

13 October 2023

## Group Three-Year Forecast and Update to 2023 Guidance

### Total group gold production of over 1,000,000 oz from 2024 to 2026

Resolute Mining Limited ("Resolute" or "the Company") (ASX/LSE: RSG) is pleased to provide an operational forecast for the Syama mine and Mako mine for the three years of 2024 to 2026 as well as providing an update of 2023 Guidance.

Over the next three-years we are expected to see strong growth from the Syama sulphide operations, with the mine exceeding 260,000oz per year by 2026 as the underground Sub-Level Cave ("SLC") performance further improves and the Phase I Expansion project ramps up.

At Mako, following the successful cut-back completion over 2023, both 2024 and 2025 will increase profitability with production between 130,000-140,000oz per year at an all-in sustaining cost (AISC) reducing to US\$1100-1200/oz from approximately \$1,450/oz.

The Company is also taking the opportunity to update the market of its 2023 Guidance. Mako and Syama sulphide operations continue to perform according to their respective schedules, however the Syama oxide operations have not performed to plan as a result of mining lower grade ores therefore impacting production. This has resulted in overall gold production being revised down from our target of 350,000oz to a range of 330,000-340,000oz for the year.

Group AISC guidance for 2023 remains unchanged at US\$1,480/oz, due to the implementation of sustainable cost reduction initiatives put in place over 2023 across all aspects of the Group. Capital expenditures for 2023 are expected to be approximately US\$70 million, excluding the Phase 1 Expansion capital, down from the previous guidance of US\$88 million.

### Highlights For Three Year Forecast

- Total Group gold production of 1,000,000-1,100,000 oz for the three years 2024 to 2026;
- Syama gold production increasing to over 260,000 oz per year in 2026 as the Syama North enhancement becomes fully operational;
- Mako gold production of 130,000-140,000 oz in 2024 and 2025 as high-grade (>2 g/t) ore is processed; and
- Group AISC systematically falling from US\$1480/oz in 2023 to US\$1,175-1,275/oz by 2026.



Resolute Mining Limited (“Resolute” or “the Company”) (ASX/LSE: RSG) is pleased to provide three-year forecast for its Mako and Syama Operations. This follows mine optimisations and incorporation of the Phase I Expansion Project at Syama.

Mako		2024	2025	2026
Gold Production	Oz	130,000-140,000	130,000-140,000	55,000-65,000
Capital Expenditure	US\$ million	10-15	5-8	1-3
AISC	US\$/oz	1,200-1,300	1,100-1,200	1,100-1,200
Syama		2024	2025	2026
Gold Production	Oz	225,000-235,000	225,000-235,000	260,000-270,000
Capital Expenditure	US\$ million	85-95	50-60	70-80
AISC	US\$/oz	1,300-1,400	1,250-1,350	1,200-1,300
Group		2024	2025	2026
Gold Production	Oz	355,000-375,000	355,000-375,000	315,000-335,000
Capital Expenditure	US\$ million	95-110	55-68	71-83
AISC	US\$/oz	1,250-1,350	1,200-1,300	1,175-1,275

Table 1: Three-Year Production and Cost Forecast

Resolute’s Chief Executive Officer, Mr Terry Holohan, commented:

“The release of our three-year forecast is to provide clarity and confidence to the market that Resolute remains on its stated organic growth path to increase ounces and improve margins across all its operations. I am pleased to report that the Sub Level Cave, which is the heartbeat of Syama, continues to improve its overall performance and is presently being constrained by the crusher plant which has enhancements scheduled for commissioning over Q4 2023; these improvements will allow the SLC to increase capacity. The Syama North Phase I Expansion project, which is on track for commissioning in H1 2025, will enable stable production in

excess of 260,000oz per year at the mine for many years to come with the flexibility of having two reliable sources of ore. All of this being now possible since we have rebuilt the Syama sulphide plant and demonstrated the ability to economically recover gold from the refractory sulphide ores over the last two years at production rates of approximately 160,000 oz per year.

At Mako, we have two extremely strong years ahead of us with production around 135,000 oz per year at very healthy margins. While we have presently scheduled to start ramping down the operations in 2025, we are actively drilling in close proximity to the mine with full stakeholder support and are, over time, becoming more confident of being able to extend the mine's life.

