



**RESOLUTE
LIMITED**

A.C.N 009 069 014

**Report on Activities for the Quarter to
31 March 2001**

PRODUCTION

- **Total gold production of 86,148** (85,654) ounces of gold was achieved during the March quarter, at a cash cost of **US\$186** per ounce (US\$178) or A\$350 per ounce (A\$338 /oz).
- Attributable production for the quarter was 82,931 (82,804) ounces of gold at an average cash cost of **US\$185 per ounce** (US\$177/oz) or A\$348 per ounce (A\$336/oz).
- Golden Pride achieved production of 53,982 ounces of gold (57,150) at a cash cost of **US\$170** per ounce (US\$160/oz).
- A **13% increase** in gold production at Obotan generated 32,166 (28,504) ounces of gold at a cash cost of US\$212 per ounce (US\$215/oz).

EXPLORATION

Golden Pride

- Encouraging results being followed up with a new drilling program in the June quarter with potential to convert significant resource ounces to reserve ounces.

CORPORATE

- **Group cash and bullion** at the end of the quarter was A\$63m (A\$61m).
- **Borrowings reduced** during the quarter from A\$45.5m to A\$34.6m or in USD terms – from US\$25.2m to US\$16.8m
- **Gross cashflow** from operations for the quarter of A\$17m (A\$17m).
- **Group operating net profit before tax** for the first 9 months expected to approximate A\$26m. (A\$21.7m for the 6 months ended 31 December 2000)

PR SULLIVAN
Chief Executive Officer
26 April 2001

RESOLUTE LIMITED – MARCH 2001 QUARTERLY REPORT

GROUP PRODUCTION SUMMARY

	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Plant Availabilit y (%)	Total Production (oz gold)	Cash Cost A\$/oz	Tota l Cost* A\$/oz	Equity Production (oz/gold)	Equity Cash Cost \$/oz	Equity Total Cost \$/oz
Obotan											
March Quarter	413,289	456,084	2.46	90.0	97.4	32,166	400	445	28,949		
December Quarter	421,775	410,328	2.38	90.0	96.6	28,504	405	465	25,654		
Golden Pride											
March Quarter	535,632	538,294	3.37	92.8	95.4	53,982	320	445	53,982		
December Quarter	488,816	524,904	3.64	93.0	96.4	57,150	305	443	57,150		
Total											
March Quarter	948,921	994,378	2.95	91.5	96.4	86,148	350	445	82,931	348	445
December Quarter	910,591	935,232	3.09	91.8	96.5	85,654	338	450	82,804	336	450

* Total Cost includes cash costs, depreciation and amortisation, royalties and in-country operational support costs.

PRODUCTION

Golden Pride, Tanzania (Resolute Limited – 100%)

Golden Pride produced 53,982 (57,150) ounces of gold from 538,294 tonnes of ore milled at a head grade of 3.37 g/t and a cash cost of US\$170/oz (US\$160/oz).

Mining continued in line with the life of mine schedule for January and February. In March, an amendment was made to the mining schedule which should have the impact of improving cash flow in the medium term. The amended schedule involves increasing material movement by increasing the number of days worked in the pit from 5 to 6 and concentrating the additional mining capacity in the eastern end of the pit. This will bring forward oxide ore production and reduce the requirement to deplete medium grade ore stocks to supplement mill feed. The net effect will be to increase the grade of oxide ore milled and reduce the amount of waste stripping which was originally scheduled for the next financial year.

Results from the development drilling program completed in the December quarter and subsequent planning work indicates the potential for an increase in the pit size. An additional drilling program for the June quarter has been commenced to better define the extent of mineralisation; move some inferred material into a higher resource category and to undertake geotechnical design work to determine the appropriate pit wall slope parameters.

Obotan, Ghana (Resolute Limited – 90%)

A total of 32,166 (28,504) ounces of gold were produced during the quarter from 456,084 tonnes of ore milled at a head grade of 2.46 g/t and a cash cost of US\$212/oz (US\$215/oz).

Gold production was above budget for the quarter due to a significant effort put into fine tuning the crushing and milling circuits as well as managing the ore blend fed into the plant to maximise production of harder primary ore which achieved a mill throughput well in excess of budget. The gold recovery remained lower than budgeted due to the higher than expected oxygen consumption of the ore – resulting in lower dissolved oxygen being available for leaching. The relocation and installation of a hired oxygen plant to inject oxygen into the CIL circuit to increase dissolved oxygen and subsequently increase recovery has been in progress since December. The installation of the oxygen plant was recently completed and commissioning will be finalised by the end of April 2001.

