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, 2016

RAMBLER METALS AND MINING PLC

CONTENTS OF THE FINANCIAL STATEMENTS

Rambler Metals and Mining Plc

Company Information

For the Year Ended July 31, 2016

Directors:	T I Ackerman (appointed June 2, 2016) E C Chen B Labatte (appointed June 2, 2016) B A Mills (appointed June 2, 2016) G R Poulter M V Sander (appointed June 2, 2016) N P Williams
Secretary:	P Mercer
Registered office:	Salatin House 19 Cedar Road Sutton Surrey SM2 5DA
Registered number:	5101822 (England and Wales)
Auditor:	BDO LLP 55 Baker Street London W1U 7EU

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED JULY 31, 2016

2016 was a challenging year for the global mining industry as it struggled to rebalance supply in the face of reduced Chinese demand. Copper was no exception, as prices fell to below US$2.00/lb in January and has since stabilized at around US$2.15/lb. The industry has taken significant steps to cut high cost supply to match current demand but more may be needed to underpin a future price rally. In the meantime virtually all new projects have been shelved which puts Rambler in a unique position to execute a low capital cost, low operating cost expansion over the next 18 months in anticipation of this price recovery.

In this regard, Rambler ('the Company') achieved some important corporate milestones in 2016.

- The Company successfully raised approximately US$15 million equity with the potential for an additional US$ 13 million if certain objectives are achieved.
- On the back of this capital raise the Company immediately started expansion of its Ming mine targeting 1,250 metric tonnes per day ('mtpd') of production by the end of 2017. This expansion will position the Company as a low cost producer with a 20 year mine life.
- During the initial construction phase of this expansion, further engineering and assessment work will be carried out on re-establishing the shaft for hoisting with the integration of ore pre-concentration through dense media separation. Successful conclusion of this work could lead to further expansion of the mine, Phase III.
- The composition of the Board was adjusted after the financing to enhance its technical ability to manage the growth phase of the Company.
- The Company announced it will change its financial year end to December 31 commencing with the five months ended December 31, 2016 and will provide guidance on its planned targets for the calendar year ended December 31, 2017 early in the New Year.

At the operational level, the Company delivered its planned targets for tonnes milled, recoveries, head grades and copper and gold production for the fiscal year. The Company has also identified exciting exploration targets within the Ming mine footprint that could allow for further growth if realized. The Company will start the exploration on these near mine targets in 2017.

The Company continues to advance and develop other opportunities within Canada, as demonstrated by the acquisition of the remaining 50% interest in the Little Deer and Whalesback Copper Deposit from Thundermin Resources Inc. during the year.

The presentation currency of the Company's financial statements has been changed this year to US dollars ('US$'). This change reflects the fact that all of our revenues are in US$. With the Company's operational costs in Canadian dollars the Company is naturally hedged with a weak Canadian$/US$ exchange rate being consistent with weak commodity prices and vice versa.

FINANCIAL RESULTS

In spite of the challenging market condition the Company achieved reasonable financial results. These include:

- The Company generated revenue of US$30.4 million from the sale of copper concentrate containing gold and silver by-products.

- An operating loss of US$1.1 million (2015: US$0.9 million profit) before impairment.

- Generation of cash of US$4.8 million (2015 US$7.3 million) from operations during the year.

- The consolidated loss after taxation in respect of the year ended July 31, 2016 amounted to US$12.8 million (loss per share of US$0.067) after a provision for impairment of US$11.3 million before tax, versus a loss of US$8.4 million for the year ended July 31, 2015 (loss per share of US$0.058) after a provision for impairment of US$12.1 million before tax.

- Earnings before interest, taxes, depreciation, amortisation ("EBITDA") for the year were US$6.1 million (2015 : US$1.8 million).

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED JULY 31, 2016 (CONTINUED)

- The gross assets of the Company amounted to US$87.3 million as at the end of the year. This included Mineral property of US$35.2 million and intangible assets of US$2.2 million which consists of accumulated deferred exploration and evaluation expenditures on the Little Deer Project.

