



ASX ANNOUNCEMENT

RESOLUTE TO RAISE UP TO \$35M FOR DEBT PAYDOWN AND WORKING CAPITAL

Resolute Mining Limited is pleased to advise that it proposes to raise a minimum of \$20 million and up to \$35 million through a placement of Convertible Notes at an issue price of \$0.70 each and Options at an issue price of \$0.10 per option (Placement).

The proceeds will be applied to the restructure of the Company's debt and to provide working capital, notably for the acceleration of development work on growth projects in Mali, Tanzania and Queensland.

Paterson Securities Limited has been appointed as lead manager to the Placement which will be made under a prospectus to be lodged with ASIC and ASX on or about 8 September 2009, and has advised it has received support for the minimum \$20 million sought under the issue. Resolute shareholders will be sent a copy of the prospectus and will be afforded an opportunity to invest.

The face value of the Convertible Notes is \$0.50 with the additional \$0.20 representing a premium that is not redeemable by the Noteholders. The Option has an exercise price of \$0.60 and an expiry date of 31 December 2011.

The offer will comprise a package of three Convertible Notes and one Option for a total of \$2.20 for the package.

The Convertible Notes and Options have the same terms and conditions as the existing listed series (ASX:RSGG and ASX:RSGO) and application will be made to the ASX for listing the new securities.

The issue of the Convertible Notes will occur in two tranches:

- Tranche 1: 27.3 million Convertible Notes and 9.1 million Options (raising \$20 million before costs) will be completed shortly after the lodgement of the prospectus in accordance with the Company's 15% issuing capacity.
- Tranche 2: The balance of Convertible Notes and Options (raising up to \$15 million before costs) is subject to shareholder approval in accordance with Listing rule 7.1 and will be completed following a general meeting expected to be held on or around 15 October 2009.

Approximately \$9.8 million of the funds raised will be used to repay debt under a proposed restructure of the Company's secured debt facilities (see below).

The balance of the funds raised will be used for working capital purposes and in particular the continued ramp up of the Syama Gold Mine in Mali (which began production in June), development of the Mt Wright Gold Mine in Queensland and further development of the Golden Pride Gold Mine in Tanzania.

Resolute CEO Peter Sullivan said the raising would facilitate a favourable restructure of the Company's debt and re-calibrate the balance sheet.

"Funds raised beyond the minimum, will allow us to push ahead strongly on our development projects in a manner that optimises value for our investors" said Mr Sullivan.

"This includes development of the oxide circuit at Syama, additional work on the Maji and other near pit deposits at Golden Pride in Tanzania and further drilling at Mt Wright in Queensland."

"We believe the development of these additional projects beyond the current Syama project can deliver great value to our investors and the Board has taken the view that the optimal approach is to progress work on these as quickly as we can."

Following the first gold pour at Syama in June, production has ramped up gradually and the project produced 7,000 ounces of gold in July.

At full capacity, Syama is forecast to produce an average of 250,000 ounces of gold per annum over the lifetime of the project.

Debt Restructure

The Company is pleased to advise that it has entered into a conditional agreement with Barclays Bank to restructure its secured debt facilities. The secured debt facilities comprise a cash advance facility, a deferred put option premium facility and net financial derivatives liabilities.

The restructure is conditional upon the following key events:

- i) The Company raising at least \$20 million from a capital raising (to be satisfied by the Placement);
- ii) Applying at least US\$8 million towards prepayment of debt (to be satisfied from proceeds of the Placement);
- iii) A gold hedging program deferring 10,000 ounces of forward sales in the fiscal year 2010 until the December quarter 2011, and further protecting 20,000 ounces of production for calendar year 2010;
- iv) Issuing 3 million Options to Barclays with a 3 year term and an exercise price set at a 15% premium to the lesser of the Company's volume weighted average share price for the 30 day period ended 30 June 2009 and the lowest subscription price per share of any new shares issued after 30 June 2009 but prior to the restructure being completed.

Following completion of the restructure, the amounts repayable under the Barclays cash advance facility and deferred put option premium facility will be as shown in the table below.

Date	Amount Repayable US\$'000	Amount Repayable US\$'000
	After Restructure	Existing
Restructure date	8,000	-
31 December 2009	1,100	5,500
30 June 2010	1,375	8,250
31 December 2010	3,090	10,240
30 June 2011	15,420	7,470
31 December 2011	15,730	7,755
30 June 2012	4,586	7,336
10 December 2012	2,750	5,500



PETER SULLIVAN
Chief Executive Officer

4 September 2009