follows:
  - US\$30 million deposit (already received by Resolute to be applied upon completion);
  - US\$30 million on or before 6 months from completion; and
  - US\$30 million on or before 12 months from completion.
- The agreement has received Ministerial Consent, having been approved by the Ghanaian Honourable Minister of Lands and Natural Resources, with completion expected 10 days after the date of this announcement (subject only to no material adverse change over this period).
- Asante is an experienced explorer and developer of gold projects in Ghana including the Kubi Gold Project. Asante is listed on the Canadian Securities Exchange and has announced plans to co-list its shares on the Ghana Stock Exchange.

Resolute Mining Limited (Resolute or the Company) (ASX/LSE:RSG) is pleased to announce that it has agreed to sell its interest in the Bibiani Gold Mine (Bibiani) to Asante Gold Corporation (Asante) for total cash consideration of US\$90 million.

Resolute and Asante are committed to ensuring an orderly transition of ownership at Bibiani. Asante is dedicated to injecting the necessary capital to achieve the rapid restart of Bibiani, which is not expected to result in any immediate changes to employment or contract relationships. Asante has strong ties to Ghana, with Ghanaian citizens holding a significant shareholding, and board and executive roles. Asante has announced plans to co-list its shares on the Ghana Stock Exchange.

The Ghanaian Honourable Minister for Lands and Natural Resources, Hon. Samuel A. Jinapor, MP (the Minister), commented: "I commend the recent approach of Resolute and Asante in their dealings with the Ministry for Lands and Natural Resources and am pleased to support the transition of ownership of Bibiani to Asante."

Resolute's Managing Director & Chief Executive Officer, Mr Stuart Gale commented: "Resolute has made a commitment to deliver sustainable and enduring value to shareholders and to the communities in which we operate. Resolute is proud of its contribution to Ghana and particularly proud to have the opportunity to transfer ownership in Bibiani to a highly regarded team with strong ties to Ghana. I would once again like to reiterate my sincere gratitude



Resolute

## ASX Announcement

to the Minister for his leadership, sense of integrity and collaboration with Resolute and Asante to achieve a mutually beneficial outcome for all parties. Similarly, Resolute would like to acknowledge the significant contribution made towards this outcome by the Ghana Minerals Commission. I am confident that Resolute's positive legacy in Ghana, and the interests of all stakeholders in Bibiani, will be protected and enhanced under Asante's ownership."

"The transaction is consistent with our strategic focus on our core operating assets and strengthening the balance sheet, with the initial cash receipt of US\$30 million to be applied to the voluntary repayment of debt. We do not expect there to be any material tax implications following the completion of this transaction."

Asante's President & CEO, Mr Douglas MacQuarrie commented: "Asante identified the Bibiani Gold Mine as a commercial and strategic investment. Our investment strategy with respect to Bibiani is to achieve near-term economic returns on a long-life asset. Resolute has reported 2.5Moz of gold in current Mineral Resources and Asante has recognized additional exploration upside potential, both from near surface and underground targets. It is Asante's intention, as far as is reasonably practicable, to continue building on the excellent base which Resolute has established."

"Asante is already building the management and operations team with a view to bring the Bibiani mine to production within the next year. Further discussions are underway to fully fund the acquisition and its' development using non-dilutive financing."

Both the agreement and transaction have received Ministerial Consent, having been approved by the Ghanaian Honourable Minister of Lands and Natural Resources, with completion expected 10 days after the date of this announcement (subject only to no material adverse change over this period).

The share sale agreement is otherwise on customary terms and conditions for a transaction of this nature, including pre-completion obligations, termination rights and warranties provided by the parties.



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## **ASX Announcement**

### **Transaction Advisors**

Treadstone Resource Partners acted as financial advisor to Resolute. Thomson Geer acted as legal advisors to Resolute.

### **About Asante Gold Corporation**

Asante is a gold exploration and development company with a high-quality portfolio of projects in Ghana, Africa's largest and safest gold producer. Asante is focused on developing high margin and low CAPEX gold projects including the Kubi Gold Project located on the Ashanti Gold Belt. Asante has an experienced and skilled team – members that have managed Ghana's largest underground mine and collectively developed some 24Moz of gold resources and reserves. Asante is listed on the Canadian Securities Exchange and has announced plans to co-list its shares on the Ghana Stock Exchange. Asante is also exploring its Keyhole, Fahiakoba and Betenase projects for new discoveries, all adjoining or along strike of major gold mines near the centre of Ghana's Golden Triangle. [www.asantegold.com](http://www.asantegold.com).

### **About the Bibiani Gold Mine**

Bibiani is a historically significant Ghanaian gold mine situated in the western region of the country. Bibiani has been a major gold producer in Ghana. Bibiani has available mining and processing infrastructure on site consisting of a 3 million tonne per annum mill and processing plant, and existing underground mining infrastructure. Resolute acquired Bibiani in 2014 through a Scheme of Arrangement supported by the Ghanaian Government. The Company placed the mine on care and maintenance following the acquisition to complete exploration activities designed to enable the development of an economically viable, long term, larger scale underground operation. In July 2018, Resolute released an updated feasibility study for Bibiani (see ASX Announcement dated 13 July 2018). Current Mineral Resources at Bibiani consist of 21.7 million tonnes at 3.6 grams of gold per tonne for 2.5 million ounces of gold.

### **About Resolute**

Resolute is a successful gold miner with more than 30 years' experience as an explorer, developer and operator of gold mines in Australia and Africa which have produced more than 8Moz of gold. The Company trades on the Australian Stock Exchange (ASX) and the London Stock Exchange (LSE) under the ticker RSG. Resolute currently operates the Syama Gold Mine in Mali and the Mako Gold Mine in Senegal.

### **Contact Information**

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*Authorised by Mr Stuart Gale, Managing Director & Chief Executive Officer*



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## ASX Announcement

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