- The Company's cash balance at year end was US$8.9 million and cash net of debt, excluding Gold Loan, was US$3.7 million.

A provision for impairment of US$11.3 million before tax was recorded against the carrying value of the Ming Copper Gold Mine during fiscal 2016. 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. The provision was calculated using the 2015 Prefeasibility Study model updated for depletion in 2016 and does not consider management's latest internal modelling for the Phase III expansion program currently being evaluated.

Today the future of the Company looks bright with a healthy balance sheet and a funded expansion that will take us toward being a lowest quartile cost copper producer with a 20 year mine life. Significant future organic growth opportunities are embedded in our near mine exploration programs and through our low cost acquisition of good quality undeveloped nearby mineral resources.

My thanks go to our employees, officers and directors for their strong support in successfully securing finance during the year to fund the expansion of the operation. I look forward to the continued implementation of this expansion plan in fiscal 2017.

B Mills
Chairman

October 21, 2016

STRATEGIC REPORT FOR THE YEAR ENDED JULY 31, 2016

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

A review of the Company'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 has all necessary permits in place to continue with the current operation. As expansion plans progress, the Company will be required to submit revised Development Plans for approval by the ministry. There can be no guarantee that these revised plans will be agreed to or approved in a timely manner.

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 Company'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 Company'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 Company's economic evaluations and on the Company's results of operations resulting in the Company recording a provision for impairment during the year. This provision for impairment does not consider management's latest internal modelling which factors in increased production through re-establishing the shaft for hoisting and the integration of ore pre-concentration, Phase III.

Foreign currency risk
The Company has a small amount of cash resources and certain liabilities including the Gold loan and the advance purchase agreement denominated in US dollars. All other assets and liabilities are denominated in Canadian dollars and GB pounds. Revenue is generated in US dollars while the majority of the expenditure is incurred in Canadian dollars and, to a lesser extent, GB pounds. The Company has a downside exposure to any strengthening of the Canadian Dollar or GB pound as this would increase expenses in US dollar terms. This risk is mitigated by reviewing the holding of cash balances in Canadian Dollars and GB pounds. Any weakening of the Canadian Dollar or GB pound would however result in the reduction of the expenses in US dollar terms. In addition movements in the Canadian dollar and GB pound/US Dollar exchange rates would affect the Consolidated Balance Sheet.

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Additional Requirement for Capital
As mentioned above, management is evaluating further increases in production through re-establishing the shaft for hoisting and the integration of ore pre-concentration. With further engineering and assessment, management will work to finalize internal modelling and economics for this Phase III expansion. Rambler has issued 200,000,000 warrants at an exercise price of US$0.07 (GBP 0.05) which, if exercised will, along with cash flows from increased production, provide the necessary capital for this Phase III expansion. However, the warrants and any additional equity financing may be further 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 Company.

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 21, 2016

This MD&A, including appendices, is intended to help the reader understand Rambler Metals and Mining plc ('the parent company') and its subsidiaries (the 'Company' or 'Rambler'), our operations and our present business environment. It has been prepared as of October 21, 2016 and covers the results of operations for the quarter and year ended July 31, 2016. This discussion should be read in conjunction with the audited Financial Statements for the year ended July 31, 2016 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 Company's presentation currency has been changed to US dollars (US$) and the financial information is in US$ 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.

OVERVIEW

The Company is transforming the Ming Copper-Gold Mine ('Ming mine') with a fully funded expansion. Its principal activity is the development, mining and exploration of the Ming mine in Newfoundland and Labrador (see map referenced in Appendix 1) with a longer term view of continued exploration and development of other properties in its portfolio which are all located in Canada.

