

REGISTERED NUMBER: 05101822 (ENGLAND AND WALES)

RAMBLER METALS AND MINING PLC

REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JULY 31, 2015



RAMBLER METALS AND MINING PLC

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RAMBLER METALS AND MINING PLC

COMPANY INFORMATION

FOR THE YEAR ENDED JULY 31, 2015

Directors: T S Chan
E C Chen
D H W Dobson
L D Goodman
G Ogilvie
J S Thomson
G Poulter (appointed December 4, 2014)
N P Williams

Secretary: P Mercer

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SM2 5DA

Registered number: 5101822 (England and Wales)

Auditor: BDO LLP
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W1U 7EU

RAMBLER METALS AND MINING PLC

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED JULY 31, 2015

While the volatility of our markets over the last 12 months has added new challenges to the business, and to the copper industry in particular, the Company has been quick to react taking cost cutting measures to ensure minimum impact. For the fiscal year end the operation met most of its planned targets of tonnes milled, recoveries and head grades, however, did fall short on the total planned copper and gold metal production guidance.

It has been a year of significant change and progress for Rambler, most notably with the results of the pre-feasibility engineering study and economic assessment ('PFS') aimed to integrate the Lower Footwall Zone ('LFZ') mineral resource into the life of mine plan for the Ming Mine. The results of which defined a staged, low capital strategy for the optimisation of all existing infrastructure allowing the operation to run at full capacity of 1,250 metric tonnes per day by 2018. Importantly it has also extended the life of Ming mine from 6 to 21 years.

As a Canadian producer, we continue to advance and develop other opportunities within the region and benefit from not only working in one of the safest jurisdictions in the world, but also from selling our commodities in US dollars whilst most of our costs remain in Canadian Dollars.

The presentational currency of the Group's financial statements is Canadian dollars (\$).

OPERATIONAL RESULTS

Despite the challenging market conditions resulting in a provision for impairment against the carrying value of the Group's Ming Mine, the Group reached considerable milestones and other key achievements during the fiscal year which include:

- Completion of a pre-feasibility study ('PFS') outlining an expansion plan to fully optimise all available infrastructure through the integration of the new Lower Footwall Zone ('LFZ') mineral reserves. The new projected mine life of the operation is twenty one years, following the expansion.
- Completion of onsite pre-concentration test work on the Lower Footwall Zone material. Results showed that the LFZ was amenable to pre-concentration through both dense media separation ('DMS') and X-ray transmission ('XRT') sorting techniques. Ore pre-concentration remains to be a significant opportunity in addition to the PFS mine plan.
- A small operating profit of \$1 million (2014: \$17.9 million) before impairment.
- Generation of cash of \$10.1 million (2014 \$24.8 million) from operations during the year.
- Continued exploration activity at the Ming Mine and acquired exploration and development rights to other local copper/gold properties.

FINANCIAL RESULTS

The consolidated loss after taxation of the Group in respect of the year ended July 31, 2015 amounted to \$10,153,000 (loss per share of \$0.070) after a provision for impairment of \$15.1 million versus a profit of \$9,015,000 for the year ended July 31, 2014 (earnings per share of \$0.063). Earnings before interest, taxes, depreciation, amortisation ("EBITDA") for the year were \$2,086,000 (2014 : \$27,270,000).

The Group generated revenue of \$40.9 million from the sale of copper concentrate containing gold and silver by-products.

The gross assets of the Group amounted to \$110.3 million as at the end of the year. This included Mineral property of \$42.5 million and Intangible assets of \$18.4 million which mainly consisted of accumulated deferred exploration and evaluation expenditures on the Lower Footwall Zone at the Ming Mine.

A provision for impairment of \$14.3 million was recorded against the carrying value of the Ming Mine. The provision for impairment was a non-cash revaluation of assets reflecting the current market outlook regarding commodity prices, foreign exchange rates and the current market cost of capital.

RAMBLER METALS AND MINING PLC

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED JULY 31, 2015 (CONTINUED)

My thanks go to our employees, officers and directors for their strong support and the considerable progress made towards defining a significant life of mine plan during the year. I look forward to initiating on this plan in fiscal 2016.

G Ogilvie
Chairman

October 23, 2015

RAMBLER METALS AND MINING PLC

STRATEGIC REPORT FOR THE YEAR ENDED JULY 31, 2015

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

A review of the Group's business and future developments is set out in the Management's Discussion and Analysis including key performance indicators.

PRINCIPAL RISKS AND UNCERTAINTIES

An investment in Rambler should be considered speculative due to the nature of its operations and certain other factors. The risk factors which should be taken into account in assessing Rambler's activities and an investment in securities of Rambler include, but are not limited to, those set out below. Should any one or more of these risks occur, it could have a material adverse effect on the value of securities of Rambler and the business, prospects, assets, financial position or operating results of Rambler, any one of which may have a significant adverse effect on the price or value of any securities of Rambler.

The risks noted below do not necessarily comprise all those faced by Rambler and are not intended to be presented in any assumed order of likelihood or magnitude of consequences.

Mining risks

Mining operations are inherently risky. These operations are subject to all hazards and risks encountered in the exploration, development and production of mineralization in an underground setting. These include but are not limited to formation pressures, seismic activity, rock bursts, fires, power outages, cave-ins, flooding, explosions and other conditions involved in the drilling and removal of material. Any of these events could result in serious damage to the mine and other infrastructure, damage to life or property, environmental damage and possible legal liability.

The Company's profitability will depend, in part, on the economic returns and actual costs of developing its mining projects, which may differ from the estimates made by the Company.

Copper and Gold Price Volatility

The Group's revenues will continue to be derived from the extraction and sale of copper concentrate containing gold and silver by-products. The prices of copper, gold and silver have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Group's control including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased global production due to new extraction developments and improved extraction and production methods.

In recent years the price of copper has been affected by changes in the worldwide balance of copper supply and demand, largely resulting from economic growth and political conditions in China and other major developing economies. While this demand has resulted in higher prices for copper in past years, the current economic slowdown in China has placed downward pressure on the demand for copper. The effect of these factors on the price of copper and gold cannot be accurately predicted. Current predictions for the price of copper have had an adverse and material impact on the Group's economic evaluations and on the Group's results of operations resulting in the Group recording a provision for impairment during the year. This provision for impairment will be re-evaluated in the future as market conditions change.

Foreign currency risk

The Group's cash resources are mainly held in Canadian dollars and US Dollars and certain receivables and the Gold Loan are denominated in US dollars. The Group has a downside exposure to any strengthening of the US dollar as this would increase the amount repayable on the Gold Loan in Canadian dollar terms. This risk, however, is relevant only should the Gold Loan be repaid in cash under terms set out in note 23. Repayment is envisaged in payable gold which is denominated in US dollars. Exposure to this foreign currency risk has been mitigated since the commencement of production. Any weakening of the US dollar would however result in a reduction in revenue and receivables in Canadian dollar terms. The Group has not hedged its exposure to currency fluctuations.

RAMBLER METALS AND MINING PLC

STRATEGIC REPORT FOR THE YEAR ENDED JULY 31, 2015

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

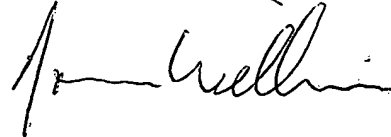
Additional Requirement for Capital

The Group is seeking additional capital of USD\$15 million to fund the planned expansion and optimization strategy as recently outlined in the pre-feasibility study. Any additional equity financing may be dilutive to shareholders and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Group. If the Group is unable to obtain additional financing as needed over the longer term, it may be required to reduce the scope of its operations or anticipated expansion, forfeit its interests in some or all of its properties, incur financial penalties and reduce or terminate its operations. The Group has the ability to continue operating under its Phase 1 mine plan for Fiscal 2016 and into Fiscal 2017 and possibly for an extended period of time with continued exploration success.

Uncertainty in the estimation of mineral resources and mineral reserves

The estimation of mineral reserves, mineral resources and related grades has a degree of uncertainty. Until such a time as the mineral reserves and mineral resources are actually mined and processed, the quantity of grades must be considered as estimates only. The mineral reserve estimates of the Company have been determined or reviewed by an independent consultant and is based on assumed metal prices, cut-off grades and costs that may prove to be inaccurate. Any material change in these variables, along with differences in actual metal recoveries when compared to laboratory test results, may affect the economic outcome of current and future projects.

ON BEHALF OF THE BOARD:



N P Williams
President and CEO
Director

October 23, 2015

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

This MD&A, including appendices, is intended to help the reader understand Rambler Metals and Mining plc ('the parent company') and its subsidiaries (the 'Group' or 'Rambler'), our operations and our present business environment. It has been prepared as of October 23, 2015 and covers the results of operations for the quarter and year ended July 31, 2015. This discussion should be read in conjunction with the audited Financial Statements for the year ended July 31, 2015 and notes thereto. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations adopted by the International Accounting Standards Board ("IASB"), as adopted by the European Union and with IFRS and their interpretations adopted by the IASB. The Group's presentational currency is Canadian dollars (CAD) and the financial information is in CAD unless otherwise stated. These statements together with the following MD&A are intended to provide investors with a reasonable basis for assessing the potential future performance. See Forward Looking Statement disclosure in Appendix 6.

GROUP OVERVIEW

The strategic vision of the Group is to become Atlantic Canada's leading mine operator and resource developer. Its principal activity is the development, mining and exploration of the Ming Copper-Gold Mine ('Ming mine') in Newfoundland and Labrador (see map referenced in Appendix 1) and the exploration and development of other properties located in Atlantic Canada.

The Group is looking forward to:

1. Returning to being a profitable copper and gold producer with a focus on further optimization and utilization of the existing infrastructure at the Nugget Pond milling facility.
2. Creating organic growth through the integration of the Ming Mine's Lower Footwall Zone ('LFZ'), extending the life of mine and increasing the annual concentrate production by increasing the mill throughput from 650 metric tonnes per day ("mtpd") to 1250 mtpd.
3. Increasing available resources and reserves through further exploration both within the Ming mine and current land holdings.
4. Increasing revenue through the integration of the existing gold hydromet plant into the production stream and focusing on the Group's operations with the goal of reducing its overall operating costs. Selectively pursuing strategic growth opportunities including joint ventures, acquisitions, strategic alliances and equity positions.

The Group's directors and management believe that these priorities have created a solid foundation for Rambler, and its shareholders, as it continues working towards building a successful and long term mining company.

The parent Company's Ordinary Shares trade on the London AIM market under the symbol "RMM" and the TSX Venture Exchange under the symbol "RAB".

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL UPDATE FOR THE YEAR ENDED JULY 31, 2015

Production

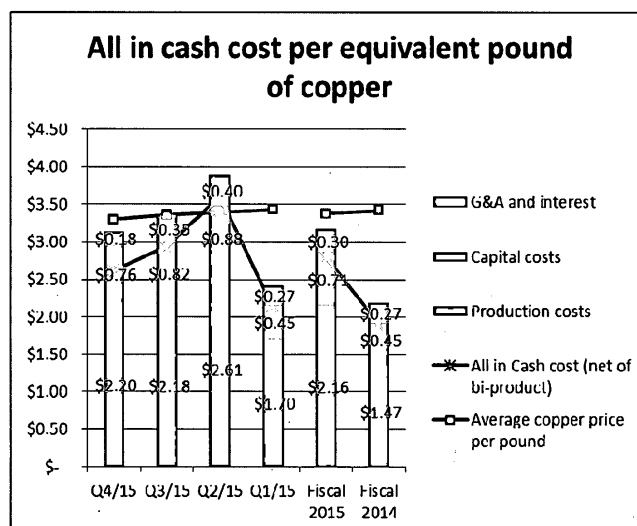
- Produced a total of 17,309 dmt (2014 – 25,647 dmt) of copper concentrate during the year. Concentrate produced decreased as a result of lower copper head grades and averaged 27.31% copper with 9.87 g/t gold and 73.18 g/t silver (2014: 29.13% copper with 8.39 g/t gold and 66.97 g/t silver) with milling recoveries for copper and gold averaging 96.9% and 69.8% respectively (2014: 96.4% and 67.1% respectively). The Group met production guidance for tonnes milled and recoveries however fell short on planned copper, gold and silver production with head grades at the lower end of the production guidance.
- Average production costs (before depreciation, amortisation and royalties) for the year were \$129 (2014 \$134) per tonne of ore milled and \$2.16 (2014: \$1.47) per equivalent pound of copper. Tonnes milled during the year were 215,535 consistent with 215,496 tonnes in 2014. The reduction in costs per tonne is mainly attributable to cost reductions introduced as a result of a revised mine plan introduced in January 2015. The increase in cost per equivalent pound of copper is mainly attributable to reduced copper grade during the year.
- During the fourth quarter daily tonnage through the copper concentrator averaged 645 dmt, a 16% increase over the average of 555 dmt in Q3/15. Tonnage milled: Q4/15 – 59,373 dmt versus Q3/15 – 42,747 dmt, an increase of 16,626 dmt. Concentrate produced decreased as a result of lower copper head grades however still remained within the fiscal production guidance.
- Shipped copper concentrate, totalling approximately 22,688 wmt via the Group's port storage facility at Goodyear's Cove, Newfoundland and Labrador. In addition, at year end 4,420 (2014: 3,258) dmt of invoiced copper concentrate remained in storage together with non-invoiced concentrate of 121 (2014: 260) dmt.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL UPDATE FOR THE YEAR ENDED JULY 31, 2015 (continued)

→ A summary of the Company's AICC (All-In-Cash-Cost) per equivalent pound of copper produced together with the average sales price of copper for the past four quarters and two fiscal years are shown below, all amounts in Canadian Dollars. Total costs reduced between Q2/15 and Q3/15 as a result of the increased productivity reducing production costs and decreased capital development costs.



The significant increase in AICC per equivalent pound of copper between Q1 and Q2 fiscal 2015 was as a result of a decline in copper grade due to unplanned dilution of ore production stopes due to ground stability issues. Costs in Q3 and Q4 reduced from Q2 15 due to the implementation of cost cutting measures announced in January 2015.

The Company has included non-GAAP performance measures: cash operating cost per tonne and per equivalent pound of copper produced and AICC per equivalent pound of copper produced, throughout this document. This is a common performance measure in the mining industry but does not have any standardized meaning. Refer to Appendix 4 for a reconciliation of these measures to reported production expenses.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL UPDATE FOR THE YEAR ENDED JULY 31, 2015 (continued)

Revenue

- A total of 17,662 dmt (2014 – 25,806 dmt) of concentrate was provisionally invoiced during the year containing 4,622 (2014 - 6,968) tonnes of accountable copper metal, 4,926 (2014 - 6,043) and 23,744 (2014 - 28,887) ounces of accountable gold and silver respectively at an average price of \$3.38 (2014 - \$3.42) per pound copper, \$1,438 (2014 - \$1,395) per ounce gold and \$20.04 (2014 - \$22.06) per ounce silver, generating revenue of \$42.0 million (2014 - \$62.0 million). The reduction in revenue mainly reflects lower accountable metal sold as a result of lower head grades with average prices remaining in line with the previous year.
- During the year the Group agreed to final weights and assays on three concentrate shipments with its off-take partner resulting in a \$1.1 million decrease in revenue bringing net revenue for the year to \$40.9 million.
- Revenue associated with the sale of copper concentrate is recognised when significant risks and rewards of ownership of the asset sold are transferred to the Group's off-taker, which is when the group receives provisional payment for each lot of concentrate invoiced. Where a provisional invoice is not raised, risks and rewards of ownership transfer when the concentrate passes over the rail of the shipping vessel. Adjustments arising due to differences in assays, from the time of provisional invoicing to the time of final settlement, are adjusted to revenue. Adjustments arising due to differences in commodity prices, from the time of provisional invoicing to the time of final settlement, are adjusted to gain or loss on Derivative Financial Instruments.
- The Group realised a loss of \$2,058,000 being the difference in the commodity prices at time of provisional invoicing and commodity prices realised on final settlement of the four shipments during the year.

(Loss)/profit

- The net loss before tax for the year was \$10,153,000 compared with a profit of \$13,503,000 for the year ended July 31, 2014. The net loss for the quarter ended July 31, 2015 was \$7,407,000 (\$12,985,000 before tax) or \$0.051 per share which compares to a profit of \$1,321,000 for Q3/15 and \$1,974,000 (\$3,407,000 before tax) for Q4/14. The loss is after the provision for impairment losses (see below) of \$10,849,000 (\$15,120,000 before tax).
- Earnings before interest, taxes, depreciation, amortisation ("EBITDA") for the year were \$2,086,000 (2014 : \$27,270,000).

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL UPDATE FOR THE YEAR ENDED JULY 31, 2015 (Continued)

Impairment

- As part of the annual impairment review of asset carrying values a provision of \$14,336,000 was recorded in relation to the Ming Mine. This was pro-rated against the exploration and evaluation and mineral property costs based on the book value. Following the publication of the Group's PFS, extraction of ore from the Ming Mine's Lower Footwall Zone has been included in the Mine plan adopted by management for fiscal 2016. During the year, the Group carried out an impairment review of the related cash generating unit ("CGU"). The review determined that the mine remains commercially viable however as a result of the current market outlook regarding commodity prices, foreign exchange rates and assuming the current market cost of capital of 9.35% the recoverability of the entire carrying value of the mineral property and exploration and evaluation costs is questionable. As a result a provision for impairment was recognised in the consolidated income statement reflecting the non-cash revaluation of assets.
- The provision for impairment is sensitive in particular to production volumes, commodity prices, discount rate and foreign exchange rates. Production volumes used in the mine plan are based on proven and probable mineral reserves only and do not consider any value for the potential conversion of any remaining measured or indicated resources. The provision for impairment would be reversed on an assumption that long term copper prices of \$2.79 per pound included in the mine plan increased by approximately 3% whereas a 3% reduction would result in an additional provision for impairment of \$14.3 million. The provision for impairment would be reversed on an assumption that the US dollar included in the model at an exchange rate of USD/CAD of 0.88 strengthened against the Canadian dollar by approximately 2.5% whereas a 2.5% reduction would result in an additional provision for impairment of \$14.3 million. A fall in the discount rate of approximately 2.2% to 7.15% would reverse the impairment charge whereas an increase of approximately 2.2% to 11.55% would result in an additional provision of \$10.8 million. The conditions used to calculate the provision for impairment are reflective of the state of current market conditions.
- The decline in fair value of available for sale investments has been classified in other comprehensive income. With the current market conditions regarding gold prices the cumulative losses on the Group's investment in Maritime Resources Corp. have been reclassified from equity to profit and loss giving rise to an impairment charge of \$0.8 million.