GOLD EXPLORATION

Golden Pride Project, Tanzania (100%)

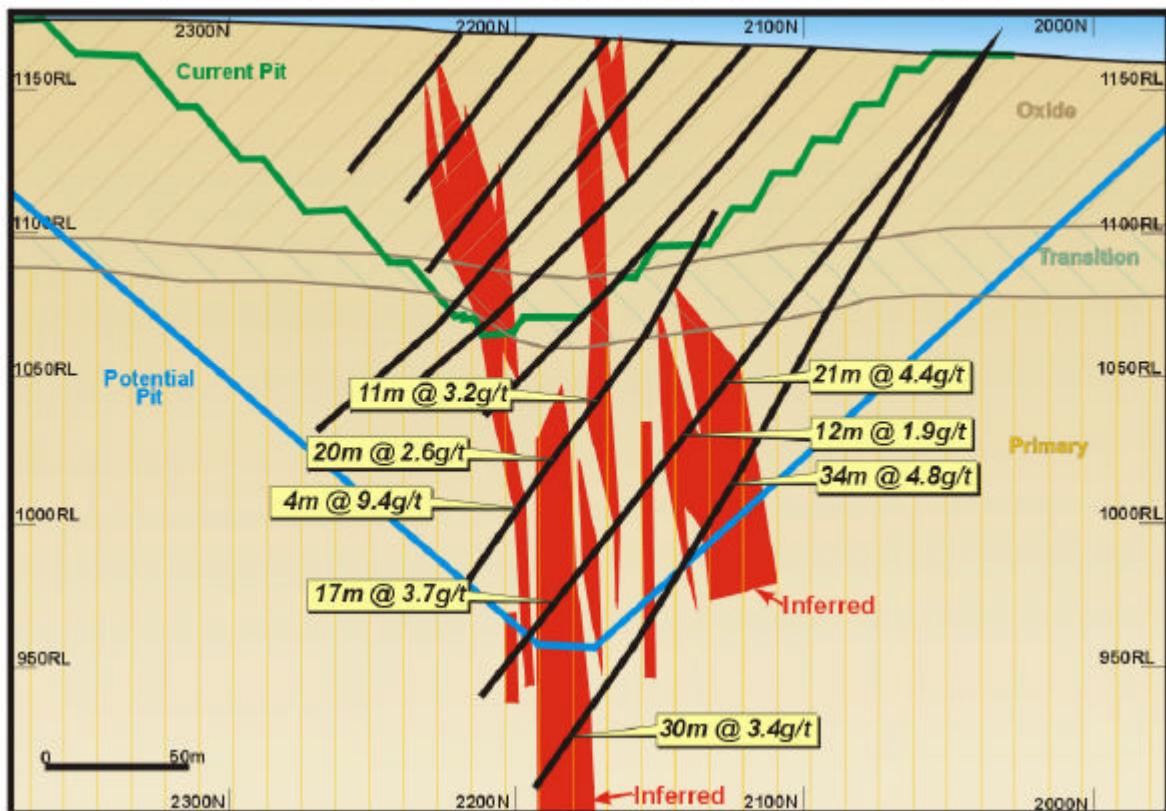
Interpretation of the drill results from the December quarter's successful drill programme and remodelling of the Golden Pride deposit were completed during the quarter. Preliminary re-modelling of the deposit using Multiple Indicator Kriging (MIK) and subsequent Whittle 4D optimisation runs deepened the optimised Golden Pride pit to the base of the latest drilling.

This exercise highlighted the potential to convert significant ounces, towards the base of the optimisations, from resources to reserves with some infill drilling.

A programme of 25 infill holes, including 10 geotechnical diamond holes and several deeper exploratory holes was commenced in early April. When these holes have been completed, and the pit wall angles verified, the pit will be re-optimised. A new in-pit reserve will be calculated and reported in due course.

A study will also be undertaken to determine whether an in wall ramp is a viable alternative to deepening the pit design.

GOLDEN PRIDE SECTION 11550E



The section shows drill hole results reported in the December quarterly report.

Indee Project, Western Australia (Resolute 100%)

Normandy Mining announced their withdrawal from the Indee Joint Venture in January. Despite the project's prospectivity, a strategic change in corporate direction and a focus on near mine projects saw Normandy rationalise its exploration activities both in Australia and overseas.

Resolute has been reviewing the extensive data accumulated during Normandy's term as manager of the Joint Venture which saw Normandy spend in excess of \$1.5 million on exploring for epithermal, shear-hosted and intrusive-hosted gold mineralisation.

Resolute has been approached by a number of parties seeking to form a new Joint Venture for the project. It is expected that a decision will be made during the next quarter on areas to rationalise, whether to form a new joint venture, or whether Resolute will undertake exploration and retain 100% ownership of the project.

The major zones of mineralisation delineated to date, occur within the Mallina shear, which extends for at least 60km through the project area. A number of electromagnetic (EM) anomalies located by Normandy occur within this shear corridor. These occur within an area of sand cover where there is little or no geochemical expression or drilling. At least 20km strike length of the shear remains to be tested.