The Company is looking forward to:

1. Continuing the Phase II optimisation strategy, as described below, with funding now secured.
2. Kick starting further engineering studies aimed at boosting production beyond the Phase II - 1,250 metric tonnes per day ('mtpd') strategy. Detailed engineering and review to include ore pre-concentration (Dense Media Separation – "DMS"), shaft rehabilitation and improving gold recovery.
3. Maintaining its focus on reducing overall unit costs at its operation through a stepped increase in production.
4. Increasing available resources and reserves through further exploration both within the Ming mine and current land holdings.

The Company's new directors and management believe that these priorities provide a solid foundation for Rambler, and its shareholders, as it continues working towards building a successful mid-tier 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".

Phase II optimisation strategy

The results for the 2016 fiscal year incorporates the first year of the Phase II optimisation strategy incorporating the Lower Footwall Zone ("LFZ") into the production stream.

This strategy is based on the transformation of the current Phase I, high grade 650 mtpd operation, into a fully optimised Phase II at 1,250 mtpd with a mine life of more than 20 years. Coupled with the financing completed during the year, production is expected to continue to increase with the blending of LFZ ore with high grade massive sulphide ('MMS') ore. Fiscal 2016 was the first step towards fully optimising all available infrastructure at the mine and mill sites. With funding secured and in hand the LFZ mine development will be accelerated where possible with a goal of reaching full production by mid calendar 2017.

The first production milestone was achieved during the fiscal year with daily mill throughput now in excess of 850 mtpd. The Company is reviewing opportunities to minimize the additional capital required to maintain 1,250 mtpd through the existing grinding circuit at the mill. The 21 year projected mine life did not consider shaft rehabilitation, ore pre-concentration or any further success with the ongoing exploration program.

HIGHLIGHTS FOR THE FOURTH QUARTER AND THE YEAR ENDED JULY 31, 2016

- Production of 69,874 dmt (Q3/16: 56,695 dmt, Q4/15: 59,373 dmt) for the quarter with a total of 241,080 dmt for the year (2015: 215,535 dmt) in line with fiscal guidance with copper concentrate grade of 27% (Q3/16: 27%, Q4/15: 27%).

- Phase II optimisation strategy continued with LFZ ore blended with ongoing production from the high grade MMS.

- Revenue for the year was US$30.4 million for the year (2015: US$34.6 million) and for the quarter, $7.9 million (Q3/16: US$8 million, Q4/15 US$7.1 million).

- Average prices for the year were US$2.20 per pound of copper, US$1,179 per ounce gold and US$15.66 per ounce silver.

- Operating loss for the year was US$1.1 million before non-cash impairment of US11.3 million (2015: US$11.2 million) and for the quarter US$0.6 million before impairment (Q3/16: profit US$0.1 million, Q4/15: loss US$11.8 million). Earnings before interest, taxes, depreciation, amortisation ('EBITDA') for the year were US$6.1 million (2015: US$1.8 million) and for the quarter of US$0.055 million (Q3/16: US$3.3 million, Q4/15 US$(0.7 million)).

- Net direct cash costs net of by-product credits ('C1 costs') for the year were US$1.72 per pound of saleable copper (2015: US$2.11) and for the quarter US$1.71 (Q3/16: US$1.70, Q4/15: US$2.10).

- Cash flows generated from operating activities for the year were US$4.7 million (2015: US$7.3 million) and for the quarter were US$2.3 million (Q3/16: US$2.6 million, Q4/15: US$1.0 million).

SUBSEQUENT EVENTS

On August 22, 2016 the Company issued 9,405,000 options to employees at an exercise price of US$0.06 (CAD 0.0781). The options were issued to advance the interests of the Company by providing the senior officers and employees a performance incentive for continued and improved service enhancing their contribution to increased shareholder return by encouraging share ownership.

On August 29, 2016 and September 8, 2016 the Company sold 1,176,500 and 190,000 common shares respectively of Marathon Gold Corporation thereby divesting approximately 50% of its equity stake for gross proceeds of US$0.8 million.