Cash flow and cash resources

- Cash flows generated from operating activities were \$10,077,000 compared with \$24,755,000 in the previous fiscal year. Cash flows generated from operating activities were \$1,260,000 in Q4/15 compared to \$1,909,000 in Q3/15 and \$5,889,000 in Q4/14. The decrease in the cash generated relates to the operating profit and changes in working capital.

Cash resources as at July 31, 2015 were \$4.4 million and as of October 23, 2015 were \$2.1 million.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL UPDATE FOR THE YEAR ENDED JULY 31, 2015 (Continued)

Financing and Investment

- During the year a repayment of US\$1.9 million (project to date US\$13.5 million) was made on the Group's Gold Loan from the delivery of 1,615 payable ounces of gold (project to date 9,061 ounces have been delivered).
- In August 2014 the Group subscribed to purchase 760,340 common shares in Marathon Gold Corporation at a price of \$0.4932 per share, for total consideration of \$375,000 under a subscription agreement dated December 3, 2013. The share price for this subscription, which closed on August 5, 2014, represents a 10% discount to the 5-day volume-weighted average price ("VWAP") of Marathon's shares on the trading day prior to Rambler providing notice to subscribe. Post-subscription the Group holds a total of 2,734,258 shares in Marathon, currently representing 3.6% of the issued and outstanding shares at an average price of \$0.32 per share. The Group passed on its option to further invest in three equal tranches of \$375,000 with the last tranche expiring on April 30, 2015. Management decided to conserve capital and focus deployment on its own assets including its pre-concentration onsite test program and pre-feasibility study.
- Received USD\$2 million payment in connection with an advanced purchase agreement with the Group's off taker.

Staffing

- At the end of the year a total of 125 full time employees were employed at the Ming Mine compared to 157 full time employees at July 31, 2014.
- The Group continues to evaluate current employment levels and look for opportunities to streamline its operations with the goal of improving overall efficiency.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL UPDATE FOR THE YEAR ENDED JULY 31, 2015 (Continued)

Exploration and evaluation

- In July 2015 the Company reported that it had completed a pre-feasibility engineering study and economic assessment ('PFS') aimed to integrate the Lower Footwall Zone ('LFZ') mineral resource into the life of mine ('LOM') plan for the Ming Copper-Gold Mine. The PFS was successful in defining a staged, low capital strategy for the optimisation of all existing infrastructure allowing the operation to run at full capacity of 1,250 metric tonnes per day ('mtpd') by 2018 with a projected mine life of 21 years. The results show positive economics, a strong internal rate of return and significant cash flow under reasonable commodity price assumptions. In addition, there remain further opportunities for improvement as the operation becomes fully optimised. The PFS highlights are as follows:
- The PFS is based on an optimisation of the current high grade massive sulphide (Phase 1) operation by blending increasing amounts of LFZ ore with the massive sulphides as production ramps up to 1,250 mtpd.
 - Project after-tax net present value ('NPV5%') of \$62.0 million with an IRR of 45 per cent based on trending copper and gold prices including long-term copper price of USD \$2.79 per pound. Pre-tax NPV5% of \$70.2 million with an IRR of 46 per cent.
 - Net cash flow from operations of \$273 million, undiscounted. Net after-tax cash flow of \$110 million (before-tax \$128 million).
 - The PFS outlines a five year, \$66 million LFZ capital plan for this expansion mainly self-funded by the current mining operation. During the initial expansion the operation will require additional working capital funding to execute its plan. The first year is projecting a shortfall of \$8.43 million dollars with a net cash position of -\$650,000 over the five year period.
 - During the 21 year mine life (ending 2036), after milling and recovery, approximately 536,000 tonnes of copper concentrate (337 million pounds of copper) is estimated to be produced with 89,600 ounces of gold and 527,800 ounces of silver.
 - Average annual cash operating cost of \$1.97 per equivalent pound copper (USD \$1.71)
 - Additional opportunities exist to improve the low risk, low capital base case scenario, including:
 - a delay in the initial five year capital spend by continuing post pillar cut and fill mining method in upper portions of the LFZ;
 - Integration of ore pre-concentration at the mine site. This could potentially allow for optimisation of mine production with equal tonnage, but higher grade, being delivered to the mill;
 - Additional resource growth through ongoing exploration in both the higher grade massive sulphide and LFZ;
 - Further utilisation of the Nugget Pond facility with new feed sources from other regional copper and gold plays.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL UPDATE FOR THE YEAR ENDED JULY 31, 2015 (Continued)

Exploration and evaluation (continued)

- Rambler's 2015 fiscal diamond drilling program was designed to add comparable grade material to the resource and reserve by extending ore zones both along strike and down plunge. The fiscal 2015 exploration program has been successful in;
 - Further defining areas of high grade copper and gold near underground infrastructure. New mineralization has been outlined further down plunge of the 1807 Zone.
 - Extending the historically mined Ming North Zone ('MNZ') down plunge.
 - Discovering new areas of gold rich massive sulphides in the 1806 and 1805 Zones.
- On November 17, 2014 the Group announced that it had entered into a Letter of Intent with Maritime Resources Corp. which includes evaluating the economic potential of re-opening the past producing Hammerdown gold mine located within Maritime's Green Bay Property, Newfoundland and Canada. The Hammerdown mine was in production from 2000 until 2004 with grades averaging approximately 16 grammes of gold per tonne and average recoveries in excess of 97 per cent. Following a positive economic analysis, should both companies agree to proceed with the development of the project, they will negotiate and enter into mutually agreeable Management Services and Toll Milling agreements that will see Rambler manage the process of re-opening the Hammerdown mine.
- On December 2, 2014 the Group provided a resource update for the Lower Footwall Zone reporting a 52% increase in copper metals content for that zone. The updated Mineral Resource is estimated to contain 962,970,430 pounds of copper, 257,702 ounces of gold and 1,790,949 ounces of silver in the Measured and Indicated categories. The resource estimate was completed by an independent third party consultant, WSP Canada Inc. (See Company press release for further details).
- The Dense Media Separation ('DMS') onsite demonstration test program recommenced as. As of May 25, 2015 and completed in June. While DMS itself is not considered in the base case economics for the PFS, ore pre-concentration could significantly reduce material handling requirements for the project while improving run of mine grade. Previous bench scale testing and a mini-pilot plant program was successful in removing 30% to 40% of the lighter host rock with copper recoveries up to 95%. In terms of copper grade improvement, the mini-pilot using run of mine material from the LFZ grading 1.39% returned a pre-concentrate grade of 2.27% (an upgrade ratio of 1.63). The demonstration plant will serve to scale up the results seen in the laboratory with the resultant pre-concentrate being delivered to the copper concentrator as additional feed. Results of this demonstration program will be used in subsequent optimization studies aimed at commercialization of the pre-concentration technique.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL SUMMARY

For the quarter ended July 31, 2015 the Group produced 3,600 tonnes of copper concentrate containing 960 tonnes of copper metal, 1,495 ounces of gold and 10,742 ounces of silver. The average feed grade during the period was 1.93% Cu, 1.22 g/t Au and 8.75 g/t Ag followed by a mill recovery of 96.6 per cent, 68.7 per cent and 72.8 per cent for copper, gold and silver respectively.

During the year the Company milled 215,535 dry metric tonnes of ore and produced 17,309 tonnes of copper concentrate containing 4,733 tonnes of copper metal, 5,335 ounces of gold and 39,706 ounces of silver. The average feed grade during the year was 2.53 per cent copper, 1.18 grammes per tonne gold and 8.68 grammes per tonne silver followed by a mill recovery of 96.9 per cent, 69.8 per cent and 73.7 per cent for copper, gold and silver respectively.

The Company first declared commercial production in November 2012 and has since milled 568,428 dry metric tonnes and produced 56,758 tonnes of copper concentrate containing 16,158 tonnes of copper metal, 15,393 ounces of gold and 116,203 ounces of silver.

Feed grades can be subject to fluctuations throughout the year due to a combination of factors including the inconsistent nature of the ore bodies being mined, production sequencing, unplanned mining dilution and blending strategies. Fluctuations in recoveries can be attributed to variations in feed grade, variations in production rate, grindability of the mill feed and planned processing plant shutdowns. The ranged values in the fiscal guidance are intended to cover these variations seen throughout the fiscal year.

Ore and Concentrate Production Summary for Fiscal 2015

PRODUCTION

	YTD	Q4/15	Q3/15	Q2/15	Q1/15	F2015 Guidance
Dry Tonnes Milled	215,535	59,373	42,747	54,869	58,546	215,000 – 230,000
Copper Recovery	96.9%	96.6%	97.1%	97.0%	97.1%	94 – 96 %
Gold Recovery	69.8%	68.7%	74.4%	68.1%	69.2%	65 – 70 %
Silver Recovery	73.7%	72.8%	78.9%	71.3%	73.0%	60 – 75 %
Copper Head Grade (%)	2.53	1.93	2.71	2.76	2.79	2.5 – 3.5
Gold Head Grade (g/t)	1.18	1.22	1.12	1.11	1.26	1.0 – 2.0
Silver Head Grade (g/t)	8.68	8.75	7.88	8.76	9.12	6.0 – 8.0

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL SUMMARY (continued)

CONCENTRATE (Produced and Stored in Warehouse)

	Total	Q4/15	Q3/15	Q2/15	Q1/15	F2015 Guidance
Copper (%)	27.31	26.66	26.15	27.62	28.52	27 – 30
Gold (g/t)	9.87	12.92	8.63	8.49	8.98	6 – 8
Silver (g/t)	73.18	92.80	64.75	66.11	66.11	45 – 55
Dry Tonnes produced	17,309	3,600	3,989	4,648	5,072	20,000 – 24,000
Copper Metal (tonnes)	4,733	960	1,043	1,284	1,447	5,400 – 6,700
Gold (ounces)	5,335	1,495	1,106	1,269	1,464	5,600 – 6,600
Silver (ounces)	39,706	10,742	8,305	9,878	10,781	39,000 – 46,000

Ore and Concentrate Production Quarterly results comparison

PRODUCTION

	Q4/15	Q3/15	
Dry Tonnes Milled	59,373	42,747	39%
Copper Recovery	96.6%	97.1%	-1%
Gold Recovery	68.7%	74.4%	-8%
Silver Recovery	72.8%	78.9%	-8%
Copper Head Grade (%)	1.93	2.71	-29%
Gold Head Grade (g/t)	1.22	1.12	9%
Silver Head Grade (g/t)	8.75	7.88	11%

	Q4/15	Q4/14	
Dry Tonnes Milled	59,373	59,526	0%
Copper Recovery	96.6%	96.7%	0%
Gold Recovery	68.7%	71.0%	-3%
Silver Recovery	72.8%	75.9%	-4%
Copper Head Grade (%)	1.93	3.24	-40%
Gold Head Grade (g/t)	1.22	1.65	-26%
Silver Head Grade (g/t)	8.75	12.60	-31%

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

OPERATIONAL SUMMARY (continued)

CONCENTRATE (Produced and Stored in Warehouse)

	Q4/15	Q3/15	
Copper (%)	26.66	26.15	2%
Gold (g/t)	12.92	8.63	50%
Silver (g/t)	92.80	64.75	43%
Dry Tonnes produced	3,600	3,989	-10%
Copper Metal (tonnes)	960	1,043	-8%
Gold (ounces)	1,495	1,106	35%
Silver (ounces)	10,742	8,305	29%

Q4/15	Q4/14	
26.66	28.47	-6%
12.92	10.93	18%
92.80	86.62	7%
3,600	6,000	-40%
960	1,708	-44%
1,495	2,107	-29%
10,742	16,708	-36%

- Production of 3,600 tonnes of copper concentrate representing a 40 per cent decrease over Q4 2014 and a 10 per cent decrease from Q3 2015.
- Dry tonnes milled of 59,373 tonnes remaining on par with Q4 2014 and representing a 39 per cent increase from Q3 2015. This resulted in the production of:
 - 960 tonnes of Copper (4,733 tonnes for the year)
 - 1,495 ounces of Gold (5,335 ounces for the year)
 - 10,742 ounces of Silver (39,706 ounces for the year)
- Head grades of copper averaged 1.93 per cent for the quarter and 2.53 per cent for the year; gold at 1.22 grammes per tonne for the quarter and 1.18 grammes per tonne for the year; silver at 8.75 grammes per tonne for the quarter and 8.68 grammes per tonne for the year. Some of the high grade ore tonnes originally planned for Q4/15 has been rescheduled into F2016, as per the Revised Mine Plan.
- Concentrate grade for Copper 26.66 per cent, Gold 12.92 grammes per tonne and Silver 92.80 grammes per tonne representing a 6 decrease and a 2 per cent increase in copper concentrate grade over Q4/2014 and Q3/2015 respectively. Gold and Silver in concentrate both showed increases over Q4 2014 and Q3 2015.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

HEALTH AND SAFETY

- The Group completed the year with no lost time accidents and only two medical aid injuries. The lost time accident frequency rate for the period and the fiscal year was zero, the medical aid frequency rate for the period and fiscal year to date was 1.26%.
- The Health and Safety of the Group's employees continues to be a high priority with prevention and early hazard recognition being key components of the Group's strategy.

OUTLOOK

Management continues to pursue the following objectives:

- Continue mining and milling in its Phase 1, high grade, low tonnage plan from the exposed massive sulphide workplaces for the generation of copper concentrate revenue from the Ming mine. Place additional development focus into preparing new high grade zones for further exploration both up-dip and down-dip for inclusion in future resource and reserve estimates.
- Begin to execute the Phase 2 mine plan through the integration of the newly defined Lower Footwall Zone reserve. The plan will see an increase production from the Ming mine in addition to fully utilizing all available processing abilities at Nugget Pond. The existing copper concentrator has a design capacity of 1,250 mtpd, currently processing in excess of 650 mtpd.
- Evaluate Dense Media onsite demonstration test program results to determine if pre-concentrating the LFZ material is a viable opportunity to help improve the run of mine head grade from this zone.
- Continue to evaluate regional gold projects with the goal of adding a second source of revenue outside of the Ming Mine. Nugget Pond's hydromet could potentially be operated independently and/or simultaneously with the copper concentrator with the addition of separate grinding circuit.
- Become a strategic long term, low-cost producer by selectively pursuing growth opportunities through joint ventures and acquisitions, as demonstrated by the Group's investment in the former producing Hammerdown gold mine, Little Deer and Whales Back copper mines.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

FISCAL 2016 GUIDANCE

Copper production for the 2016 fiscal year is forecast between 4,500 and 6,000 tonnes of metal with forecasts for gold and silver of 5,500 to 6,500 ounces and 42,000 to 57,000 ounces respectively.

PRODUCTION	Fiscal 2016
Dry Tonnes Milled	235,000 – 250,000
Copper Recovery	94 - 96%
Gold Recovery	65 - 70%
Silver Recovery	65 - 75%
Copper Head Grade (%)	2.0 – 2.5
Gold Head Grade (g/t)	1.0 – 2.0
Silver Head Grade (g/t)	6.0 – 10.0

CONCENTRATE (Produced)	Fiscal 2016
Copper %	27 – 29
Gold (g/t)	6.0 – 8.0
Silver (g/t)	55 -75
Dry tonnes produced	17,000 – 21,000
Copper Metal (tonnes)	4,500 -6,000
Gold (ounces)	5,500 – 6,500
Silver (ounces)	42,000 – 57,000

The above guidance incorporates the first year of the Lower Footwall Zone optimization strategy. This strategy includes blending LFZ ores with the ongoing production from the massive sulphides as described in the Company's pre-feasibility study released in July 2015.

See 'Forward Looking Information' in Appendix 6 for a description of the factors that may cause actual results to differ from forecast.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

CAPITAL PROJECTS REVIEW

During the year the Group incurred expenditures of \$5,355,000 on Mineral Property; \$5,246,000 on property, plant and equipment; and \$4,053,000 on exploration and evaluation at the Ming Mine net of \$540,000 in claims from the Research & Development Corporation of Newfoundland and Labrador.

	Total	Q4/15	Q3/15	Q2/15	Q1/15
	\$,000	\$,000	\$,000	\$,000	\$,000
Mineral Property	5,355	1,030	1,468	1,881	976
Property, plant and equipment	5,246	1,303	600	1,044	2,299
Exploration and evaluation costs	4,053	673	619	1,502	1,259
TOTAL CAPITAL	14,654	3,006	2,687	4,427	4,534

Mineral Property expenditures in Q4/15 reduced from Q3/15 expenditures following the implementation of the revised mine plan during the year.

Property, plant and equipment includes the acquisition of a new crusher and infrastructure for \$1.3 million, and \$3.2 million in underground mobile equipment including \$0.7 million on a mine truck and \$0.6 million on a scooptram.

Exploration and evaluation costs at the Ming mine relate mainly to the on-going Lower Footwall zone projects including the Pre-Feasibility Study and pre-concentration programs. Costs also include further exploration drilling in the 1807 zone.