Unfortunately, in Syama due to precluding operations in the Tabakoroni open pit due to the presence of carbon pockets, where we had scheduled 150kt of high grade (4g/t) material (approx. 16,000 oz recovered) for treatment in the oxide plant we had to replace this ore with significantly lower grade material. As a result of this change in the mine plan, we are expecting slightly lower gold production in 2023 from the oxide operation. Specifically, we are revising down our guidance to 330,000-340,000 oz. Over Q4 2023 the oxide operations will return to planned grades as mining in the A21 open pit, originally scheduled for start-up in Q1 2024, commenced stripping mid-year with ore access in Q2 2023 and plant head grades returning to planned levels over Q3 2023.

I am happy to report that, despite the lower ounces projected, we still expect the same Group AISC of US\$1,480/oz due to the sustainable cost reductions we have implemented over 2023 across the Group."

## Three-Year Forecast

Resolute is pleased to provide three-year production and cost forecast for its Mako and Syama Operations – Table 1.

### Syama

Syama gold production will be stable in 2024 and 2025 and then increase by approximately 15% in 2026 where production is expected to exceed 260,000 oz. From 2026 onwards over 90% of production is expected to come from sulphide ore from underground and open pit sources. The Phase I Expansion, expected to be commissioned in the first half of 2025, will retain flexibility to switch between processing oxide and sulphide ore. At this stage, the board has approved the funding for long lead items and final board approval of the project is anticipated once definitive technical documentation is completed.

The capital expenditure at Syama over the next three years is driven by the Phase I Expansion and waste stripping of Syama North pits to access deeper higher-grade sulphide ore. Phase I Expansion capital expenditure will be approximately US\$45-55 million and US\$5-10 million in 2024 and 2025 respectively.

We estimate total sustaining capital expenditure of between US\$20-30 million for each of the next three years with the remainder being classified as non-sustaining capital. Non-sustaining capital over the years relates to the Phase I Expansion capital, fleet additions to increase the underground production capacity from 2.4 Mtpa to 2.8 Mtpa and pre-stripping.

There is also approximately \$2 million of capital allocated in 2024 for studies on the Phase 2 Expansion Project.

The Syama AISC is expected to decrease gradually over the next three years due to the continued positive impact of cost-saving initiatives and from the increase in gold production in 2026 as the SLC and the Phase 1 Expansion hits optimal capacity.

## **Mako**

Mako gold production will peak in 2024 and 2025 as the high-grade zones in the Mako pit, that have been exposed in 2023, are mined and processed. In 2026 stockpiles start to be processed. The production and cost forecast provided assumes Mako stops gold production in 2027 and the closure plan commences. However, Resolute is growing more confident that additional ore source can be found to extend the mine life with several options being actively pursued. Further details will be provided throughout the course of the year.

Assuming the mine is closed, the remaining capital expenditure at Mako will consist of minimal sustaining costs and final stage of waste stripping. The estimated waste stripping remaining is US\$6-8 million in 2024 with a further US\$4-6 million of sustaining capital. Total capital expenditure falls to US\$5-8 million and US\$1-3 million in 2025 and 2026 respectively. This capital expenditure profile is based on a conservative mine closure scenario; however, management is actively exploring alternative scenarios to extend the mine life which if developed would require additional capital expenditure.

The AISC at Mako over the next three years are expected to be considerably lower than in 2023. The primary reason are the strong head grades expected 2.2-2.3 g/t and 2.0-2.1 g/t for 2024 and 2025 respectively, in addition to the lower sustaining capital. The stockpiles schedules to be processed in 2026 are expected to have a head grade between 0.9-1.0 g/t; the cessation of mining activities in 2026 keep the AISC at US\$1100-1200/oz.

## **Revised 2023 Guidance**

Group gold production guidance for 2023 is being revised to 330,000-340,000 oz, down from 350,000oz, due to lower production from Syama with oxide operations requiring treatment of lower grade ores leading to Syama gold production for 2023 being revised down from 233,000 oz to 215,000-225,000 oz.