FINANCIAL RESULTS FOR THE YEAR ENDED JULY 31, 2016

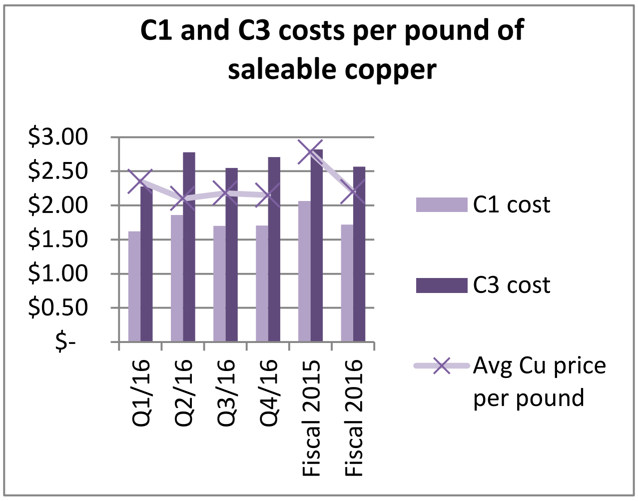
Revenue

➔ A total of 17,412 dmt (2015 – 17,662 dmt) of concentrate was provisionally invoiced during the year containing 4,508 (2015 - 4,622) tonnes of saleable copper metal, 7,129 (2015 - 4,926) and 37,701 (2015 - 23,744) ounces of saleable gold and silver respectively at an average price of US$2.20 (2015 – US$2.87) per pound copper, US$1,179 (2015 - US$1,207) per ounce gold and US$15.66 (2015 - US$16.81) per ounce silver, generating revenue of US$30.4 million (2015 – US$34.6 million). The reduction in revenue mainly reflects lower saleable metal sold as a result of lower head grades and lower average prices than the previous year.

Costs

➔ Net cash direct costs per pound of copper net of by-product credits ('C1') for the year were US$1.72 (2015 - US$2.10) and for the fourth quarter US$1.71 (Q3/16: US$1.70, Q4/15: US$2.10). Saleable copper in the year was 9.9 million pounds (2015 – 10.2 million pounds) and in the fourth quarter was 2.4 million pounds (Q3/16: 2.6 million, Q4/15 2.0 million). The cost reduced from Q4/15 due to the increased copper production and a weakening of the Canadian dollar against the US dollar.

➔ A summary of the Company's net cash direct costs (C1) and fully allocated costs (C3) net of by-product credits per pound of saleable copper together with the average sales price of copper for the past four quarters are shown below. The decrease in costs between Q2/16 and Q3/16 was as a result of higher copper production and increased gold price.



The Company has included non-GAAP performance measures: net cash direct costs per pound of saleable copper net of by-product credits (C1 costs) and fully allocated costs (net of by-product credits)(C3 costs) per pound of saleable copper, throughout this document. C3 costs include interest charges which are shown below the operating profit line in the income statement. 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.

FINANCIAL RESULTS FOR THE YEAR ENDED JULY 31, 2016 (CONTINUED)

Loss

➔ The net loss before tax for the year was US$15.2 million (US$3.9 million before impairment) compared with a loss of US$13.6 million (US$1.5 million before impairment) for the year ended July 31, 2015. The net loss for the quarter ended July 31, 2016 was US$12.8 million (US$15.4 million before tax) or US$0.067 per share which compares to a profit of US$0.9 million for Q3/16 and a loss of US$5.9 million (US$10.4 million before tax) for Q4/15.

➔ Earnings before interest, taxes, depreciation, amortisation ("EBITDA") for the year were US$6.1 million (2015 : US$1.8 million).

Impairment

➔ As part of the annual impairment review of asset carrying values a provision of US$11.3 million was recorded in relation to the Ming Mine. Following the publication of the Company's Prefeasibility Study ('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 Company 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 pre-tax real discount rate of 10.71% the recoverability of the entire carrying value of the mineral property is questionable. As a result a provision for impairment was recognised in the consolidated income statement reflecting the non-cash revaluation of assets.