A provision for impairment of \$14.3 million was recorded in Q4/15 on the Ming Mine resulting from an impairment review based on the current life of mine model approved by management. The provision for impairment is a result of the current market outlook regarding commodity prices, foreign exchange rates and assuming the current market cost of capital. Of the impairment provision, \$10.1 million was provided against the mineral property and \$4.2 million against the exploration and evaluation costs.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

FINANCIAL REVIEW

Fiscal 2015 (\$000's)	Commentary	Comparatives	
		Fiscal 2014 (\$000's)	B/ (W)*
40,886	Revenue of \$40.9 million was generated through the sale of 17,052 dmt of copper concentrate containing 4,493 tonnes of accountable copper metal and 4,653 ounces of accountable gold. This compared with revenue of \$62.1 million in the prior year generated through the sale of 25,806 dmt of copper concentrate containing 6,968 tonnes of accountable copper metal and 6,043 ounces of accountable gold. The reduction in revenue mainly reflects lower accountable metal sold as a result of lower head grades with average prices remaining in line with the previous year.	62,110	(34)%
35,693	Production costs relate to the processing and mining costs associated with Group's Ming Mine and include processing costs of \$6.5 million (2014: \$7.2 million), mining costs \$21.9 million (2014: \$22.5 million) and depreciation and amortisation of \$7.3 million (2014: \$10.0 million). The cost of production per equivalent pounds of copper increased during the year due to lower head grades compared to the previous year.	39,732	10%
4,157	General and administrative expenses were lower than the previous year by \$275,000. Employment costs remained roughly in line with a small increase of \$23,000. Legal and professional costs reduced by \$159,000 reflecting savings in corporate legal costs and costs of merger and acquisition activity carried out in the previous year, travel and investor relation costs reduced by \$86,000 and security and general expenses reduced by \$50,000 mainly due to reduced municipal taxes.	4,432	6%
15,120	Provision for impairment represents the provision for impairment on the Ming Mine of \$14.3 million and a provision for impairment of \$0.8 million on available for sale investments. The provision for impairment on the Ming Mine is mainly as a result of the current market outlook regarding commodity prices, foreign exchange rates and the current market cost of capital. The provision for impairment on the available for sale investment is mainly as a result of the current market outlook regarding gold prices and has been reclassified from equity to profit and loss.	Nil	(100)%
(2,052)	Gain/(loss) on derivative financial instruments. Despite the Group fixing a portion of its copper, gold and silver production with its off-take partner to mitigate the risk of any significant commodity price movements, a net loss on derivative financial assets of \$2,058,000 was realised, being the difference in the commodity prices at time of provisional invoicing, and actual commodity prices realised on the fixed portion of the shipment. A further unrealised gain of \$6,000 resulted at year end being the difference in the commodity prices at time of provisional invoicing and anticipated commodity prices upon final settlement following the future shipment of concentrates in the Group's warehouse at year end.	447	(559)%
(4,252)	Foreign exchange losses arising on the Gold Loan increased in the year as a result of the weakening of the Canadian dollar against the US dollar during the year.	(1,173)	(262)%

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

FINANCIAL REVIEW (continued)

Fiscal 2015 Results (\$000's)	Commentary	Comparatives	
		Fiscal 2014 (\$000's)	B / (W)*
6,411	Income tax(charge)/credit. The income tax credit is the deferred tax credit arising from the recognition of losses compared to a charge arising from the utilisation of losses brought forward in 2014.	(4,488)	230%
5,355	Mineral property The group incurred costs of \$5.4 million in the year which included labour costs of \$3.0 million and underground development costs of \$2.6 million. These costs were offset by an adjustment of \$0.3 million to the reclamation and closure provision. In 2014 the group incurred costs of \$6.7 million in the year including labour of \$3.4 million and underground development costs of \$3.3 million.	6,683	20%
5,246	Capital spending on property, plant and equipment increased during the year including \$2.4 million spent on underground equipment and \$1.4 million on updates at the mill mainly relating to the installation of a new crusher. In addition \$0.9 million was spent on assets under construction including the construction of a maintenance garage.	2,925	(79)%
4,051	Capital spending on exploration and evaluation relate to exploration drilling on the 1807 and undefined ore zones and the on-going Optimization Studies on the Group's Lower Footwall Zone ore body. It also includes \$274,000 for exploration drilling at the Little Deer Copper Deposit.	1,064	(281)%

*B / (W) = Better / (Worse)

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

SUMMARY OF QUARTERLY RESULTS

The quarterly results for the Group for the last eight fiscal quarters are set out in the following table.

Quarterly Results <i>(All amounts in 000s of Canadian Dollars, except Loss per share figures)</i>	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Fiscal 2015				
Revenue	8,875	9,186	10,527	12,298
(loss)/profit before tax	(12,985)	1,916	(5,960)	465
Net Income	(7,407)	1,321	(4,343)	276
(loss)/earnings per Share (Basic & Diluted)	(0.051)	0.009	(0.030)	0.002
All in cash cost (AICC) per equivalent pound of copper produced	3.17	3.43	3.94	2.47
Fiscal 2014				
Revenue	15,050	15,078	15,237	16,745
Profit before tax	3,407	3,312	1,520	5,264
Net Income	1,974	2,306	1,027	3,708
Earnings per Share (Basic & Diluted)	0.014	0.016	0.007	0.026
All in cash cost (AICC) per equivalent pound of copper produced	2.02	2.36	2.50	2.05

Profits before tax in the second quarter of 2014 fell by \$2,681,000 compared to the first quarter as a result of lower revenue, increased production costs and exchange losses on the Gold Loan. In the third quarter of 2014 profit before tax increased by \$1,792,000 mainly as a result of a reversal of foreign exchange losses on the Gold Loan and a reduction in administrative expenses with a further increase of \$95,000 in the fourth quarter of 2014 mainly due to reduced production costs. The reduction in profits in the first quarter of 2015 was mainly due to the fall in copper grade resulting in lower revenue. The losses in the second quarter of 2015 were incurred due to further declines in the copper head grade, the fall in the copper price and unrealized exchange losses on the gold loan and the profit in the third quarter arose as a result of the reduction in production costs and a partial reversal of the unrealized exchange loss on the gold loan and the derivative financial instrument. The loss in the fourth quarter was a result of the provision for an impairment charge.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION

Since announcing commercial production, the Group has generated cash flows to finance its operational and development requirements and repay loans. Prior to Q2/13 the Group relied on private placement financings of equity securities, a Gold Loan facility, capital leases and a credit facility (see 'Commitments and Loans' section) to finance its development requirements. The Group generated operating cash flows of \$48 million since declaring commercial production on November 1, 2012 with \$10.1 million generated in Fiscal 2015 and \$1.3 million in Q4/15 and positive operating cash flows are expected to continue. However, there is no guarantee that expenses will not exceed income again during this mining phase. If this is the case, the liquidity risk could be material, even with current cash resources.

The Group's holding of cash balances is kept under constant review. Given the current climate, the Group takes a very risk averse approach to management of cash resources and Management and Directors monitor events and associated risks on a continuous basis. Cash and short-term investment resources (cash, cash equivalents and short-term investments) were as follows:

Resource	July 31, 2015 \$'000	July 31, 2014 \$'000
Cash \$CDN	1,573	7,398
Cash US\$	2,741	1,992
Cash GBP	108	145
Total	4,422	9,535

Sales of copper concentrate are in US dollars and the majority of the Group's expenses are incurred in Canadian dollars. The Group's principal exchange rate risk relates to movements between the Canadian and US dollar. The Gold Loan is repayable from future sales of gold mitigating the exchange risk. Management will closely monitor exchange fluctuation and consider the use of forward exchange contracts as required.

Interest rates on the capital leases and short term borrowings are fixed, eliminating interest rate risk.

Cash flows utilised in investing activities amounted to \$12.2 million (2014: \$9.9 million) for the year. Cash of \$5.6 million (2014:\$6.7 million) was spent on the Group's Mineral Property \$2.8 million (2014:\$2.0 million) on property, plant and equipment, \$4.1 million (2014:\$0.7 million) on evaluation and exploration costs, \$nil (2014:\$0.1 million) on equity interest in Marathon Gold Corp. and \$0.4 million (2014:\$0.5 million) on equity interest in Maritime Resources Corp.

Cash flows utilised in financing activities during the year amounted to \$3 million (2014:\$10.9 million) and included repayments of the gold loan of \$2.3 million (2014:\$2.4 million) and finance lease repayments of \$3.2 million (2014:\$2.6 million) offset by a receipt of \$2.5 million from the advanced purchase facility.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION (continued)

The Group is required to hold Letters of Credit in favour of the Government of Newfoundland and Labrador in respect of the reclamation and closure liability at the existing Nugget Pond Mill and Ming Mine. At period end the Group holds bearer deposit notes totalling \$3.25 million.

Since the commencement of commercial production the Group has generated operating cash flows of \$49 million and had negative working capital of \$2.3 million at July 31, 2015. Working capital fell by \$12.1 million during the year. With the current copper price and reduced operating and capital expenditures working capital is expected to be maintained during the next fiscal year. The current economic conditions do, however, create uncertainty particularly over:

- (a) the price of copper, gold and silver;
- (b) the exchange rate between Canadian and US dollars and thus the consequence for the cash generated from US dollar revenues ;
- (c) the production targets being met.

Current cash forecasts and projections, taking account of possible changes in trading performance as outlined above, show that the Group should continue to trade at cash flow break-even or better. Management continue to evaluate alternative sources of finance to safeguard the Group's liquidity including various forms of debt. Any debt would be repaid from future cash flows which may be contingent on the development and financing of its Lower Footwall Zone expansion project.

Based on the above management concludes the Group has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

At October 23, 2015 the Group has \$2.1 million in cash and cash equivalents.

Financial Instruments

The Group's principal financial assets comprise: cash and cash equivalents, restricted cash, available for sale investments, derivative financial instruments and trade and other receivables. The Group's financial liabilities comprise trade payables; other payables; and interest bearing loans and borrowings.

All of the Group's financial liabilities are measured at amortised cost.

The Board of Directors determines, as required, the degree to which it is appropriate to use financial instruments and hedging techniques to mitigate risks. The main risks for which such instruments may be appropriate are foreign currency risk, liquidity risk, credit risk, interest rate risk and commodity price risk each of which is discussed in note 25 of the financial statements for the year ended July 31, 2015.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

COMMITMENTS AND LOANS

Gold Loan

In March 2010, the Group entered into an agreement ("Gold Loan") with Sandstorm to sell a portion of the life-of-mine gold production from its Ming Mine. Under the terms of the agreement Sandstorm made staged upfront cash payments for the gold to the Group totalling US\$20 million.

For this, in each production year following the first year of production, until 175,000oz of payable gold has been produced, the Group has agreed to sell a percentage equal to $25\% \times (85\% \text{ divided by the actual percentage of metallurgical recovery of gold realised in the immediately preceding production year})$ provided that, if the payable gold production in any production year after the third production year is less than 15,000 ounces, then in each such production year, Sandstorm payable gold shall not be less than 25% of the payable gold. In each production year following the first year of production, after 175,000oz of payable gold has been produced, the Group has agreed to sell a percentage equal to $12\% \times (85\% \text{ divided by the actual percentage of metallurgical recovery of gold realised in the immediately preceding production year})$ provided that, if the payable gold production in any production year after the third production year is less than 15,000 ounces, then in each such production year, Sandstorm payable gold shall not be less than 12% of the payable gold for the remainder of the period ending 40 years after the date of the agreement. After the expiry of the 40 year term, the agreement is renewable in 10 year terms at the option of Sandstorm.

The Gold Loan is accounted for as a financial liability carried at amortised cost. In determining the effective interest rate implicit in the cash flows arising from the loan the cash flows are forecast based on management's best estimates of the time of delivery of payable gold, the total amount of gold expected to be produced over the mine life and the timing of that production.

During the year the Group recorded an unrealised exchange loss of \$3,877,000 (2014 - unrealised loss of \$1,080,000) on the Gold Loan as a result of the strengthening of the US Dollar against the Canadian Dollar.

Total interest of \$4,292,000 (2014: \$2,639,000 charged) was reversed during the period. The interest credit arose as a result of the change in estimates and prices of payable gold ounces to be delivered under the revised life of mine model adopted as a result of the latest Pre-feasibility Study announced on September 9, 2015.

The Gold Loan is secured by a fixed and floating charge over the assets of the Group.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

Advance Purchase Agreement

On September 2, 2015 the Group announced that it had entered into an amended and restated purchase agreement with Transamine Trading S.A. ("Transamine") wherein Rambler has extended its off-take agreement with Transamine with respect to concentrate from the Ming Copper-Gold Mine until 31 December 2021.

Pursuant to the terms of the Purchase Agreement, Transamine has agreed to purchase in advance, at Rambler's option, up to USD \$5,000,000 of concentrate (the "Advance Purchase Payments"). The Advance Purchase Payments accrue interest at a rate of three month LIBOR plus 3.5 per cent per annum and will be secured by a second charge against the assets of Rambler's operating subsidiary and guaranteed by the Company. The Advance Purchase Payments will be used for working capital requirements along with the development and construction of Rambler's Lower Footwall Zone optimisation plan (Phase 2) at the Ming Mine.

The first USD \$2,000,000 of Advance Purchase Payments was drawn on July 31, 2015 in advance of finalising the terms of the Purchase Agreement with an additional USD \$1,000,000 in Advance Purchase Payments available to be drawn until October 31, 2015. The remaining USD \$2,000,000 in Advance Purchase Payments, available until 31 October 2015, will be subject to:

- i. Rambler having executed a legally binding term sheet between Rambler and a third party financier, providing for financing for the Phase 2 expansion, and
- ii. Production levels of concentrate from the Ming Mine having reached five thousand (5,000) dry metric tonnes per quarter.

The Advance Purchase Payments shall be repaid by Rambler on the earlier of: November 1, 2015; or twenty-one days of receipt of third party financing for the Phase 2 expansion. In the event funds are not repaid by November 1, 2015 accrued interest on the outstanding balance will be three month LIBOR plus 7.0 per cent per annum. Repayment shall be in the form of a USD \$350 per dry metric tonne reduction in the concentrates purchased by Transamine until such a time as Advance Purchase Payments are repaid.

The advance purchase payment of USD \$2,000,000 received on July 31, 2015 has been accounted for as a financial liability carried at amortised cost.

Loan and lease balances

At July 31, 2015, interest bearing loans and borrowings comprised of finance lease commitments of \$4,652,000. The Group entered into finance lease commitments of \$2,397,000 to finance the acquisition of a crusher and underground mobile equipment during the year.

SUBSEQUENT EVENTS

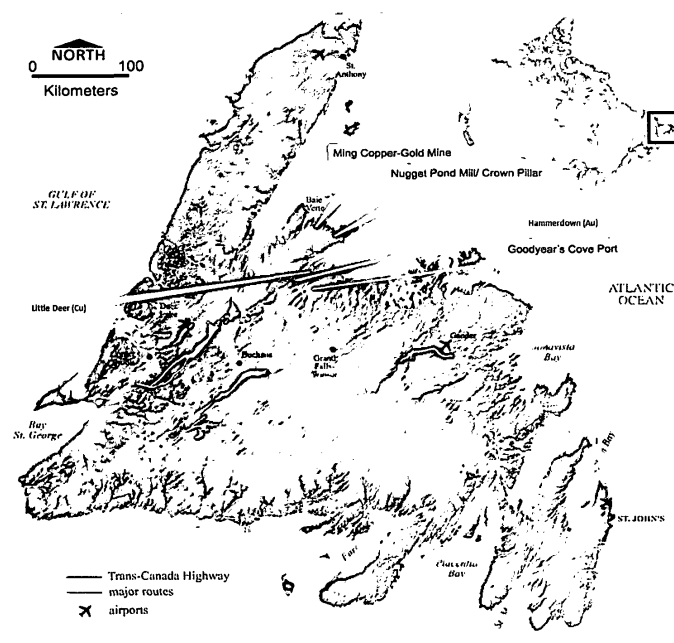
On September 1, 2015 the Group signed a non-binding letter of intent with Thundermin Resources Inc. ("Thundermin") (TSXV: THR) which sets out the principal terms upon which Thundermin will amalgamate with a wholly-owned subsidiary of the Group (the "Merger"). The Merger will be effected on the basis that the holders of the 116,598,059 issued common shares in the capital of Thundermin, (the "Thundermin Shares") will receive 7,142,857 Rambler Shares (the "Rambler Shares") valued at approximately \$0.013 per Thundermin share.

The pre-feasibility technical report was filed in September in line with the information announced in July, 2015.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 1 – LOCATION MAP



RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 2 - SELECTED FINANCIAL INFORMATION & REVIEW OF OVERALL PERFORMANCE

Financial Highlights (All amounts in 000s of Canadian Dollars, unless otherwise stated)	Year ended July 31,		
	2015	2014	2013
Gold sales – gold doré (Ounces)	-	293	324 ¹
Average price (per ounce)	N/A	1,447	1,491 ¹
Concentrate sales pre commercial production (dmt)	N/A	N/A	14,634 ¹
Concentrate sales post commercial production (dmt)	17,662	25,806	4,331 ²
Average provisional price (\$ per tonne Cu, Ag & Au concentrate)	2,380	2,423	2,382 ¹
Revenue	40,886	62,110	34,669
Production Expenses	(35,693)	(39,732)	(27,644)
Exploration Expenditure	(38)	(93)	(26)
Administrative expenses	(4,157)	(4,432)	(3,557)
Impairment charge	(15,120)	-	-
Net (loss) income	(10,153)	9,015	9,053
Cash Flow generated from operating activities	10,077	24,755	11,468
Cash Flow used in investing activities	(12,209)	(9,926)	(8,595)
Cash Flow used in financing activities	(3,000)	(10,877)	(5,154)
Net increase (decrease) in cash	(5,132)	3,952	(2,281)
Cash and cash equivalents at end of period	4,422	9,535	5,566
Total Assets	110,316	119,387	116,859
Total Liabilities	(33,100)	(31,979)	(39,167)
Working Capital	(2,340)	9,814	(2,753)
Weighted average number of shares outstanding (000s)	144,168	143,863	142,690
Earnings (loss) per share (\$)	(0.070)	0.063	0.063

¹ represents post commercial production, November 1, 2012 to July 31, 2013.

