



Golden Pride

The Golden Pride mine is located in Tanzania, East Africa, 750km north-west of the port of Dar es Salaam and 200km south of Lake Victoria.

Resolute has a 100% interest in the project through its Tanzanian subsidiary, Resolute (Tanzania) Limited.

During 2003/2004 the operation successfully achieved the performance requirements to render the financing arrangements for the plant upgrade non-recourse to the parent entity, Resolute Mining Limited. In addition the site achieved a record safety performance of 467 lost time injury free days.

The current mine is designed to produce an average of approximately 160,000 ounces of gold per annum at a cash cost of US\$220 per ounce over the remaining four to five year mine life.

Operations

The 2004 financial year exceeded forecast with gold production reaching 169,151 ounces at a cash cost of US\$228 per ounce. Following the treatment plant upgrade commissioned in the 2002/2003 financial year plant throughput was progressively increased to test the throughput versus recovery performance of the leach circuit. In the June quarter throughput reached an annualized rate of 3.0Mtpa with a recovery improvement largely due to carbon management initiatives.

The open pit produced 7.7 million cubic metres of material with emphasis on the north and south waste cutbacks in the central and western end of the operation. Concurrently the eastern end of the pit was substantially completed. This section is due to be depleted in the first half of the 2004/2005 financial year in line with life of mine forecasts.

The treatment plant performed well above expectations and easily surpassed the 2.6Mtpa upgraded design capacity with 2.8Mt treated at a head grade of 1.99g/t for the year at above forecast recovery.

The Golden Pride mine has now produced in excess of 1 million ounces of gold since commissioning.

Golden Pride - Ore Reserves as at 30 June 2004

Category	Tonnes	Grade	Ounces
Proven	7,000,000	2.0	460,900
Probable	7,880,000	1.3	337,500
	14,880,000	1.6	798,400

Outlook

The project continues to perform in line with the life of mine forecast with a demonstrated capacity to increase treatment plant throughput to above design rates with little impact on recovery on oxide ore blends. Below average grades and gold production is forecast in the coming financial year with completion of the development of the lower grade eastern end of the pit to final design limits.

Waste development in the north and south cutback will be the main focus in the mining operation in order to access the high-grade ore in the deeper sections of the pit from 2005/2006 onwards.

FIGURE 1

Golden Pride mine location