➔ The impairment review was based on the original PFS model adjusted for 2016 depletion and does not reflect management's latest internal modelling which factors in increased production through re-establishing the shaft for hoisting and the integration of ore pre-concentration, Phase III. Management is confident that the new model will deliver significant value.

➔ 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 impairment loss incurred in the year would be reversed on an assumption that long term copper prices of US$2.71 per pound included in the mine plan increased by approximately 4% whereas a 4% reduction would result in an additional provision for impairment of US$21.9 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 0.81 strengthened against the Canadian dollar by approximately 3.5% whereas a 3.5% reduction would result in an additional provision for impairment of US$21.9 million. A fall in the discount rate of approximately 2.15% to 8.56% would reverse the impairment charge whereas an increase of approximately 2.15% to 12.86% would result in an additional provision of US$20.1 million. The conditions used to calculate the provision for impairment are reflective of the state of current market conditions.

FINANCIAL RESULTS FOR THE YEAR ENDED JULY 31, 2016 (Continued)

Cash flow and cash resources

➔ Cash flows generated from operating activities were US$4.8 million compared with US$7.3 million in the previous fiscal year. Cash flows generated from operating activities were US$2.4 million in Q4/16 compared to US$2.6 million in Q3/16 and US$1.0 million in Q4/15. The decrease in the cash generated relates to the operating loss and changes in working capital. The cash balance at July 31, 2016 was US$8.9 million.

Financing and Investment

➔ During the year a repayment of US$2.3 million (project to date $15.8 million) was made on the Company's Gold Loan from the delivery of 1,935 payable ounces of gold (project to date 10,996 ounces have been delivered).

➔ Net debt excluding the Gold loan was as follows:

	Q4/16 US$'000	Q3/16 US$'000	Q4/15 US$'000
Cash	8,929	473	3,389
Finance leases	(3,195)	(3,202)	(3,566)
Advance purchase agreement	(1,980)	(3,118)	(1,879)
Net cash (debt)	3,756	(5,847)	(2,056)

OPERATIONAL SUMMARY

Ore and Concentrate Production Summary for Fiscal 2016

PRODUCTION	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Year end F2016	F2016 Guidance
Dry Tonnes Milled	58,053	56,458	56,695	69,874	**241,080**	235,000 - 250,000
Copper Recovery (%)	95.3	96.4	96.3	94.7	**95.6**	94 – 96
Gold Recovery (%)	70.6	75.3	67.9	62.6	**68.7**	65 – 70
Silver Recovery (%)	76.4	75.4	70.7	65.8	**71.8**	65 – 75
Copper Head Grade (%)	2.42	2.07	2.22	1.83	**2.12**	2.0 - 2.5
Gold Head Grade (g/t)	1.45	1.40	1.62	1.16	**1.40**	1.0 – 2.0
Silver Head Grade (g/t)	11.77	10.20	10.34	7.97	**9.97**	6.0 – 10.0

OPERATIONAL SUMMARY (continued)

CONCENTRATE (Delivered to Warehouse)	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Yearend F2016	F2016 Guidance
Copper (%)	26.57	26.49	26.98	27.41	**26.89**	27 - 29
Gold (g/t)	12.90	16.35	13.98	12.39	**13.82**	6.0 – 8.0
Silver (g/t)	101.75	110.28	92.05	90.10	**98.09**	55 - 75
Dry Tonnes Produced	4,788	3,621	4,530	4,108	**17,047**	17,000 - 21,000
Copper Metal (tonnes)	1,272	960	1,222	1,126	**4,580**	4,500 - 6,000
Gold (ounces)	1,986	1,889	2,037	1,637	**7,549**	5,500 - 6,500
Silver (ounces)	15,664	12,860	13,407	11,899	**53,830**	42,000 - 57,000

Rambler met or exceeded its 2016 fiscal year production guidance. Targets were achieved for tonnes milled, metal recovery, grades and copper and gold production. Gold ounces exceeded guidance by 16%, a record for gold in concentrate production, resulting from adjustments made to the floatation circuit in the first half of the year. During the fourth quarter of the year more focus was place on increasing mill throughput. Once throughput is fully optimized the team will work towards re-establishing the high gold recoveries.