² gold and copper concentrate sales relating to the testing and commissioning of the Ming Mine are credited to Mineral property until commercial production is achieved.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 3 - FINANCIAL REVIEW FOR THE QUARTER ENDED JULY 31, 2015

Q4/15 Results (\$'000's)	Commentary	Comparatives			
		Q3/15	B/(W)*	Q4/14	B/(W)
8,876	Revenue of \$8.9 million in Q4/15 was generated through the sale of 3,598 dmt of copper concentrate containing 931 tonnes of accountable copper metal, 1,392 ounces of accountable gold and 7,490 ounces of accountable silver compared with \$9.2 million from the sale of 4,080 dmt of copper concentrate in Q3/15. The small reduction in revenue reflects lower average copper prices during the quarter on lower accountable copper metal sold offset by increased accountable gold and silver. Revenue in Q4/14 was generated through the sale of 5,573 dmt of copper concentrate containing 1,610 tonnes of accountable copper metal and 1,130 ounces of accountable gold.	9,186	(3)%	15,050	(41)%
6,355	Production costs relate to the processing and mining costs associated with Group's Ming Mine production and include processing and mining costs of \$1.6 million (Q3/15: \$1.6 million) and \$4.8million (Q3/15: \$4.7 million) respectively. Processing and mining costs in Q4/14 were of \$1.7 million and \$4.7 million respectively.	6,323	(1)%	6,357	0%
953	General and administrative expenses were higher than the previous quarter by \$24,000 mainly due to increased legal and professional costs. In comparison to Q4/14 administrative expenses decreased by \$151,000. Staff costs increased by \$28,000, legal and professional costs decreased by \$121,000 mainly as a result of costs of merger and acquisition activity expensed in Q4/14 and promotional and travel costs decreased by \$31,000 reflecting decreased marketing activity.	929	(3)%	1,104	14%
15,120	Provision for impairment represents the provision for impairment on the Ming Mine of \$14.3 million and a provision for impairment of \$0.8 million on available for sale investments. The provision for impairment on the Ming Mine is mainly as a result of the current market outlook regarding commodity prices, foreign exchange rates and the current market cost of capital. The provision for impairment on the available for sale investment is mainly as a result of the current market outlook regarding gold prices and has been reclassified from equity to profit and loss.	-	(100)%	-	(100)%
(457)	Gain/(loss) on derivative financial instruments. During the quarter the net unrealised fair value gain adjustment recognized was \$6,000 being the difference in the commodity prices at time of provisional invoicing and anticipated commodity prices upon final settlement offset by a realised loss of \$463,000 on the final settlement of the Group's tenth concentrate shipment. During Q3/15 the net unrealised fair value gain adjustment recognized was \$2,023,000 being the difference in the commodity prices at time of provisional invoicing and anticipated commodity prices upon final settlement together with a realised loss of \$1,006,000 on the final settlement of the Group's ninth concentrate shipment in December. During Q4/14 the net unrealised fair value gain adjustment recognized was \$314,000 being the difference in the commodity prices at time of provisional invoicing and anticipated commodity prices upon final settlement offset by a realised loss of \$198,000 on the final settlement of the Group's sixth concentrate shipment.	1,017	(145)%	116	(494)%
(1,993)	Foreign exchange differences arising on the Gold Loan resulted in a loss in Q4/15 as a result of the weakening of the Canadian dollar against the US dollar during the quarter.	692	(388)%	36	(5,636)%
5,578	Income tax credit/(expense). A deferred tax credit of \$5,579,000 was recognised on the loss for the quarter. This compares with a charge of \$596,000 in Q3/15 and a charge of \$1,433,000 for Q4/14.	(596)	1,036%	(1,433)	489%

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 3 - FINANCIAL REVIEW FOR THE QUARTER ENDED JULY 31, 2015 (continued)

Q4/15 Results (\$000's)	Commentary	Comparatives			
		Q3/15	B / (W)*	Q4/14	B / (W)
1,030	Mineral property The group incurred costs of \$1.0 million in the quarter. The cost includes labour costs of \$0.6 million and underground development costs of \$0.7 million offset by a reduction in the reclamation and closure provision of \$0.3 million.	1,468	(30)%	1,550	191%
1,303	Capital spending on property, plant and equipment increased by \$0.7 million during the quarter compared to Q3/15 reflecting the purchase of an additional mine truck.	600	(123)%	420	(219)%
673	Capital spending on exploration and evaluation costs in Q3/15 mainly relates to the Pre-Feasibility Study on the Ming mine's Lower Footwall Zone and further exploration drilling the 1806 and 1807 zones.	619	(9)%	137	(391)%

*B / (W) = Better / (Worse)

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 4 – NON-GAAP FINANCIAL MEASURES

The Group has included non-GAAP performance measures throughout this document. These include: cash operating costs per ton of ore produced, cash operating costs per equivalent pound of copper produced, AICC per equivalent pound of copper produced and EBITDA.

Cash operating costs per ton of ore and equivalent pound of copper produced and all-in cash costs per equivalent pound of copper produced are common performance measures in the mining industry but do not have any standardized meaning. The guidance provided by the World Gold Council for calculating all-in costs was followed; however, the Group adjusts for non-cash items and includes financing fees within the all-in cash costs. Cash operating costs include mine site operating costs (mining, processing and refining, in-mine drilling expenditures, administration, and production taxes), but are exclusive of other costs (royalties, depreciation and depletion, non-cash inventory valuation adjustments, off-site corporate costs, reclamation, capital, long-term development and exploration). These measures, along with sales, are considered to be key indicators of the Group's ability to generate operating earnings and free cash flows from its mining operations. The Company believes that certain investors use this information to evaluate the Group's performance and ability to generate cash flows. These should not be considered in isolation as a substitute for measures of performance prepared in accordance with IFRS and are not necessarily indicative of production costs presented under IFRS. The following tables provide reconciliation of said costs to the Group's financial statements for the year ended July 31, 2015:

Cash Operating Cost <i>All amounts in 000s of Canadian Dollars except tonnes ore produced</i>	Three months ended			Year to Jul 31,	
	Jul 31, 2015	Apr 30, 2015	Jul 31, 2014	2015	2014
Production Costs per Financial Statements	\$ 6,355	\$ 6,323	\$ 6,357	\$ 28,394	\$ 29,684
Cash Production Costs	\$ 6,355	\$ 6,323	\$ 6,357	\$ 28,394	\$ 29,684
Royalties	(106)	(126)	(165)	(558)	(706)
Cash Operating Costs	\$ 6,249	\$ 6,197	\$ 6,192	\$ 27,836	\$ 28,978
Tons of Ore Produced	59,373	42,739	59,526	215,535	215,496
Equivalent Pounds of Copper Produced	2,842,705	2,844,369	4,781,017	12,912,825	19,683,208
Cash Operating Cost per Tonne Produced	\$ 105	\$ 145	\$ 104	\$ 129	\$ 134
Cash Operating Cost per Equivalent pound of copper Produced	\$ 2.20	\$ 2.18	\$ 1.30	\$ 2.16	\$ 1.47

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 4 - NON-GAAP FINANCIAL MEASURES (continued)

AICC per Equivalent Pound of Copper Produced <i>All amounts in 000s of Canadian Dollars except ounces produced</i>	Three months ended			Year to Jul 31,	
	Jul 31, 2015	Apr 30, 2015	Jul 31, 2014	2015	2014
Cash Operating Costs (see above)	\$ 6,249	\$ 6,197	\$ 6,192	\$ 27,836	\$ 28,978
Royalties Expense	106	126	165	558	706
Exploration Costs*	280	267	83	737	283
Corporate Cash Expense	412	879	1,101	3,457	4,252
Cash Interest Expense	95	118	123	454	1,084
Mineral Property Additions	1,291	1,468	1,550	5,615	6,683
Property, Plant & Equipment Purchases	587	600	420	2,849	1,940
AICC	\$ 9,020	\$ 9,655	\$ 9,634	\$ 41,506	\$ 43,926
Equivalent Pounds of Copper Produced	2,842,705	2,844,369	4,781,017	12,912,825	19,683,208
AICC per Equivalent Pound of Copper Produced	\$ 3.17	\$ 3.39	\$ 2.02	\$ 3.21	\$ 2.23
AICC	\$ 9,020	\$ 9,655	\$ 9,634	\$ 41,506	\$ 43,926
Bi-product sales	\$ 1,574	\$ 1,295	\$ 1,851	\$ 5,284	\$ 6,580
AICC net of bi-product	\$ 7,446	\$ 8,360	\$ 7,783	\$ 36,222	\$ 37,346
AICC net of bi-product per Equivalent Pound of Copper Produced	\$ 2.62	\$ 2.94	\$ 1.63	\$ 2.81	\$ 1.90

The average copper price per pound was \$3.38 for fiscal 2015 compared with \$3.42 in fiscal 2014.

*Exploration costs exclude the Little Deer Project and the DMS project.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 4 - NON-GAAP FINANCIAL MEASURES (continued)

Earnings before interest, tax and depreciation <i>All amounts in 000s of Canadian Dollars</i>	Three months ended			Year to Jul 31,	
	Jul 31, 2015	Apr 30, 2015	Jul 31, 2014	2015	2014
(Loss)/profit after tax per Financial statements	\$ (7,407)	\$ 1,321	\$ 1,974	\$ (10,153)	\$ 9,015
Taxation	\$ (5,578)	\$ 595	\$ 1,433	\$ (6,411)	\$ 4,488
Net interest	(4,266)	(203)	1,153	(3,862)	3,624
Depreciation and amortisation	1,249	1,955	3,167	7,916	10,143
Gain on disposal of property, plant and equipment	(524)	21	-	(524)	-
Provision for impairment	15,120	-	-	15,120	-
EBITDA	\$ (1,406)	\$ 3,689	\$ 7,727	\$ 2,086	\$ 27,270

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 5 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The details of the Group's accounting policies are presented in accordance with International Financial Reporting Standards as set out in Note 2 to the financial statements. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year.

The following estimates are considered by management to be the most critical for investors to understand some of the processes and reasoning that go into the preparation of the Group's financial statements, providing some insight also to uncertainties that could impact the Group's financial results.

Going Concern

Since the commencement of commercial production the Group has generated operating cash flows of \$49 million and had negative working capital of \$2.3 million at July 31, 2015. Working capital fell by \$12.1 million during the year. With the current copper price and reduced operating and capital expenditures working capital is expected to be maintained during the next fiscal year. The current economic conditions do, however, create uncertainty particularly over:

- (a) the price of copper, gold and silver;
- (b) the exchange rate between Canadian and US dollars and thus the consequence for the cash generated from US dollar revenues ;
- (c) the production targets being met.

Current cash forecasts and projections, taking account of possible changes in trading performance as outlined above, show that the Group should continue to trade at cash flow break-even or better. Management continue to evaluate alternative sources of finance to safeguard the Group's liquidity including various forms of debt. Any debt would be repaid from future cash flows which may be contingent on the development and financing of its Lower Footwall Zone expansion project.

Based on the above management concludes the Group has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Share-based payments

The Group calculates the cost of share based payments using the Black-Scholes model. Inputs into the model in respect of the expected option life and the volatility are subject to management estimate and any changes to these estimates may have a significant effect on the cost. The assumptions used in calculating the cost of share based payments are explained in note 6 of the financial statements for the year ended July 31, 2015.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 5 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

Gold Loan

The Group calculates the effective interest rate on the Gold Loan based on estimates of future cash flows arising from the sale of payable gold (see note 23 of the financial statements for the year ended July 31, 2015). The cash flows will be dependent on the production of gold and its selling price at the time of delivery which have been estimated in line with the mine plan, future prices of gold and resource and reserve estimates. Management's estimates of these factors are subject to risk and uncertainties affecting the amount of the interest charge. Any changes to these estimates may result in a significantly different interest charge which would affect the income statement and the corresponding Gold Loan liability.

Mineral Property and Exploration and Evaluation Costs

The directors have assessed whether there are any indicators of impairment in respect of mineral property and exploration and evaluation costs. In making this assessment they have considered the Group's business plan which includes resource estimates, future processing capacity, the forward market and longer term price outlook for copper and gold. Resource estimates have been based on the most recently filed NI43-101 report and its opportunities economic model which includes resource estimates without conversion of its inferred resources. Management's estimates of these factors are subject to risk and uncertainties affecting the recoverability of the Group's mineral property and exploration and evaluation costs. The assessment determined that the mine remains commercially viable however as a result of the current market outlook regarding commodity prices, foreign exchange rates and the current market cost of capital of 9.35% the recoverability of the entire carrying values of the mineral property and exploration and evaluation costs is questionable. As a result, a provision for impairment was recognised in the consolidated income statement.

Amortisation of Mineral Property

Amortisation of the Mineral Property is calculated on a unit of production method expected to amortise the cost including future forecast capital expenditure over the expected life of the mine based on the tonnes of ore expected to be extracted. Any changes to these estimates may result in an increase in the amortisation charge with a corresponding reduction in the carrying value of the Mineral Property.

Closure Costs

The Group has an obligation to reclaim its properties after the minerals have been mined from the site, and has estimated the costs necessary to comply with existing reclamation standards. These estimates are recorded as a liability at their fair values in the periods in which they occur. If the estimate of reclamation costs proves to be inaccurate, the Group could be required to increase the provision for site closure and reclamation costs, which would increase the amount of future reclamation expense, resulting in a reduction in the Group's earnings and net assets.

Revenue

Revenues are subject to variation after the date of sale due to assay, price and foreign exchange fluctuations. Management monitors these changes closely and at the end of the period the directors will consider whether the effect of these variations are material on the whole and determine whether an adjustment is therefore appropriate.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 5 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

Available for sale investments

Management considers that they do not have significant influence over the financial and policy decisions of the entities in which investment has been made and therefore have included the investments as available for sale investments.

Deferred tax

The Group has incurred losses which will be available for offset against future taxable profits and one of the subsidiaries has tax credits available to offset against future tax liabilities. Following the declaration of commercial production in the previous year it has been concluded that the Group has sufficient evidence of future taxable profits to justify the recognition of a deferred tax asset. If future taxable profits prove to be insufficient the Group could be required to reduce the deferred tax asset which would result in a reduction in the Group's earnings and net assets.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 5 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

The Group has adopted all of the new and revised Standards and Interpretations that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2014. The adoption of these new and revised Standards and Interpretations had no material effect on the profit or loss or financial position of the Group.

No standards issued but not yet effective have been adopted early.

International Financial Reporting Standards that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ended July 31, 2015:

IFRS /Amendment	Title	Nature of change to accounting policy	Application date of standard	Application date for Group
Various	Annual Improvements to IFRSs	No change to accounting policy, therefore, no impact	Various	August 1, 2015
IFRS 9	Financial instruments: Classification and Measurement	No change to accounting policy, therefore, no impact	January 1, 2018	August 1, 2018
IFRS 15	Revenue from contracts with customers	No change to accounting policy, therefore, no impact	January 1, 2018	August 1, 2018

Management have reviewed the impact of the above standards and interpretations and have concluded that they will not result in any material changes to reported results.

Details of the main accounting policies of the Group are included in note 2 of the financial statements for the year ended July 31, 2015.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 6 – OTHER MATTERS

Outstanding Share & Option Data

As at the date of this MD&A the following securities are outstanding:

Security	Shares issued or Issuable	Weighted Average Exercise Price
Common Shares	144,168,228	--
Options	5,229,667*	\$0.48

*if all options have fully vested

For further assistance Mr. Peter Mercer, Corporate Secretary can be reached directly at +1-709-800-1929 ext.500 or pmercer@ramblermines.com.

Forward Looking Information

This MD&A contains "forward-looking information" ("FLI") which may include, but is not limited to, statements with respect to the Group's objectives and strategy, future financial or operating performance of the Group and its projects, exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining exploration and development, environmental risks, title disputes or claims and limitations of insurance coverage. All statements, other than statements of historical fact, are forward-looking statements. Often, but not always, statements containing FLI can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur be achieved or continue to be achieved. Forward-looking statements are based on opinions, estimates and assumptions of management considered reasonably at the date the statements are made. Key assumptions include without limitation, the price of and anticipated costs of recovery of, copper concentrate, gold and silver, the presence of and continuity of such minerals at modeled grades and values, the capacities of various machinery and equipment, the availability of personnel, machinery and equipment at estimated prices, mineral recovery rates, and others. Investors are cautioned however that forward-looking statements necessarily involve both known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by the FLI. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; availability and cost of credit; fluctuations in Canadian dollar interest rates; fluctuations in the relative value of United States dollars, Canadian dollars and British Pounds; changes in planned parameters as plans continue to be refined; fluctuations in the market and forward prices of copper, gold, silver or certain other commodities; possible variations of ore grade or recovery rates; failure of equipment; accidents and other risks of the mining exploration industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Risks and Uncertainties" in the Report of Directors for the year ended July 31, 2015. Although the Group has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the FLI contained in this MD&A, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Unless stated otherwise, statements containing FLI herein are made as of the date of this MD&A and the Group disclaims any intention or obligation and assumes no responsibility to update or revise any FLI contained herein, whether as a result of new information, future events or otherwise, except as required by applicable law.