There has been no change at Mako which is performing in line with guidance of 117,000 oz for 2023.

At Syama, the oxide mining schedule changed because of mining in an area of the Tabakoroni open pit which hit unexpectedly high carbon content which impacted recoveries. As a result, this area was removed from the 2023 mine plan, impacting 2023 total recovered ounces by approximately 16,000 oz (scheduled at 150kt at

4g/t Au and 85% recovery). As a result of ceasing mining at Tabakoroni, mining oxide ore from the A21 pit was brought forward from 2024 into the 2023 schedule however with lower grades being fed into the mill as compared to the original plan.

The Company remains comfortable of cash costs and capital expenditures. Group AISC guidance for 2023 remains unchanged at US\$1480/oz as the volume effect is offset by the reduced costs. Due to a revised budget, we have reduced 2023 capital expenditure guidance from US\$88 million to approximately US\$70 million excluding capital required for the Phase 1 Expansion.

## Contact

### Resolute

Matthias O'Toole-Howes  
matthias.otoolehowes@resolutemining.com  
+44 203 301 7620

### Australian Media

Cameron Morse, FTI Consulting  
cameron.morse@fticonsulting.com  
+61 433 886 871

### Public Relations

Jos Simson / Emily Moss, Tavistock  
resolute@tavistock.co.uk  
+44 207 920 3150 / +44 7788 554 035

### Corporate Broker

Jennifer Lee, Berenberg  
+44 20 3753 3040

*Authorised by Mr Terry Holohan, Managing Director and Chief Executive Officer*

## Production Targets

Certain information in this announcement comprise a Production Target and/or forecast financial information for the Mako and Syama Operations and are based on mine optimisations and the incorporation of the Phase I Expansion Project at Syama.

The Ore Reserves and Mineral Resources underpinning the Production Target (and the forecast financial information based on that Production Target) have been prepared by a competent person in accordance with the requirements in the JORC Code (2012 Edition).

The Production Targets and/or forecast financial information for the Mako and Syama Projects are based on Resolute's current expectations of future results or events and should not be relied upon by investors when making investment decisions. All material assumptions upon which a Production Target (and forecast financial information based on the Production Target) are disclosed in this announcement. Resolute has concluded it has a reasonable basis for providing the Production Targets and forecast financial information included in this announcement.

Of material included within the Mako Production Target: material classified as Proven Ore Reserves contributes ~11% and material classified as Probable Ore Reserves contributes ~89%.

Of material included within the Syama Production Target: material classified as Proven Ore Reserves contributes ~33% and material classified as Probable Ore Reserves contributes ~67%.

## No new information

The information in this announcement that relates to Mako and Syama Production Targets is underpinned solely by Ore Reserves and Mineral Resources from a report entitled 'Increases in Mineral Resources and Ore Reserves from Exploration Success' announced on 8 March 2023. The Company confirms that it is not aware of any information or data that materially affects the information included in the relevant market announcement and all material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed.

## Forward-Looking Statements

This announcement contains certain "forward-looking statements" including statements regarding our intent, belief or current expectations with respect to Resolute's business and operations, market conditions, results of operations and financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan", "forecast" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, anticipated production, life of mine and financial position and performance are also forward-looking statements. These forward-looking

statements involve known and unknown risks, uncertainties and other factors that may cause Resolute's actual results, performance and achievements or industry results to differ materially from any future results, performance or achievements, or industry results, expressed or implied by these forward-looking statements. Relevant factors may include (but are not limited to) changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which Resolute operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward-looking statements are based on Resolute's good faith assumptions as to the financial, market, regulatory and other relevant environments that will exist and affect Resolute's business and operations in the future. Resolute does not give any assurance that the assumptions will prove to be correct. There may be other factors that could cause actual results or events not to be as anticipated, and many events are beyond the reasonable control of Resolute. Readers are cautioned not to place undue reliance on forward-looking statements, particularly in the current economic climate with the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Forward-looking statements in this document speak only at the date of issue. Except as required by applicable laws or regulations, Resolute does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in assumptions on which any such statement is based. Except for statutory liability which cannot be excluded, each of Resolute, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in these forward-looking statements and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in forward-looking statements or any error or omission.