At Withnell, where earlier drilling by Resolute intersected higher grades of primary gold mineralisation associated with arsenopyrite, drilling by Normandy (reported in the September 2000 Quarterly) intersected pyrite rich zones. These intersections included 5m at 4.61g/t (within a 60m intersection grading 1.3g/t) in MUDD003, and 5m at 9.5g/t (in an interval of 66m grading 1.85g/t) in MUDD004.

This recent work indicates that the mineralisation may form as a series of oblique zones within the shear system rather than parallel to it. The association with pyrite rather than arsenopyrite in these holes is also encouraging.

Yumbarra (Gawler Joint Venture, Resolute – 50%, Dominion – Manager – 50%)

Follow up calcrete, soil sampling and electrical geophysical surveying was completed over previously defined anomalies in the NE and SE of the magnetic complex last quarter.

Nickel and copper values of the same order as previously reported were obtained. The low level of the anomalism may be due to the masking by several levels of calcrete and a programme of auger drilling is underway in an attempt to test the bedrock.

Other forms of drilling are currently precluded, due to the restrictive permitting process, but a new application is being prepared to enable more robust drilling to be undertaken in this environmentally sensitive area.

Results are expected during the June quarter.

CORPORATE

Cash and Debt

At 31 March 2001, Resolute Limited and its subsidiaries had approximately A\$63m in cash and bullion (31 December 2000 : A\$61m), of which A\$24m in cash is subject to certain restrictions pursuant to the group's facility agreements.

The principal movements in the cash balance during the quarter are attributable to: - gross cashflow from operations of A\$17m, principal and interest repayments of A\$16.4m, a A\$3.7 net gain attributable to foreign exchange movements, exploration expenditure and minesite capital of A\$2.0m and advances to AGR for development of the Boroo Gold Project of A\$0.6m.

The average revenue price achieved during the quarter ended 31 March 2001 was A\$573/oz of gold poured. Included in the average revenue price per ounce of gold poured is an amount of approximately A\$24/oz relating to the deferred recognition of hedging gains made on the close out of gold hedging contracts in the previous financial year. The average cash selling price during the quarter was A\$549/oz. Gold poured during the quarter was 87,799 ounces and sales revenue for the quarter was A\$50m.

Group Hedging Profile at 31 March 2001

Gold Hedging	Forwards & Spot Deffereds		Call Options Sold	
	Ounces	US\$	Ounces	US\$
Y/E 30/6/01	20,105	240	57,000	346
Y/E 30/6/02	93,542	304	4,000	291
Y/E 30/6/03	124,348	304	-	-
Y/E 30/6/04	119,852	304	-	-
Y/E 30/6/05	21,281	304	-	-
	379,128	300	61,000	342

Currency	A\$/US\$ Forwards	
	US\$	Avg FX rate
Y/E 30/6/01	3,750,000	0.7746
Y/E 30/6/02	7,241,498	0.7613
	10,991,498	0.7658

Investment in AGR Limited

Resolute Limited holds 19% of the issued capital of AGR Limited. The directors are continuing to review the various options available to capitalise on the group's investment in AGR Limited. Resolute remains committed to the development of the Boroo Gold Project and is continuing to provide interim funding for the project, while reviewing the various options to proceed.

Capital Structure

The directors are examining methods to simplify the Company's capital structure. This is likely to involve a proposal for the early conversion of preference shares and an issue of ordinary shares in consideration for any preference share dividend rights.

CORPORATE DIRECTORY

Senior Management

P.R. Sullivan	CEO
P.E. Huston	Executive Chairman
D.T. Cairns	Development/Exploration
M.B. Turner	Operations
G.W. Fitzgerald	Finance & Administration and Company Secretary
G.G. Jones	Business Development
J.A. Magee	Corporate
P.K. Williams	Chief Geophysicist
T. Salinovich	General Mgr Metallurgy
R.S. Barnes	Operations Manager <i>Obotan, Ghana</i>
G.S. Pierce	Operations Manager <i>Golden Pride, Tanzania</i>

Registered and Principal Office

4th Floor, Griffin Centre
28 The Esplanade
Perth, WA, Australia, 6000
Tel: 61 8 9261 6100
Fax: 61 8 9322 7597
Web: www.resolute-ltd.com.au

Home Exchange

The Company's shares are listed on the Australian Stock Exchange and the home exchange is Perth

Shareholder Enquiries

Enquiries concerning shareholdings should be addressed to Security Transfer Registrars Pty Ltd
PO Box 6405, East Perth, WA
Australia
Tel: 61 8 9221 4200
Fax: 61 8 9221 1581

The information in this report as it relates to ore reserves, mineral resources or mineralisation is reported in accordance with the Aus.IMM "Australian Code for reporting of Identified Mineral Resources and Ore Reserves" and is based on information compiled by DT Cairns and T Brown, competent persons as defined by the Code. DT Cairns and T Brown have consented in writing to the inclusion in this report of the numbers based on the information in the form and context in which it appears.

"Significant" drill results refer to results that are indicative of potentially economic mineralisation or that warrant follow-up work.