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2015

APPENDIX 6 – OTHER MATTERS (continued)

Forward Looking Information(continued)

Other than as required by applicable securities law, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements. Accordingly, readers should not place undue reliance on forward-looking statements. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

FLI statements	Assumptions	Risk Factors
Continued positive cash flow	Actual expenditures from operations will not exceed revenues.	Expenditures exceeding revenues resulting from fluctuations in the market and forward prices of copper, gold, silver or certain other commodities, or increased costs of production, or production stoppages or shortfalls.
Continued mining and milling the exposed 1807 workplaces and further up-dip and down-dip exploration of 1807 zone	Achieving the planned capital and operating development and production targets; and, timely completion of drill bays to allow commencement of exploration drilling	Development delays reducing access to production ore
Increase production from the Ming Mine to allow the optimization of the Nugget Pond copper concentrator at 1,250 mtpd and potentially allow the gold hydromet to be operated independently and/or simultaneously with the copper concentrator.	Successful completion of a detailed engineering review of existing infrastructure and availability of finance from cash flow from operations or external	Economic viability
Open up mining horizons in the Ming South up and down plunge ore bodies.	Achieving the planned capital and operating development and production targets	Development delays reducing access to production ore
Become a strategic long term low cost producer by selective pursuit of growth opportunities	Identification and acquisition of suitable Mineral properties, investment opportunities and suitable partners for joint ventures.	Availability of suitable Mineral properties at an appropriate price and adequate available finance. Availability of suitable acquisition and joint venture opportunities on acceptable terms
Increasing stock market exposure and liquidity	Market reacts positively to Group's results and promotional activity	Failure to reach market expectations. Deterioration in market conditions generally or in the mining sector

Further information

Additional information relating to the Group is on SEDAR at www.sedar.com and on the Group's web site at www.ramblermines.com.

RAMBLER METALS AND MINING PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED JULY 31, 2015

The Directors present their report with the audited financial statements of the Group for the year ended July 31, 2015.

PRINCIPAL ACTIVITY

The principal activity of the Group is the development, mining and exploration of the Ming Copper-Gold Mine located in Newfoundland and Labrador and the exploration and development of other strategic properties within the immediate area. The principal activity of the parent company is that of a holding company.

DIRECTORS

The Directors during the period under review were:

T S Chan
E C Chen
D H W Dobson
L D Goodman
G Ogilvie
G Poulter (appointed December 4, 2014)
J S Thomson
N P Williams

DIVIDENDS

No dividends will be distributed for the year ended July 31, 2015.

SUBSTANTIAL SHARE INTERESTS

At September 30, 2015 the parent Company was aware of the following substantial share interests:

	Number of Ordinary Shares	% of Share Capital
Henderson Global Investors	33,203,626	23.03
Tinma International Ltd.	22,736,992	15.77
Majedie Asset Management	10,988,197	7.62
Legal and General Investment Management	9,691,887	6.72
Whitmill Trust (Zila Corporation)	8,838,000	6.13

FINANCIAL INSTRUMENTS

The Board of Directors determines, as required, the degree to which it is appropriate to use financial instruments and hedging techniques to mitigate risks. The main risks for which such instruments may be appropriate are foreign exchange risk, liquidity risk, credit risk, interest rate risk and commodity price risk, each of which is discussed in note 25 to the financial statements.

RAMBLER METALS AND MINING PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED JULY 31, 2015 (CONTINUED)

LIKELY FUTURE DEVELOPMENTS

Details of likely future developments are set out in the Management's Discussion and Analysis.

SUBSEQUENT EVENTS

Details of subsequent events are set out in the Management's Discussion and Analysis.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group's Auditor for the purposes of their audit and to establish that the Auditor is aware of that information. The Directors are not aware of any relevant audit information of which the Auditor is unaware.

AUDITOR

The auditor, BDO LLP, will be proposed for re-appointment in accordance with Section 489 of the Companies Act 2006.

ON BEHALF OF THE BOARD:



P. Mercer
Company Secretary

October 23, 2015

RAMBLER METALS AND MINING PLC

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and with IFRS and their interpretations adopted by the IASB. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the on-going integrity of the financial statements contained therein.

RAMBLER METALS AND MINING PLC

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED JULY 31, 2015

In formulating the Group's corporate governance procedures the Board of Directors takes due regard of the principles of good governance set out in the UK Corporate Governance Code issued by the Financial Reporting Council in September 2012 and the size and development of the Group. The Group also has regard to the Quoted Companies Alliance (QCA) Guidelines on Corporate Governance for AIM Companies.

The Board of Rambler Metals and Mining PLC is made up of one executive Director and seven non-executive Directors. G Ogilvie is the senior non-executive director and N Williams is the Group's President and Chief Executive. It is the Board's policy to maintain independence by having at least half of the Board comprising non-executive directors. The structure of the Board ensures that no one individual or group dominates the decision making process.

The Board ordinarily meets no less than quarterly providing effective leadership and overall control of the Group's affairs through the schedule of matters reserved for its decision. This includes the approval of budgets and business plans, items of major capital expenditure, risk management policies and the approval of the financial statements. Formal agendas, papers and reports are sent to the directors in a timely manner, prior to Board meetings. The Board delegates certain of its responsibilities to Board committees which have clearly defined terms of reference. Between the Board meetings, the executive Director, the Chief Financial Officer and some of the non-executive directors are in contact on a regular basis to review and discuss progress.

All Directors have access to the advice and services of the company secretary, who is responsible for ensuring that all Board procedures are followed. Any Director may take independent professional advice at the Group's expense in the furtherance of his duties.

The Audit Committee, which meets not less than quarterly and considers the Group's financial reporting (including accounting policies) and internal financial controls, is chaired by J S Thomson, the other members being L Goodman and E C Chen. The committee receives reports from management and from the Group's auditor. The Group has in place a series of procedures and controls designed to identify and prevent the risk of loss. The Audit Committee has reviewed the systems in place and considers these to be appropriate.

The Remuneration Committee, which meets at least once a year and is responsible for making decisions on directors' remuneration packages, is chaired by L Goodman. T S Chan and J S Thomson are the other committee members.

Remuneration of executive Directors is established by reference to the remuneration of executives of equivalent status both in terms of time commitment, level of responsibility of the position and by reference to their job qualifications and skills. The Remuneration Committee will also have regard to the terms which may be required to attract an executive of equivalent experience to join the Board from another company. Such packages may include performance related bonuses and the grant of share options.

The Board attaches importance to maintaining good relationships with all its shareholders and ensures that all price sensitive information is released to all shareholders at the same time in accordance with AIM and Toronto Stock Exchange-Venture market rules. The Group's principal communication is through the Annual General Meeting and through the annual report and accounts, quarterly and interim statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMBLER METALS AND MINING PLC

We have audited the financial statements of Rambler Metals and Mining PLC for the year ended 31 July 2015 which comprise the consolidated income statement, the consolidated and parent company statements of comprehensive income, the consolidated and parent company statements of financial position, the consolidated and parent company statements of changes in equity, the consolidated and parent company statements of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 July 2015 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in Note 2 to the group financial statements the group, in addition to applying IFRSs as adopted by the European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMBLER METALS AND MINING PLC

In our opinion the group financial statements have been properly prepared in accordance with IFRSs as issued by the IASB.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Scott McNaughton (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

23 October 2015.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

RAMBLER METALS AND MINING PLC

CONSOLIDATED INCOME STATEMENT

For the Year Ended July 31, 2015
(EXPRESSED IN CANADIAN DOLLARS)

	Note	2015 \$'000	2014 \$'000
Revenue	4	40,886	62,110
Production costs		(28,394)	(29,684)
Depreciation and amortisation		(7,299)	(10,048)
Gross profit		5,193	22,378
Administrative expenses		(4,157)	(4,432)
Exploration expenses		(38)	(93)
Operating profit before impairment		998	17,853
Provision for impairment	12	(15,120)	-
Operating (loss)/profit after impairment	5	(14,122)	17,853
Exchange loss		(4,252)	(1,173)
Bank interest receivable		74	99
(Loss)/gain on derivative financial instruments	7	(2,052)	447
Finance costs	8	3,788	(3,723)
Net financing expense		(2,442)	(4,350)
(Loss)/profit before tax		(16,564)	13,503
Income tax credit/(charge)	9	6,411	(4,488)
(Loss)/profit for the year attributable to owners of the parent		(10,153)	9,015

(Loss)/earnings per share

	Note	2015 \$	2014 \$
Basic (loss)/earnings per share	21	(0.070)	0.063
Diluted (loss)/earnings per share	21	(0.070)	0.062

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended July 31, 2015

(EXPRESSED IN CANADIAN DOLLARS)

	2015 \$'000	2014 \$'000
(Loss)/profit for the year	(10,153)	9,015
Other comprehensive income		
<i>Items that may be reclassified into profit or loss</i>		
Exchange differences on translation of foreign operations (net of tax)	220	176
Loss on available for sale investment (net of tax)	(381)	(93)
Other comprehensive (loss)/income for the year	(161)	83
Total comprehensive(loss)/income for the year and attributable to the owners of the parent	(10,314)	9,098

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at July 31, 2015

(EXPRESSED IN CANADIAN DOLLARS)

	Note	2015 \$'000	2014 \$'000
Assets			
Intangible assets	10	18,376	18,514
Mineral property	11	42,482	51,644
Property, plant and equipment	13	27,293	25,676
Available for sale investments	14	1,297	2,151
Deferred tax	9	8,412	1,754
Total non-current assets		97,860	99,739
Inventory	15	2,389	3,950
Trade and other receivables	16	2,078	2,120
Derivative financial asset	17	312	788
Cash and cash equivalents	18	4,422	9,535
Restricted cash	19	3,255	3,255
Total current assets		12,456	19,648
Total assets		110,316	119,387
Equity			
Issued capital	20	2,628	2,628
Share premium		75,505	75,505
Merger reserve		214	214
Translation reserve		536	316
Fair value reserve		(175)	206
Retained profits		(1,492)	8,539
Total equity		77,216	87,408
Liabilities			
Interest-bearing loans and borrowings	23	16,612	20,242
Provision	24	1,692	1,903
Total non-current liabilities		18,304	22,145
Interest-bearing loans and borrowings	23	7,911	5,300
Trade and other payables	22	6,885	4,534
Total current liabilities		14,796	9,834
Total liabilities		33,100	31,979
Total equity and liabilities		110,316	119,387

ON BEHALF OF THE BOARD:


N P Williams
Director

Approved and authorised for issue by the Board on October 23, 2015

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY

(EXPRESSED IN CANADIAN DOLLARS)

Group

Balance at August 1, 2013

Comprehensive income

Profit for the year

Foreign exchange translation differences

Gain on available for sale investments (net of tax)

Total other comprehensive income

Total comprehensive income for the year

Transactions with owners

Issue of share capital

Share-based payments

Transactions with owners

Balance at July 31, 2014

Balance at August 1, 2014

Comprehensive income

Loss for the year

Foreign exchange translation differences

Gain on available for sale investments (net of tax)

Total other comprehensive income

Total comprehensive income/(loss) for the year

Transactions with owners

Share-based payments

Transactions with owners

Balance at July 31, 2015

Share capital \$'000	Share Premium \$'000	Merger Reserve \$'000	Translation reserve \$'000	Fair value reserve \$'000	Accumulated Losses \$'000	Total \$'000
2,613	75,164	214	140	299	(738)	77,692
-	-	-	-	-	9,015	9,015
-	-	-	176	-	-	176
-	-	-	-	(93)	-	(93)
-	-	-	176	(93)	-	83
-	-	-	176	(93)	9,015	9,098
15	341	-	-	-	-	356
-	-	-	-	-	262	262
15	341	-	-	-	262	618
2,628	75,505	214	316	206	8,539	87,408
2,628	75,505	214	316	206	8,539	87,408
-	-	-	-	-	(10,153)	(10,153)
-	-	-	220	-	-	220
-	-	-	-	(381)	-	(381)
-	-	-	220	(381)	-	(161)
-	-	-	220	(381)	(10,153)	(10,314)
-	-	-	-	-	122	122
-	-	-	-	-	122	122
2,628	75,505	214	536	(175)	(1,492)	77,216

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended July 31, 2015

(EXPRESSED IN CANADIAN DOLLARS)

	2015 \$'000	2014 \$'000
Cash flows from operating activities		
Operating (loss)/profit	(14,122)	17,853
Depreciation	7,915	10,143
Gain on disposal of property, plant and equipment	(524)	-
Provision for impairment	15,120	-
Share based payments	122	262
Foreign exchange difference	(356)	(172)
Decrease/(increase) in inventory	1,561	(577)
Decrease/(increase) in debtors	42	(1,024)
(Increase)/decrease in derivative financial instruments	(1,576)	298
(Decrease)/increase in creditors	2,349	(1,206)
Cash generated from operations	10,531	25,577
Interest paid	(454)	(822)
Net cash generated from operating activities	10,077	24,755
Cash flows from investing activities		
Interest received	74	98
Redemption of bearer deposit note	-	6
Acquisition of listed investment	(375)	(629)
Acquisition of evaluation and exploration assets	(4,053)	(746)
Acquisition of Mineral property - net	(5,615)	(6,683)
Acquisition of property, plant and equipment	(2,849)	(1,972)
Disposal of property, plant and equipment	609	-
Net cash utilised in investing activities	(12,209)	(9,926)
Cash flows from financing activities		
Proceeds from exercise of share options	-	7
Loans received	2,452	-
Repayment of Gold Loan (note 23)	(2,273)	(2,402)
Repayment of Credit Facility	-	(5,900)
Capital element of finance lease payments	(3,179)	(2,582)
Net cash utilised in financing activities	(3,000)	(10,877)
Net increase in cash and cash equivalents	(5,132)	3,952
Cash and cash equivalents at beginning of period	9,535	5,566
Effect of exchange rate fluctuations on cash held	19	17
Cash and cash equivalents at end of period	4,422	9,535

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Nature of operation and going concern

The principal activity of the Group is the development and exploration of the Ming Copper-Gold Mine ("Ming Mine") located in Baie Verte, Newfoundland and Labrador, Canada.

The Group's business activities, together with the factors likely to affect its future development, performance and position, its financial position, cash flows, liquidity position and borrowing facilities are set out in the Management Discussion and Analysis on pages 6 to 39. In addition, note 25 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

Since the commencement of commercial production the Group has generated operating cash flows of \$49 million and had negative working capital of \$2.3 million at July 31, 2015. Working capital fell by \$12.1 million during the year. With the current copper price and reduced operating and capital expenditures working capital is expected to be maintained during the next fiscal year. The current economic conditions do, however, create uncertainty particularly over:

- (a) the price of copper, gold and silver;
- (b) the exchange rate between Canadian and US dollars and thus the consequence for the cash generated from US dollar revenues ;
- (c) the production targets being met.

Current cash forecasts and projections, taking account of possible changes in trading performance as outlined above, show that the Group should continue to trade at cash flow break-even or better. Management continue to evaluate alternative sources of finance to safeguard the Group's liquidity including various forms of debt. Any debt would be repaid from future cash flows which may be contingent on the development and financing of its Lower Footwall Zone expansion project.

Based on the above management concludes the Group has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

2 Significant accounting policies

Rambler Metals and Mining Plc (the "Company") is a company registered in England and Wales. The consolidated financial statements of the Company for the year ended July 31, 2015 comprise the Company and its subsidiaries (together referred to as the "Group").

These financial statements are presented in Canadian dollars. Although the parent company has a functional currency of GB pounds the majority of the Group's operations are carried out by its operating subsidiary which has a functional currency of Canadian dollars. Foreign operations are included in accordance with the policies set out in note 2(d). At July 31, 2015 the closing rate of exchange of Canadian dollars to 1 GB pound was 2.03 (July 31, 2014: 1.84) and the average rate of exchange of Canadian dollars to 1 GB pound for the year was 1.93 (2014: 1.71).

(a) Statement of compliance

The consolidated financial statements of Rambler Metals and Mining plc have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB"), as adopted by the European Union and with IFRS and their interpretations adopted by the IASB. There are no material differences on application to the Group. The consolidated financial statements have also been prepared in accordance with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

The Group has adopted all of the new and revised Standards and Interpretations that are relevant to its operations and effective for accounting periods beginning 1 January 2014. The adoption of these new and revised Standards and Interpretations had no material effect on the profit or loss or financial position of the Group. IFRS 10, 11, 12 and 13 were early adopted by the Group in the previous year.

The Group has not adopted any standards or interpretations in advance of the required implementation dates. It is not expected that adoption of standards or interpretations which have been issued by the International Accounting Standards Board but have not been adopted will have a material impact on the financial statements. Refer to Appendix 5 of Management's Discussion and Analysis on page 34 for standards not yet effective.

(b) Basis of preparation

The financial statements are presented in Canadian dollars, rounded to the nearest thousand dollars.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 3.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

The accounting policies have been applied consistently by Group entities.

(c) Basis of consolidation

(i) Subsidiaries

An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control is obtained.

(ii) Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

(d) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

(ii) Translation into presentation currency

The assets and liabilities of the UK parent are translated to Canadian dollars at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of the parent company are translated to Canadian dollars at rates approximating to the foreign exchange rates ruling at the dates of the transactions.

(iii) Net investment in foreign operations

Exchange differences arising from the translation of the net investment in foreign operations are taken to translation reserve. They are released into the income statement upon disposal.

(e) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost. The cost of self-constructed assets includes the cost of materials, direct labour and the initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located, where an obligation to incur such costs exists.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

(iii) Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

(iv) Depreciation

Depreciation is charged to the income statement or capitalised as part of the exploration and evaluation costs or Mineral property where appropriate, on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

(e) Property, plant and equipment (continued)

buildings	5 to 10 years
plant and equipment	2 to 10 years
motor vehicles	3 years
computer equipment	3 years
fixtures, fittings and equipment	3 years

The estimated useful lives and residual values of the assets are considered annually and restated as required.

(f) Mineral property

Upon transfer of 'Exploration and evaluation costs' into 'Mineral property', all subsequent expenditure on the construction, installation or completion of infrastructure facilities is capitalised within 'Mineral property'. Development expenditure is net of proceeds from all sale of gold and copper concentrate extracted during the development phase and until commercial production is declared.

Mineral property is amortised on a unit of production basis. Future forecast capital expenditure is included in the unit of production amortisation calculation.

(g) Intangible assets

(i) Exploration and evaluation costs

These comprise costs directly incurred in exploration and evaluation. They are capitalised as intangible assets pending determination of the feasibility of the project. When the existence of economically recoverable reserves and the availability of finance is established, the related intangible assets are transferred to Mineral property. Where a project is abandoned or is determined not to be economically viable, the related costs are written off.