Copper grades of 2.12% and gold grades of 1.40 g/t were in line with guidance and decreased in the fourth quarter with increased production from the LFZ. Total mill throughput for the year was 241,080 dry metric tonnes, a 12% increase over the 216,000 tonnes milled in fiscal 2015.

Ore and Concentrate Production Quarterly results comparison

PRODUCTION	Q4/15 (May, Jun, Jul)	Q4/16 (May, Jun, Jul)		Q3/16 (Feb, Mar, Apr)	Q4/16 (May, Jun, Jul)	
Dry Tonnes Milled	59,373	**69,874**	18%	56,695	**69,874**	23%
Copper Recovery (%)	96.6	**94.7%**	-2%	96.3%	**94.7%**	-2%
Gold Recovery (%)	68.7	**62.6%**	-9%	67.9%	**62.6%**	-8%
Silver Recovery (%)	72.8	**65.8%**	-10%	70.7%	**65.8%**	-7%
Copper Head Grade (%)	1.93	**1.83**	-5%	2.22	**1.83**	-17%
Gold Head Grade (g/t)	1.22	**1.16**	-5%	1.62	**1.16**	-28%
Silver Head Grade (g/t)	8.75	**7.97**	-9%	10.34	**7.97**	-23%

OPERATIONAL SUMMARY (continued)

- Production of 4,108 tonnes of copper concentrate representing a 14% increase over Q4 2015 and a 9% decrease from Q3 2016.

- Dry tonnes milled of 69,874 tonnes remaining, an increase of 18% on Q4 2015 and representing a 23% increase from Q3 2016 driven by an increase in Lower Footwall Zone ore availability. This resulted in the production of:
  - 1,126 tonnes of Copper (4,580 tonnes for the year)
  - 1,637 ounces of Gold (7,549 ounces for the year)
  - 11,899 ounces of Silver (53,830 ounces for the year)

- Head grades of copper averaged 1.83% for the quarter and 2.12% for the year; gold at 1.16 g/t ('grammes per tonne') for the quarter and 1.4 g/t for the year; silver at 7.97 g/t for the quarter and 9.97 g/t for the year.

- Concentrate grade for Copper 27.41%, Gold 12.39 g/t and Silver 90.10 g/t representing a 3 and a 2 percent increase in copper concentrate grade over Q4/2015 and Q3/2016 respectively. Gold and Silver in concentrate both showed decreases over Q4 2015 and Q3 2016.

OUTLOOK

Management continues to pursue the following objectives:

➔ With funding secured and in hand, continue transitioning from the Phase I to Phase II by blending increasing amounts of LFZ ore with plans to reach 1,250 mtpd by mid Fiscal 2017.

➔ Further evaluate ore pre-concentration (DMS); engineer a potential shaft rehabilitation; and improve gold recovery at the Nugget Pond Mill. All potentially providing further upside opportunities with the goal to further reduce unit costs, Phase III.

➔ Continuing to advance development headings into new high grade zones to allow for further exploration both up-dip and down-dip to increase mine resource and reserves.

➔ Further define the mineral potential of untested areas of the LFZ through an aggressive infill diamond drilling program currently underway.

Continue assessing regional gold projects, like the former producing Hammerdown Gold mine, with the goal of adding a second source of revenue outside of the Ming Mine. Nugget Pond's gold processing circuit is currently idle but could potentially be operated in conjunction with the copper concentrator.