The recoverability of deferred exploration and evaluation costs is dependent upon a number of factors common to the natural resource sector. These include the extent to which the Group can establish economically recoverable reserves on its properties, the ability of the Group to obtain necessary financing to complete the development of such reserves and future profitable production or proceeds from the disposition thereof.

(ii) Impairment of exploration and evaluation costs

Impairment reviews for exploration and evaluation costs are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise but typically when one of the following circumstances apply:

- unexpected geological occurrences that render the resource uneconomic;
- title to the asset is compromised;
- variations in metal prices that render the project uneconomic; and
- variations in the exchange rate for the currency of operation.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

(h) Available for sale investments

Available for sale investments are recognised at fair value with changes in value recorded in other comprehensive income. Subsequent to initial recognition available-for-sale financial assets are stated at fair value. Movements in fair values are recognised in other comprehensive income, with the exception of impairment losses which are recognised in profit or loss. Fair values are based on prices quoted in an active market if such a market is available. If an active market is not available, the group establishes the fair value of financial instruments by using a valuation technique, usually discounted cash flow analysis. When an investment is disposed, any cumulative gains and losses previously recognised in equity are recognised in profit or loss.

(i) Inventory

Stockpiled ore is recorded at the lower of production cost and net realisable value. Production costs include all direct costs plus an allocation of fixed costs associated with the mine site.

Operating supplies are valued at the lower of cost and net realisable value. Cost is determined on an average cost basis.

(j) Trade and other receivables

Trade and other receivables are generally stated at their cost less impairment losses. Receivables in respect of the sale of copper concentrate which contain an embedded derivative linking them to future commodity prices are measured at fair value through profit and loss and are treated as derivative financial assets or liabilities. Receivables with a short duration are not discounted.

(k) Financial instruments measured at fair value through profit and loss

Financial instruments measured at fair value through profit and loss, which includes all derivative financial instruments and receivables containing embedded derivatives arising from sales of concentrate, are measured at fair value at each balance sheet date with changes in value reflected directly within the income statement.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Restricted cash is not available for use by the Group and therefore is not considered highly liquid.

(m) Impairment of non-financial assets

The carrying amounts of the Group's assets (except deferred exploration and evaluation costs (see accounting policy (g)(ii)) and deferred tax assets (see accounting policy 2(s)), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see accounting policy 2(m)(i)).

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

(m) Impairment of non-financial assets (continued)

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

(i) Calculation of recoverable amount

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial liabilities include finance leases and hire purchase contracts which are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income over the period of the borrowings on an effective interest basis except where the difference between cost and redemption value qualify to be capitalised as part of the cost of a qualifying asset.

(o) Trade and other payables

Trade and other payables are stated at amortised cost.

(p) Provisions

The Group records the present value of estimated costs of legal and constructive obligations required to restore mining and other operations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and revegetation of affected areas.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

(r) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of sales tax.

The group recognises revenue when the amount of the revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met as described below. Any revenues generated during commissioning are treated as a contribution towards previously incurred costs and are therefore credited against mining and development assets accordingly.

Sale of concentrate

Revenue associated with the sale of copper concentrate is recognised when significant risks and rewards of ownership of the asset sold are transferred to the Group's off-taker, which is when the group receives provisional payment for each lot of concentrate invoiced. Where a provisional invoice is not raised, risks and rewards of ownership transfer when the concentrate passes over the rail of the shipping vessel. Adjustments arising due to differences in assays and weights, from the time of provisional invoicing to the time of final settlement, are adjusted to revenue.

(s) Expenses

(i) Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

(ii) Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(iii) Borrowing costs

Borrowing costs are recognised in the income statement where they do not meet the criteria for capitalisation. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

(t) Equity settled share based payments

All share based payments are recognised in the financial statements.

All goods and services received in exchange for the grant of any share-based remuneration are measured at their fair values. Fair values of employee services are determined indirectly by reference to the fair value of the share options awarded. Their value is appraised at the grant dates and excludes the impact of non-market vesting conditions.

All share-based remuneration is ultimately recognised as an expense in the income statement with a corresponding credit to the accumulated losses in the balance sheet.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2 Significant accounting policies (continued)

(s) Equity settled share based payments (continued)

If vesting periods apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if the number of share options ultimately exercised is different to that estimated on vesting. Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital.

(t) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur. The Group measures a number of items at fair value:

- Derivative financial asset (note 17)
- Available for sale investments (note 14)

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Critical accounting estimates and judgements

The details of the Group's accounting policies are presented in accordance with International Financial Reporting Standards as set out in Note 2 to the financial statements. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year.

The following estimates are considered by management to be the most critical for investors to understand some of the processes and reasoning that go into the preparation of the Company's financial statements, providing some insight also to uncertainties that could impact the Company's financial results.

Going Concern

The risks associated with going concern are explained in note 1.

Mineral Property and Exploration and Evaluation Costs

The directors have assessed whether there are any indicators of impairment in respect of mineral property and exploration and evaluation costs. In making this assessment they have considered the Group's business plan which includes resource estimates, future processing capacity, the forward market and longer term price outlook for copper and gold. Resource estimates have been based on the most recently filed NI43-101 report and its opportunities economic model which includes resource estimates without conversion of its inferred resources. Management's estimates of these factors are subject to risk and uncertainties affecting the recoverability of the Group's mineral property and exploration and evaluation costs. The assessment determined that the mine remains commercially viable however as a result of the current market outlook regarding commodity prices, foreign exchange rates and the current market cost of capital of 9.35% the recoverability of the entire carrying values of the mineral property and exploration and evaluation costs is questionable. As a result, a provision for impairment was recognised in the consolidated income statement.

Amortisation of Mineral Property

Amortisation of the Mineral Property is calculated on a unit of production method expected to amortise the cost including future forecast capital expenditure over the expected life of the mine based on the tonnes of ore expected to be extracted. Any changes to these estimates may result in an increase in the amortisation charge with a corresponding reduction in the carrying value of the Mineral Property.

Closure costs

The Group has an obligation to restore its properties after the minerals have been mined from the site, and has estimated the costs necessary to comply with existing reclamation standards. These estimates are recorded as a liability at their fair values in the periods in which they occur. If the estimate of reclamation costs proves to be inaccurate, the Group could be required to increase the provision for site closure and reclamation costs, which would increase the amount of future reclamation expense, resulting in a reduction in the Group's earnings and net assets.

Share-based payments

The Group calculates the cost of share based payments using the Black-Scholes model. Inputs into the model in respect of the expected option life and the volatility are subject to management estimate and any changes to these estimates may have a significant effect on the cost. The assumptions used in calculating the cost of share based payments are explained in note 5.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Critical accounting estimates and judgements (continued)

Gold Loan

The Group calculates the effective interest rate on the Gold Loan based on estimates of future cash flows arising from the sale of payable gold (see note 23). The cash flows will be dependent on the production of gold and its selling price at the time of delivery which have been estimated in line with the mine plan, future prices of gold and reserve estimates. Management's estimates of these factors are subject to risk and uncertainties affecting the amount of the interest charge. Any changes to these estimates may result in a significantly different interest charge which would affect the carrying value of the exploration and evaluation costs and the corresponding Gold Loan liability.

Revenue

Revenues are subject to variation after the date of sale due to assay, price and foreign exchange fluctuations. Management monitors these changes closely and at the end of the period the directors will consider whether the effect of these variations are material on the whole and determine whether an adjustment is therefore appropriate.

Available for sale investment

Management consider that they do not have significant influence over the financial and policy decisions of Maritime and therefore have included the investment as an available for sale investment.

4. Operating segments

The Group's operations relate to the exploration for and development of mineral deposits with support provided from the UK and as such the Group has only one operating segment.

Information about geographical areas

	2015			2014		
	UK \$'000	Canada \$'000	Consolidated \$'000	UK \$'000	Canada \$'000	Consolidated \$'000
Revenue	-	40,886	40,886	-	62,110	62,110
Non-current assets	2,047	95,813	97,860	1,663	98,076	99,739

Information about major customers

Revenues from transactions with a single customer exceeding 10% of total revenues were as follows:

	2015 \$'000	2014 \$'000
Customer A	40,886	61,687
Others	-	423
	40,886	62,110

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Operating profit

The operating profit is after charging:

	2015	2014
	\$'000	\$'000
Depreciation – owned assets	3,544	5,709
Gain on disposal of property, plant and equipment	(524)	-
Amortisation	4,372	4,434
Impairment charges (see note 12)	15,120	-
Directors' emoluments (see note 26)	564	482
Auditor's remuneration:		
Audit of these financial statements	96	91
Fees payable to the auditor for other services:		
Other assurance services	8	4

The Audit Committee reviews the nature and extent of non-audit services to ensure that independence is maintained.

6. Personnel expenses

Salary costs

	Group 2015	Group 2014
	\$'000	\$,000
Wages and salaries	11,307	11,848
Other short term benefits	615	433
Compulsory social security contributions	2,042	1,836
Share based payments	122	262
	14,086	14,379

Salary costs of \$23,000 (2014: \$21,000) as assets under construction costs during the year.

Number of employees

The average number of employees during the year was as follows:

	Group 2015	Group 2014
Directors	7	7
Administration	14	14
Production and development	117	136
	138	157

During the year the Group granted share options to key personnel to purchase shares in the entity. The options are exercisable at the market price of the shares at the date of grant.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Personnel expenses (continued)

Share-based payments

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2015 \$	Number of options 2015 '000	Weighted average exercise price 2014 \$	Number of options 2014 '000
Outstanding at the beginning of the year	0.47	5,506	0.45	4,113
Granted during the year	-	-	0.49	1,526
Cancelled during the year	0.52	(316)	0.42	(133)
Outstanding at the end of the year	0.48	5,190	0.47	5,506
Exercisable at end of year	0.45	4,795	0.47	4,202

The options outstanding at July 31, 2015 have an exercise price in the range of \$0.17 to \$1.10 (2014: \$0.17 to \$1.10) and a weighted average remaining contractual life of 5.3 years (2014: 6.5 years).

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the Black-Scholes model.

Fair value of share options and assumptions issued during the year	2015	2014
Fair value at measurement date	-	\$0.225
Share price (weighted average)	-	\$0.492
Exercise price (weighted average)	-	\$0.492
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes model)	-	50.7%
Expected option life (years)	-	5
Expected dividends	-	0
Risk-free interest rate (based on national government bonds)	-	1.63%

The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There is no performance or market conditions associated with the share option grants.

The share-based payment expense relates to the following grants:

	2015 \$'000	2014 \$'000
Share options granted in 2011	-	7
Share options granted in 2012	14	23
Share options granted in 2013	26	44
Share options granted in 2014	82	188
Total expense recognised as employee costs	122	262

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Loss on derivative financial instruments

	2015	2014
	\$'000	\$'000
(Loss)/gain on concentrate receivables from off-taker	(2,052)	447

8. Finance costs

	2015	2014
	\$'000	\$'000
Finance lease interest	275	349
Gold loan interest	(4,292)	2,639
Credit facility interest and charges	-	477
Off-take provisional payment interest	179	256
Mortgage interest	-	2
Unwinding of discount on reclamation provision	50	-
	(3,788)	3,723

9. Income tax

Recognised in the income statement

	2015	2014
	\$,000	\$,000
Current tax expense		
Current year	-	-
	-	-
Deferred tax charge/(credit)		
Origination and reversal of temporary timing differences	(6,411)	4,488
Total income tax charge/(credit) in income statement	(6,411)	4,488

Reconciliation of effective tax rate

	2015	2014
	\$'000	\$'000
(Loss)/profit before tax	(16,564)	13,502
Income tax using the UK corporation tax rate of 20.67% (2014: 22.33%)	(3,424)	3,015
Effect of tax rates in foreign jurisdictions (rates increased)	(1,245)	1,017
Non-deductible expenses	149	65
Effect of reduction in tax rates	10	231
Effect of tax losses and credits	(1,901)	93
Under provision in previous year	-	67
	(6,411)	4,488

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Income tax (continued)

Recognised in other comprehensive income

Current tax expense

Current year

Deferred tax (credit)/expense

Fair value re-measurement of available for sale investments

Exchange difference on retranslation of UK deferred tax asset

Over provision in previous period

Total income tax (credit)/expense in statement of other comprehensive income

2015 \$'000	2014 \$'000
-	-
-	-
(65)	(26)
(182)	(238)
--	(61)
(247)	(325)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	Balance July 31, 2015 \$'000	Balance July 31, 2014 \$'000	Balance July 31, 2015 \$'000	Balance July 31, 2014 \$'000	Balance July 31, 2015 \$'000	Balance July 31, 2014 \$'000
Property, plant and equipment	-	-	(2,744)	(1,832)	(2,744)	(1,832)
Mineral property	2,342	-	-	(2,166)	2,342	(2,166)
Intangible assets	-	-	(470)	(1,658)	(470)	(1,658)
Available for sale investment	143	-	-	(35)	143	(35)
Gold loan	930	-	-	(151)	930	(151)
Tax value of loss carry-forwards and credits recognised	8,211	7,596	-	-	8,211	7,596
Net tax assets / (liabilities)	11,626	7,596	(3,214)	(5,842)	8,412	1,754

Movement in recognised deferred tax assets and liabilities

	Balance Aug 1, 2013 \$'000	Recognised in income \$'000	Recognised in other comprehensive income \$'000	Balance July 31, 2014 \$'000
Property, plant and equipment	1,413	419	-	1,832
Mineral property	1,228	938	-	2,166
Intangible assets	1,352	306	-	1,658
Available for sale investment	61	-	(26)	35
Gold loan	533	(382)	-	151
Other timing differences	-	(29)	-	(29)
Tax value of loss carry-forwards and credits	(10,503)	3,235	(299)	(7,567)
	(5,916)	4,487	(325)	(1,754)

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Income tax credit (continued)

Movement in recognised deferred tax assets and liabilities (continued)

	Balance Aug 1, 2014	Recognised in income	Recognised in other comprehensive income	Balance Jul 31, 2015
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	1,832	912	-	2,744
Mineral property	2,166	(4,508)	-	(2,342)
Intangible assets	1,658	(1,188)	-	470
Available for sale investment	35	(113)	(65)	(143)
Gold loan	151	(1,081)	-	(930)
Other timing differences	(29)	(9)	-	(38)
Tax value of loss carry-forwards and credits	(7,567)	(424)	(182)	(8,173)
	(1,754)	(6,411)	(247)	(8,412)

The Group has incurred losses which will be available for offset against future taxable profits and one of the subsidiaries has tax credits available to offset against future tax liabilities. The Group considers that it has sufficient evidence of future taxable profits to justify the recognition of a deferred tax asset of \$8.4 million (2014: \$1.8 million).

10. Intangible assets

	Exploration and evaluation costs		Total
	Ming Mine	Little Deer Project	
	\$'000	\$'000	\$'000
Cost			
Balance at 1 August 2013	17,450	-	17,450
Additions	514	550	1,064
Balance at 31 July 2014	17,964	550	18,514
Balance at 1 August 2014	17,964	550	18,514
Additions	3,779	274	4,053
Balance at July 31, 2015	21,743	824	22,567
Impairment			
Balance at 1 August 2014	-	-	-
Provision for impairment	4,191	-	4,191
Balance at July 31, 2015	4,191	-	4,191
Carrying amounts			
At 1 August 2013	17,450	-	17,450
At 31 July 2014	17,964	550	18,514
At 1 August 2014	17,964	550	18,514
At July 31, 2015	17,552	824	18,376

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Intangible assets (continued)

Consideration of impairment for exploration and evaluation costs

The directors have assessed whether there are any indicators of impairment in respect of exploration and evaluation costs. See note 12 for an explanation of the factors considered in respect of the Ming Mine.

11. Mineral property

	Mineral property \$'000
Cost	
Balance at August 1, 2013	51,599
Additions	6,683
Balance at July 31, 2014	58,282
Balance at August 1, 2014	58,282
Additions	5,355
Balance at July 31, 2015	63,637
Amortisation and impairment	
Balance at August 1, 2013	2,204
Amortisation charge	4,434
Balance at July 31, 2014	6,638
Balance at August 1, 2014	6,638
Amortisation charge	4,372
Provision for impairment	10,145
Balance at July 31, 2015	21,155
Carrying amounts	
At August 1, 2013	49,395
At July 31, 2014	51,644
At August 1, 2014	51,644
At July 31, 2015	45,482

Consideration of impairment for mineral property costs

The directors have assessed whether there are any indicators of impairment in respect of mineral property costs. See note 12 for an explanation of the factors considered in respect of the Ming Mine.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Provision for impairment

Summary of impairments

The following impairment charges were recognised in the income statement for the year ended July 31, 2015:

	\$'000
Mineral property	10,145
Exploration and evaluation costs	4,191
Available for sale investments	784
	<u>15,120</u>

Consideration of impairment for mineral property costs

As part of the annual impairment review of asset carrying values a charge of \$14.3 million was recorded in relation to the Ming Mine. This was pro-rated against the exploration and evaluation and mineral property costs based on the book value. Following the publication of the Group's PFS, extraction of ore from the Ming Mine's Lower Footwall Zone has been included in the Mine plan adopted by management for fiscal 2016. During the year, the Group carried out an impairment review of the related cash generating unit ("CGU"). The review determined that the mine remains commercially viable however as a result of the current market outlook regarding commodity prices, foreign exchange rates and the current market cost of capital of 9.35% the recoverability of the entire carrying values of the mineral property and exploration and evaluation costs is questionable. As a result, an impairment was recognised in the consolidated income statement.

In accordance with its accounting policies and processes, each asset or CGU is evaluated annually at July 31, to determine whether there are any indications of impairment. If any such indications of impairment exist, a formal estimate of the recoverable amount is performed.

In assessing whether an impairment is required, the carrying value of the asset or CGU is compared with its recoverable amount. The recoverable amount is the higher of the CGU's fair value less costs of disposal ("FVLCD") and value in use ("VIU"). Given the nature of the Group's activities, information on the fair value of an asset is usually difficult to obtain unless negotiations with potential purchasers or similar transactions are taking place. Consequently, the VIU for each CGU is determined based on the net present value of the future estimated cash flows (expressed in real terms) expected to be generated from the continued use of the CGUs based on the most recent life of mine plan, and its eventual disposal, using assumptions a market participant may take into account. These cash flows were discounted using a real pre-tax discount rate that reflected current market assessments of the time value of money and the risks specific to the CGU. The determination of VIU for each CGU use Level 3 valuation techniques.

Key assumptions

The determination of value in use is most sensitive to the following key assumptions:

- Production volumes
- Commodity prices
- Discount rates
- Exchange rates

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Provision for impairment (continued)

Production volumes: In calculating the value in use, the production volumes incorporated into the cash flow models were based on the PFS released in July 2015. After milling and recovery, approximately 153,000 tonnes of copper is estimated to be produced with 89,600 ounces of gold and 528,000 ounces of silver. Estimated production volumes are based on a 21 year life-of-mine plan and take into account development plans for the mine agreed by management as part of the long-term planning process. Production volumes used in the model are based on probable and proven mineral reserves and do not take account the potential conversion of any measured or indicated resource. Production volumes are dependent on a number of variables, such as: the recoverable quantities; the production profile; the cost of the development of the infrastructure necessary to extract the reserves; the production costs; the contractual duration of mining rights; and the selling price of the commodities extracted. The production profile used is consistent with the reserves volumes approved as part of the Group's process for the estimation of proved and probable reserves. The production profile excludes potential conversion of resource into reserve.

Commodity prices: Forecast commodity prices are based on management's estimates and are derived from forward price curves and long-term views of global supply and demand, building on past experience of the industry and consistent with external sources. These prices were adjusted to arrive at appropriate consistent price assumptions for the different qualities and type of commodities, or, where appropriate, contracted prices were applied. Estimated long-term copper, gold and silver prices of US\$2.79 per pound, US\$1,075 per ounce and US\$15.50 per ounce respectively, have been used to estimate future revenues.

Discount rate: In calculating the VIU, a pre-tax discount rate of 9.35% was applied to the pre-tax cash flows expressed in real terms. This discount rate is derived from the Group's pre-tax weighted average cost of capital (WACC), with appropriate adjustments made to reflect the risks specific to the CGU. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on its interest bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Exchange rates: Foreign exchange rates are estimated with reference to external market forecasts and updated at least annually. The rates applied for the first five years of the valuation are based on observable market data including spot and forward values, thereafter the estimate is interpolated to the long term assumption, which involves market analysis including equity analyst estimates. The assumed long-term US dollar/CAD dollar exchange rate is estimated to be \$0.88.

Sensitivity analysis: Any variation in the key assumptions above would either result in further impairment or lead to a reversal of impairment. The total provision for impairment that would arise for the Ming Mine due to the effect of an increase or decrease in the key assumptions is summarised below:

	Increase \$'000	Decrease \$'000
Total provision for impairment		
Copper price (3% increase/decrease)	-	29,357
Discount rate (at 7.35%/11.35%)	1,687	24,257
USD:CAD exchange rate (2.5% increase/decrease)	236	28,436

Additional finance of USD\$15 million is required to carry out the mine plan adopted by management in order to realise the carrying values of the assets in the CGU.

Consideration of impairment for available for sale investments

The decline in fair value of available for sale investments has been classified in other comprehensive income. With the current market conditions regarding gold prices the cumulative losses on the Group's investment in Maritime Resources Corp. have been reclassified from equity to profit and loss giving rise to an impairment charge of \$784,000.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Property, plant and equipment

	Land and buildings \$'000	Assets under construction \$'000	Motor vehicles \$'000	Plant and equipment \$'000	Fixtures, fittings and equipment \$'000	Computer equipment \$'000	Total \$'000
Cost							
Balance at August 1, 2013	4,317	26	259	40,694	110	799	46,205
Additions	126	20	-	2,610	-	169	2,925
Balance at July 31, 2014	4,443	46	259	43,304	110	968	49,130
Balance at August 1, 2014	4,443	46	259	43,304	110	968	49,130
Additions	20	943	39	4,205	12	27	5,246
Disposals	(201)	-	-	(326)	-	-	(527)
Reclassification	-	(295)	-	295	-	-	-
Balance at July 31, 2015	4,262	694	298	47,478	122	995	53,849
Depreciation and impairment losses							
Balance at August 1, 2013	1,658	-	183	15,105	88	711	17,745
Depreciation charge for the year	407	-	46	5,155	14	87	5,709
Balance at July 31, 2014	2,065	-	229	20,260	102	798	23,454
Balance at August 1, 2014	2,065	-	229	20,260	102	798	23,454
Depreciation charge for the year	378	-	35	3,037	8	86	3,544
Eliminated on disposals	(181)	-	-	(261)	-	-	(442)
Balance at July 31, 2015	2,262	-	264	23,036	110	884	26,556
Carrying amounts							
At August 1, 2013	2,659	26	76	25,589	22	88	28,460
At July 31, 2014	2,378	46	30	23,044	8	170	25,676
At August 1, 2014	2,378	46	30	23,044	8	170	25,676
At July 31, 2015	2,000	694	34	24,442	12	111	27,293

Leased plant and machinery

The Group leases surface and underground equipment under a number of finance lease agreements. At the end of each lease the Group has the option to purchase the equipment at a beneficial price. At July 31, 2015, the net carrying amount of leased plant and machinery was \$3,893,000 (2014: \$2,426,000). The leased plant and machinery secures lease obligations (see note 23). During the year plant and equipment additions of \$2,397,000 (2014: \$953,000) were acquired through finance lease arrangements.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Available for sale investments

	Available for sale investments \$'000
Cost or valuation	
Balance at August 1, 2013	1,703
Acquisitions	629
Revaluation	(181)
Balance at July 31, 2014	2,151
Balance at August 1, 2014	2,151
Acquisitions	376
Revaluation	(446)
Provision for impairment	(784)
Balance at July 31, 2015	1,297
Carrying amounts	
At July 31, 2014	2,151
At July 31, 2015	1,297

Rambler holds an 17.5% equity stake in Maritime Resources Corp and a representative on the Board of Directors. This representation does not result in the Group having significant influence over the investment. The market price at July 31, 2015 was \$0.10 (2014: \$0.17 per share).

Rambler holds 3.1% equity stake in Marathon Gold Corporation. The Group made a further investment of \$375,000 during the year. The market price at July 31, 2015 was \$0.245 (2014: \$0.55 per share).

The carrying amount of the available for sale investments is the level 1 fair value determined using the closing market price of the shares on the TSX exchange. The cost of the available for sale investments is \$2,286,000 (2014: \$1,911,000).

15. Inventory

	2015 \$'000	2014 \$'000
Metals in process	757	2,351
Operating supplies	1,632	1,599
	2,389	3,950

16. Trade and other receivables

	2015 \$'000	2014 \$'000
Trade receivables	270	1,295
Other receivables	303	113
Sales taxes recoverable	525	311
Prepayments and accrued income	980	401
	2,078	2,120

There are no trade receivables past due or considered impaired (2014: \$nil).

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Derivative financial asset

	2015	2014
	\$'000	\$'000
Concentrate receivables from off-taker	312	788

The carrying amount of the derivative financial asset is the level 2 fair value determined using forward prices of copper, gold and silver. The cost of the concentrate receivables is \$306,000 (2014: \$713,000).

18. Cash and cash equivalents

	2015	2014
	\$'000	\$'000
Bank balances	4,422	9,535
Cash and cash equivalents in the statement of cash flows	4,422	9,535

19. Restricted cash

	2015	2014
	\$'000	\$'000
Bearer deposit notes	3,255	3,255

The Group is required to hold Letters of Credit in favour of the Government of Newfoundland and Labrador in respect of the reclamation and closure liability associated with the Ming Mine. The bearer deposit notes mature on differing dates throughout fiscal 2016 and have a nominal value of \$3,300,000 (2014 - \$3,300,000) giving an effective yield of 1.2% (2014 - 1.2%).

20. Capital and reserves

Share capital and share premium – group and company

	Number '000
In issue at 1 August 2013	143,236
Issued in consideration for finance fees	887
Issued on exercise of options	45
In issue at 31 July 2014	144,168
In issue at 1 August 2014	144,168
Issued during the year	-
In issue at July 31, 2015	144,168

At July 31, 2015, the authorised share capital comprised 1,000,000,000 ordinary shares of 1p each.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Capital and reserves (continued)

Merger reserve

The merger reserve arose from the acquisition of Rambler Mines Limited by Rambler Metals and Mining PLC. This acquisition was accounted for in accordance with the merger accounting principles set out in UK Financial Reporting Standard 6 and the Companies Act 1985, which continue under the Companies Act 2006, whereby the consolidated financial statements were presented as if the business previously carried out through Rambler Mines Limited had always been owned and controlled by the Company. The transition provisions of IFRS 1 allow all business combinations prior to transition to IFRS to continue to be accounted for under the requirements of UK GAAP at that time. Accordingly this acquisition has not been re-stated in accordance with that standard.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the parent company which has a different functional currency from the presentation currency. Exchange differences arising are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in the income statement in the period of disposal of the operation.

Fair value reserve

The fair value reserve comprises cumulative adjustments made to the fair value of available for sale investments.

Capital management

The Group's objectives when managing capital are to safeguard the entity's ability to continue as a going concern so that it can continue to increase the value of the entity for the benefit of the shareholders. Given the nature of the Group's current activities the entity will remain dependent on a mixture of debt and equity funding until such a time as the Group becomes self-financing from the commercial production of mineral resources.

The Group's capital was as follows:

	2015 \$'000	2014* \$'000
Cash and cash equivalents	4,422	9,535
Finance leases	(4,652)	(5,434)
Advance purchase loan	(2,452)	-
Gold loan	(17,419)	(20,108)
Net debt	(20,101)	(16,007)
Equity	(77,216)	(87,408)
Total capital	(97,317)	(103,415)

Details of employee share options outstanding are set out in note 5.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at July 31, 2015 was based on the loss attributable to ordinary shareholders of \$10,153,000 and a weighted average number of ordinary shares outstanding during the period ended July 31, 2015 of 144,168,000 calculated as follows:

(Loss)/profit attributable to ordinary shareholders

	2015 \$'000	2014 \$'000
(Loss)/profit for the period	(10,153)	9,015
(Loss)/profit attributable to ordinary shareholders	(10,153)	9,015

Weighted average number of ordinary shares

	Number '000
At August 1, 2013	143,236
Effect of shares issued during the year	627
At July 31, 2014	143,863

In issue at August 1, 2014	144,168
Effect of shares issued during year	-
Weighted average number of ordinary shares at July 31, 2015	144,168

There is no material difference between the basic and diluted loss per share. At July 31, 2015 there were 5,189,667 (2014: 5,506,000) share options in issue of which 578,925 (2014: 978,265) were considered to be dilutive and may have a dilutive effect on the basic earnings or loss per share in the future.

22. Trade and other payables

	2015 \$'000	2014 \$'000
Trade payables	5,214	2,811
Non trade payables	283	304
Accrued expenses	1,388	1,419
	6,885	4,534

23. Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate and foreign currency risk, see note 25.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Interest-bearing loans and borrowings (continued)

	2015 \$'000	2014 \$'000
Non-current liabilities		
Finance lease liabilities	1,722	2,750
Gold Loan	14,890	17,492
	16,612	20,242
Current liabilities		
Current portion of finance lease liabilities	2,930	2,684
Advance Purchase Facility	2,452	-
Current portion of Gold Loan	2,529	2,616
	7,911	5,300

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Minimum lease Payments 2015 \$'000	Interest 2015 \$'000	Principal 2015 \$'000	Minimum lease Payments 2014 \$'000	Interest 2014 \$'000	Principal 2014 \$'000
Less than one year	3,075	145	2,930	2,894	210	2,684
Between one and five years	1,774	52	1,722	2,863	113	2,750
	4,849	197	4,652	5,757	323	5,434

Under the terms of the lease agreements, no contingent rents are payable. The finance lease liabilities are secured on the underlying assets.

Gold Loan

In March 2010, the Group entered into an agreement ("Gold Loan") with Sandstorm to sell a portion of the life-of-mine gold production from its Ming Mine.

Under the terms of the agreement Sandstorm made staged upfront cash payments for the gold to the Group totalling US\$20 million.

For this, in each production year following the first year of production, until 175,000oz of payable gold has been produced, the Group has agreed to sell a percentage equal to 25% x (85% divided by the actual percentage of metallurgical recovery of gold realised in the immediately preceding production year) provided that, if the payable gold production in any production year after the third production year is less than 15,000 ounces, then in each such production year, Sandstorm payable gold shall not be less than 25% of the payable gold. In each production year following the first year of production, after 175,000oz of payable gold has been produced, the Group has agreed to sell a percentage equal to 12% x (85% divided by the actual percentage of metallurgical recovery of gold realised in the immediately preceding production year) provided that, if the payable gold production in any production year after the third production year is less than 15,000 ounces, then in each such production year, Sandstorm payable gold shall not be less than 12% of the payable gold for the remainder of the period ending 40 years after the date of the agreement. After the expiry of the 40 year term, the agreement is

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Interest-bearing loans and borrowings (continued)

renewable in 10 year terms at the option of Sandstorm.

The Gold Loan is accounted for as a financial liability carried at amortised cost. In determining the effective interest rate implicit in the cash flows arising from the loan the cash flows are forecast based on management's best estimates of the time of delivery of payable gold, the total amount of gold expected to be produced over the mine life and the timing of that production.

Total interest of \$4,292,000 (2014: \$2,639,000 charged) was reversed during the period. The interest credit arose as a result of the change in estimates and prices of payable gold ounces to be delivered under the revised life of mine model adopted as a result of the latest Pre-feasibility Study announced on September 9, 2015.

The Gold Loan is secured by a fixed and floating charge over the assets of the Group.

Advance Purchase Facility

On September 2, 2015 the Group announced that it had entered into a amended and restated purchase agreement with Transamine Trading S.A. ("Transamine") wherein Rambler has extended its off-take agreement with Transamine with respect to concentrate from the Ming Copper-Gold Mine until 31 December 2021.

Pursuant to the terms of the Purchase Agreement, Transamine has agreed to purchase in advance, at Rambler's option, up to USD \$5,000,000 of concentrate (the "Advance Purchase Payments"). The Advance Purchase Payments accrue interest at a rate of three month LIBOR plus 3.5 per cent per annum and will be secured by a second charge against the assets of Rambler's operating subsidiary and guaranteed by the Company. The Advance Purchase Payments will be used for working capital requirements along with the development and construction of Rambler's Lower Footwall Zone optimisation plan (Phase 2) at the Ming Mine.

The first USD \$2,000,000 of Advance Purchase Payments was drawn on 31 July 2015 in advance of finalising the terms of the Purchase Agreement with an additional USD \$1,000,000 in Advance Purchase Payments available to be drawn until 31 October 2015. The remaining USD \$2,000,000 in Advance Purchase Payments, available until 31 October 2015, will be subject to:

- i. Rambler having executed a legally binding term sheet between Rambler and a third party financier, providing for financing for the Phase 2 expansion, and
- ii. Production levels of concentrate from the Ming Mine having reached five thousand (5,000) dry metric tonnes per quarter.

The Advance Purchase Payments shall be repaid by Rambler on the earlier of: 1 November 2015; or twenty-one days of receipt of third party financing for the Phase 2 expansion. In the event funds are not repaid by 1 November 2015 accrued interest on the outstanding balance will be three month LIBOR plus 7.0 per cent per annum. Repayment shall be in the form of a USD \$350 per dry metric tonne reduction in the concentrates purchased by Transamine until such a time as Advance Purchase Payments are repaid.

The advance purchase payment of USD \$2,000,000 received on July 31, 2015 has been accounted for as a financial liability carried at amortised cost.

24. Provision

Reclamation and closure provision
Opening balance
Credit to Mineral Property
Unwinding of discount
Ending balance

2015 \$'000	2014 \$'000
1,903	1,903
(261)	-
50	-
1,692	1,903

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Provision (continued)

The reclamation and closure provision has been made in respect of costs of land restoration and rehabilitation expected to be incurred at the end of the Ming Mine's useful life. The provision has been calculated based on the present value of the expected future cash flows associated with reclamation and closure activities as required by the Government of Newfoundland and Labrador. The provision relates to restoration of all three sites associated with the Ming Mine project: mill, mine and port sites. The Ming Mine's useful life was extended by twelve years resulting in an adjustment to the reclamation cost of \$261,000 credited to the Mineral Property. The liability is secured by Letters of Credit for \$3,255,155.

25. Financial instruments

The Group's principal financial assets comprise: cash and cash equivalents, restricted cash, available for sale investments, derivative financial instruments and other receivables. In addition the Company's financial assets include amounts due from subsidiaries. The Group and Company's financial liabilities comprise: trade payables; other payables; and accrued expenses. The Group's financial liabilities also include interest bearing loans and borrowings.

All of the Group's and Company's financial liabilities are measured at amortised cost and their financial assets are classified as loans and receivables and measured at amortised cost with the exception of available for sale investments and derivative financial instruments as described in notes 13 and 16 respectively.

The Group held the following categories of financial instruments at July 31, 2015:

	2015 \$'000	2014 \$'000
Financial assets		
Assets at fair value through profit and loss:		
Derivative financial instruments – level 2 fair value	312	788
Available for sale investments:		
Investment in quoted equity securities – level 1 fair value	1,297	2,151
Loans and receivables:		
Trade receivables	270	1,295
Other receivables	303	113
Sales taxes recoverable	525	311
Cash at bank	4,422	9,535
Restricted cash	3,255	3,255
	8,775	14,509
Total financial assets	10,384	17,448
Liabilities at amortised cost or equivalent:		
Trade payables	(5,214)	(2,811)
Non trade payables	(283)	(304)
Accrued expenses	(1,388)	(1,419)
Loans and borrowings	(24,523)	(25,542)
Total financial liabilities	(31,408)	(30,076)

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Financial instruments (continued)

The board of directors determines, as required, the degree to which it is appropriate to use financial instruments and hedging techniques to mitigate risks. The main risks for which such instruments may be appropriate are liquidity risk, credit risk and market risk which includes foreign currency risk, interest rate risk and commodity price risk each of which is discussed below.

Liquidity risk

With finite cash resources the liquidity risk is significant. This risk is managed by controls over expenditure and concentrating on achieving the payment milestones under the financing arrangement. Success will depend largely upon the outcome of on-going and future exploration and development programmes. Given the nature of the Group's current activities the entity will remain dependent on a mixture of debt and equity funding in the short to medium term until such time as the Group becomes self-financing from the commercial production of mineral resources. The liabilities of the parent company are due within one year. The parent company has adequate financial resources to meet the obligations existing at July 31, 2015.

The Group's and Company's trade payables, other payables and accrued expenses are generally due between one and three months and the Group's other financial liabilities are due as follows:

	2015 \$'000	2014 \$'000
Due within one year	8,366	5,683
Due within one to two years	4,543	5,898
Due within two to three years	2,669	4,471
Due within three to four years	2,563	3,643
Due within four to five years	2,625	3,219
Due after five years	18,746	17,807
	39,512	40,721

Fixed rate financial liabilities

At the year end the analysis of finance leases and hire purchase contracts which were all due in Canadian Dollars and are at fixed interest rates was as follows:

Fixed rate liabilities

	2015 \$'000	2014 \$'000
Due within one year	3,075	2,894
Due within one to two years	1,467	2,170
Due within two to three years	279	562
Due within three to four years	26	131
Due within four to five years	2	-
	4,849	5,757

The average fixed interest rate for the finance leases and hire purchase contracts outstanding at July 31, 2015 was 5.61%.

Credit risk

The Group generally holds the majority of its cash resources in Canadian dollars given that the majority of the Group's outgoings are denominated in this currency. Given the current climate, the Group has taken a very risk averse approach to management of cash resources and management and Directors monitor events and associated risks on a continuous basis. There is little perceived credit risk in respect of trade and other receivables (see note 16). The Group maximum exposure to credit risk at July 31, 2015 was represented by receivables and cash resources.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Financial instruments (continued)

Market risk

Foreign currency risk

The Group's cash resources are held in Canadian dollars, GB pounds and US Dollars and certain receivables and the Gold Loan are denominated in US dollars. The Group has a downside exposure to any strengthening of the GB pound as this would increase expenses in Canadian dollar terms. This risk is mitigated by reviewing the holding of cash balances in GB pounds. Any weakening of the GB pound would however result in the reduction of the expenses in Canadian dollar terms and preserve the Group's cash resources. In addition, any such movements would affect the Consolidated Balance Sheet when the net assets of the Parent Company are translated into Canadian dollars. The Group has a downside exposure to any strengthening of the US dollar as this would increase the amount repayable on the Gold Loan in Canadian dollar terms. This risk, however, is relevant only should the Gold Loan be repaid in cash under terms set out in note 23. Repayment is envisaged in payable gold which is denominated in US dollars. Exposure to this foreign currency risk has been mitigated since the commencement of production. Any weakening of the US dollar would however result in a reduction in revenue and receivables in Canadian dollar terms. The Group has not hedged its exposure to currency fluctuations.

The policy in relation to the translation of foreign currency assets and liabilities is set out in note 2(d), 'Accounting Policies Foreign Currency' to the consolidated financial statements.

The Group does not hedge its exposure of foreign investments held in foreign currencies. There is no significant impact on profit or loss from foreign currency movements associated with the Parent company's assets and liabilities as the foreign currency gains or losses are recorded in the translation reserve.

Exchange rate fluctuations may adversely affect the Group's financial position and results. The following table details the Group's sensitivity to a 10% strengthening and weakening in the GB pound against the Canadian/US Dollar. 10% represents management's assessment of the reasonable possible exposure.

	Equity	
	2015 \$'000	2014 \$'000
10% strengthening of GB pound	(61)	(19)
10% weakening of GB pound	56	17
10% strengthening of US dollar	(1,729)	(2,010)
10% weakening of US dollar	1,572	1,828

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Financial instruments (continued)

Market risk (continued)

Foreign currency risk (continued)

At the year end the cash and short term deposits were as follows:

	Floating rate Assets	Total
At July 31, 2015	\$'000	\$'000
Canadian \$	1,573	1,573
US \$	2,741	2,741
Sterling	108	108
	<u>4,422</u>	<u>4,422</u>
At July 31, 2014	\$'000	\$'000
Canadian \$	7,398	7,398
US \$	1,992	1,992
Sterling	145	145
	<u>9,535</u>	<u>9,535</u>

Interest rate risk

The Group's policy is to retain its surplus funds on the most advantageous term of deposit available up to twelve month's maximum duration. Details of the Group's borrowings are described in note 23.

If the interest rate on deposits were to fluctuate by 1% there would be no material effect on the Group's and Company's reported results.

Commodity price risk

Commodity price risk is the risk that the Group's future earnings will be adversely impacted by changes in the market prices of commodities. The Group is exposed to commodity price risk as its future revenues will be derived based on contracts with customers at prices that will be determined by reference to market prices of copper and gold at the delivery date.

As explained in note 3 the Group calculates the effective interest rate on the Gold Loan based on estimates of future cash flows arising from the sale of payable gold. In estimating the cash flows the following table details the Group's sensitivity to a 10% increase and a 25% decrease in the price of gold. These percentages represent management's assessment of the reasonable possible exposure.

	Gross assets	
	2015	2014
	\$'000	\$'000
10% increase in the price of gold	(1,742)	(2,011)
25% decrease in the price of gold	<u>4,355</u>	<u>5,027</u>

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Financial instruments (continued)

Market risk (continued)

Commodity price risk (continued)

Receivables in respect of the sale of copper concentrate which contain an embedded derivative linking them to future commodity prices are measured at fair value through profit and loss and are treated as derivative financial assets or liabilities. In estimating the value of the derivative the following table details the Group's sensitivity to a 5% increase and a 5% decrease in the price of copper, gold and silver. These percentages represent management's assessment of the reasonable possible exposure.

	Gross assets	
	2015	2014
	\$'000	\$'000
5% increase in the price of copper, gold and silver	566	1,006
5% decrease in the price of copper, gold and silver	(566)	(1,006)

Financial assets

The floating rate financial assets comprise interest earning bank deposits at rates set by reference to the prevailing LIBOR or equivalent to the relevant country. Fixed rate financial assets are cash held on fixed term deposit.

Fair values

In the directors' opinion there is no material difference between the book value and fair value of any of the group's financial instruments.

26. Related parties

Identity of related parties

The Group has a related party relationship with its subsidiaries and with its directors and executive officers.

Transactions with key management personnel

The directors' compensations were as follows:

	2015	2014
	\$'000	\$'000
Salary – executive		
G Ogilvie	-	192
N Williams	356	138
Fees – non-executive		
G Ogilvie	77	87
S Neamonitis	-	6
L D Goodman	29	13
B D Hinchcliffe	-	7
T S Chan	29	13
J Thomson	29	13
E C Chen	29	13
G Poulter	15	-
	564	482

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Related parties (continued)

D H W Dobson waived his entitlement to director's fees for the current and preceding periods. At July 31, 2015 fees of \$137,710 (2014: \$29,448) remained outstanding.

Share options held by directors were as follows:

G Ogilvie¹
N Williams²
J Thomson³
D H W Dobson⁴
L D Goodman⁴

At 31.07.15	At 31.07.14
No.	No.
'000	'000
1,100	1,100
1,175	1,175
400	400
45	45
45	45
2,765	2,765

¹ 200,000 options at an exercise price of \$0.71 expiring on 7 December 2016, 150,000 options at an exercise price of \$1.10 expiring on 12 November 2017 and 750,000 options at an exercise price of \$0.19 expiring on 10 November 2018.

² 100,000 options at an exercise price of \$0.96 expiring on 7 July 2018, 75,000 options at an exercise price of \$0.18 expiring on 10 November 2018, 250,000 options at an exercise price of \$0.50 expiring on 7 May 2020 and 750,000 options at an exercise price of \$0.50 expiring on 19 February 2024.

³ 100,000 options at an exercise price of \$0.71 expiring on 7 December 2016 and 300,000 options at an exercise price of \$0.17 expiring on 10 November 2018.

⁴ options at an exercise price of \$0.17 expiring on 10 November 2018.

Total key management personnel compensations were as follows:

Short term employee benefits
Social security costs
Share based payments

2015	2014
\$'000	\$'000
780	863
49	62
71	191
900	1,116

Subsidiaries

The company has interests in the following material subsidiary undertakings, which are included in the consolidated financial statements.

Name	Class	Holding	Activity	Country of Incorporation
Rambler Mines Limited	Ordinary	100%	Holding company	England
Rambler Metals and Mining Canada Limited	Common	100% (indirectly)	Exploration, development and mining	Canada

27. Subsequent events

On September 1, 2015 the Group signed a non-binding letter of intent with Thundermin Resources Inc. ("Thundermin") (TSXV: THR) which sets out the principal terms upon which Thundermin will amalgamate with a wholly-owned subsidiary of the Group (the "Merger"). The Merger will be effected on the basis that the holders of the 116,598,059 issued common shares in the capital of Thundermin, (the "Thundermin Shares") will receive 7,142,857 Rambler Shares (the "Rambler Shares") valued at approximately \$0.013 per Thundermin share.

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Subsequent events (continued)

On September 9, 2015 filed a NI43-101 technical report to accompany the Lower Footwall Zone pre-feasibility results. The highlights of the pre-feasibility study ("PFS") reports are as follows:

The PFS is based on an optimisation of the current high grade massive sulphide (Phase 1) operation by blending increasing amounts of LFZ ore with the massive sulphides as production ramps up to 1,250 mtpd.

- Project after-tax net present value ('NPV5%') of \$62.0 million with an IRR of 45 per cent based on trending copper and gold prices including long-term copper price of USD \$2.79 per pound. Pre-tax NPV5% of \$70.2 million with an IRR of 46 per cent.
- Net cash flow from operations of \$273 million, undiscounted. Net after-tax cash flow of \$110 million (before-tax \$128 million).
- The PFS outlines a five year, \$66 million LFZ capital plan for this expansion mainly self-funded by the current mining operation. During the initial expansion the operation will require additional working capital funding to execute its plan. The first year is projecting a shortfall of \$8.43 million dollars with a net cash position of -\$650,000 over the five year period.
- During the 21 year mine life (ending 2036), after milling and recovery, approximately 536,000 tonnes of copper concentrate (337 million pounds of copper) is estimated to be produced with 89,600 ounces of gold and 527,800 ounces of silver.
- Average annual cash operating cost of \$1.97 per equivalent pound copper (USD \$1.71)
 - Additional opportunities exist to improve the low risk, low capital base case scenario, including :
 - Further delay in the initial five year capital by continuing post pillar cut and fill mining method in upper portions of the LFZ;
 - Integration of ore pre-concentration at the mine site. This could potentially allow for further optimisation of mine production with equal tonnage, but higher grade, being delivered to the mill;
 - Additional resource growth through ongoing exploration in both the higher grade massive sulphide and LFZ;
 - Further utilisation of the Nugget Pond facility with new feed sources from other regional copper and gold plays.

RAMBLER METALS AND MINING PLC

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended July 31, 2015

	2015 \$'000	2014 \$'000
Loss for the year	(6,923)	(11,291)
Other comprehensive income		
<i>Items that may be reclassified into profit or loss</i>		
Exchange differences on translation into presentation currency	6,688	11,014
Other comprehensive income for the year	6,688	11,014
Total comprehensive loss for the year	(235)	(277)

RAMBLER METALS AND MINING PLC

COMPANY STATEMENT OF FINANCIAL POSITION

As at July 31, 2015

(EXPRESSED IN CANADIAN DOLLARS)

	Note	2015 \$'000	2014 \$'000
Assets			
Investments	C3	67,802	68,245
Deferred tax	C4	2,153	1,663
Total non-current assets		<u>69,955</u>	<u>69,908</u>
Trade and other receivables	C5	80	94
Cash and cash equivalents	C6	113	145
Total current assets		<u>193</u>	<u>239</u>
Total assets		<u>70,148</u>	<u>70,147</u>
Equity			
Issued capital	18	2,628	2,628
Share premium		75,505	75,505
Translation reserve		7,481	793
Retained profit		(15,863)	(9,011)
Total equity		<u>69,751</u>	<u>69,915</u>
Liabilities			
Trade and other payables	C7	397	232
Total current liabilities		<u>397</u>	<u>232</u>
Total liabilities		<u>397</u>	<u>232</u>
Total equity and liabilities		<u>70,148</u>	<u>70,147</u>

ON BEHALF OF THE BOARD:


N F Williams
Director

Approved and authorised for issue by the Board on October 23, 2015.

RAMBLER METALS AND MINING PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

(EXPRESSED IN CANADIAN DOLLARS)

Balance at August 1, 2013

Comprehensive income

Loss for the year

Foreign exchange translation differences

Total other comprehensive income

Total comprehensive loss for the year

Issue of share capital

Share based payments

Transactions with owners

Balance at July 31, 2014

Balance at August 1, 2014

Comprehensive income

Loss for the year

Foreign exchange translation differences

Total other comprehensive income

Total comprehensive loss for the year

Share based payments

Transactions with owners

Balance at July 31, 2015

Share capital \$'000	Share premium \$'000	Translation reserve \$'000	Accumulated losses \$'000	Total \$'000
2,613	75,164	(10,221)	2,104	69,660
-	-	-	(11,291)	(11,291)
-	-	11,014	-	11,014
-	-	11,014	-	11,014
-	-	11,014	(11,291)	(277)
15	341	-	-	356
-	-	-	176	176
15	341	-	176	532
2,628	75,505	793	(9,011)	69,915
2,628	75,505	793	(9,011)	69,915
-	-	-	(6,923)	(6,923)
-	-	6,688	-	6,688
-	-	6,688	-	6,688
-	-	6,688	(6,923)	(235)
-	-	-	71	71
-	-	-	71	71
2,628	75,505	7,481	(15,863)	69,751

RAMBLER METALS AND MINING PLC

STATEMENT OF CASH FLOWS

For the Year Ended July 31, 2015
(EXPRESSED IN CANADIAN DOLLARS)

Cash flows from operating activities

Operating loss

Share based payments

Foreign exchange losses

Decrease/(increase) in debtors

Increase in creditors

Net cash utilised in operating activities

Cash flows from investing activities

Loans repaid by subsidiaries

Net cash generated from/(utilised in) investing activities

Cash flows from financing activities

Proceeds from the issue of share capital

Proceeds from exercise of share options

Net cash from financing activities

Net (decrease)/increase in cash and cash equivalents

Cash and cash equivalents at beginning of period

Effect of exchange rate fluctuations on cash held

Cash and cash equivalents at end of period

2015	2014
\$'000	\$'000
(7,232)	(11,341)
71	176
5,636	9,526
15	(41)
165	75
(1,345)	(1,605)
1,293	1,661
1,293	1,661
-	7
-	7
-	7
(52)	63
145	66
20	16
113	145

RAMBLER METALS AND MINING PLC

NOTES TO THE COMPANY FINANCIAL STATEMENTS

C1. Accounting policies

The accounting policies of the company are consistent with those adopted by the Group with the addition of the following:

Investments

Investments are stated at their cost less impairment losses.

C2. Loss of parent company

As permitted by section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was \$7,025,000 (2014: loss \$11,291,000).

C3. Investments

Cost

Balance at August 1, 2013
Repayments (net)
Effect of movements in foreign exchange
Balance at July 31, 2014

Investment in subsidiary \$'000	Loans \$'000	Total \$'000
378	67,945	68,323
-	(1,311)	(1,311)
64	1,169	1,233
442	67,803	68,245

Balance at August 1, 2014
Repayments (net)
Effect of movements in foreign exchange
Balance at July 31, 2015

442	67,803	68,245
-	(1,293)	(1,293)
44	806	850
486	67,316	67,802

The company has interests in the following material subsidiary undertakings, which are included in the consolidated financial statements.

Name	Class	Holding	Activity	Country of Incorporation
Rambler Mines Limited	Ordinary	100%	Holding company	England
Rambler Metals and Mining Canada Limited	Common	100% (indirectly)	Exploration, development and mining	Canada

The aggregate value of shares in subsidiary undertakings is stated at cost.

The loans to the subsidiary undertakings are interest free.

RAMBLER METALS AND MINING PLC

NOTES TO THE COMPANY FINANCIAL STATEMENTS

C4. Deferred tax

The Company has incurred losses which will be available for offset against future taxable profits. Given the continuing profitability of one of the Company's subsidiaries it has been concluded that the Company has sufficient evidence of future taxable profits to justify the recognition of a deferred tax asset of \$22.2 million.

C5. Trade and other receivables

Other receivables
Sales taxes recoverable
Prepayments and accrued income

2015	2014
\$'000	\$'000
-	-
18	22
62	72
80	94

C6. Cash and cash equivalents

Bank balances
Cash and cash equivalents in the statement of cash flows

2015	2014
\$'000	\$'000
113	145
113	145

C7. Trade and other payables

Trade payables
Non trade payables
Accrued expenses

2015	2014
\$'000	\$'000
107	47
1	1
289	184
397	232

C8. Related party transactions

The Company has a related party relationship with its subsidiaries (see note C3) and with its directors and executive officers (see note 26).

Transactions with subsidiary undertakings

Details of loans advanced to subsidiary undertakings are included in note C3.

Other related parties

Transactions with other related parties are detailed in note 26.