FINANCIAL REVIEW

		Comparatives	
Fiscal 2016 (US$000's)	**Commentary**	**Fiscal 2015 (US$000's)**	***B/ (W)****
30,378	**Revenue** of US$30.3 million was generated through the sale of 17,413 dmt of copper concentrate containing 4,508 tonnes of accountable copper metal and 7,129 ounces of accountable gold. This compared with revenue of US$34.6 million in the prior year generated through the sale of 17,052 dmt of copper concentrate containing 4,493 tonnes of saleable copper metal and 4,653 ounces of saleable gold. The reduction in revenue mainly reflects lower average prices.	34,583	*(12)%*
28,508	**Production costs** relate to the processing and mining costs associated with the Company's Ming Mine and include processing costs of US$5.0 million (2015: US$5.4 million), mining costs US$16.6 million (2015: US$18.4 million) and depreciation and amortisation of US$6.9 million (2015: US$6.2 million). The cost of production of pounds of copper increased during the year due to lower head grades compared to the previous year.	30,111	*5%*
2,899	**General and administrative expenses** were lower than the previous year by US$603,000. Employment costs reduced by US$313,000. Legal and professional costs reduced by US$70,000 reflecting savings in corporate legal costs, travel and investor relation costs reduced by $132,000 and security and general expenses reduced by $59,000.	3,502	*17%*
11,268	**Provision for impairment** represents the provision for impairment on the Ming Mine of US$11.3 million (2015: US$11.5 million) and a provision for impairment of US$ nil (2015: US$0.6 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.	12,100	*7%*
539	**Gain/(loss on derivative financial instruments.** The Company realised a gain on derivative financial assets of $591,000, being the difference in the commodity prices at time of provisional invoicing, and actual commodity prices realised on the fixed portion of the shipment. An unrealised loss of $52,000 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 Company's warehouse at year end.	(1,812)	*130%*
(237)	**Foreign exchange losses** arising on the Gold Loan reduced in the year as a result of the Canadian dollar against the US dollar during the year.	(3,604)	*93%*
2,422	**Income tax credit/(charge)** The income tax charge is the deferred tax charge arising from the recognition of losses offset by an overprovision made in 2015.	5,207	*(53)%*
4,050	**Mineral property** The Company incurred costs of US$4.1 million in the year which included labour costs of US$1.5 million and underground development costs of US$2.1 million and an adjustment of US$0.5 to the reclamation and closure provision. In 2015 the Company incurred costs of US$4.5 million in the year including labour of US$2.5 million and underground development costs of US$2.2 million offset by an adjustment of $0.2 million to the reclamation and closure provision.	4,493	*10%*
5,122	**Capital spending on property, plant and equipment** increased during the year including US$3.1 million spent on underground equipment and US$0.5 million on surface and general plant and equipment. In addition US$1.5 million was spent on assets under construction including the construction of a building to house the crusher, ventilation upgrades and mine rescue equipment.	4,494	*(14)%*
1,903	**Capital spending on exploration and evaluation** relates mainly to the acquisition of 50% of the Little Deer Copper Deposit in the Thundermin amalgamation.	3,460	*45%*

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

SUMMARY OF QUARTERLY RESULTS

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

Quarterly Results *(All amounts in 000s of US Dollars, except Loss per share figures)*	**4th Quarter**	**3rd Quarter**	**2nd Quarter**	**1st Quarter**
Fiscal 2016				
Revenue	7,890	7,976	6,009	8,503
(Loss)/profit before impairment and tax	(4,120)	1,241	(1,501)	420
Net (loss) income	(12,827)	859	(1,115)	277
(Loss)/earnings per Share (Basic & Diluted)	(0.067)	0.002	(0.003)	0.001
Fully allocated cost net of by-products (C3) per pound of saleable copper	2.71	2.55	2.78	2.28
Fiscal 2015				
Revenue	7,103	7,339	9,040	11,101
(Loss)/profit before impairment and tax	1,708	1,532	(5,119)	420
Net Income	(5,927)	1,056	(3,730)	249
(Loss)/earnings per Share (Basic & Diluted)	(0.041)	0.007	(0.026)	0.002
Fully allocated cost net of by-products (C3) per pound of saleable copper	2.76	2.85	3.36	2.60

Since 2012 when commercial production commenced at the Ming Mine the Company's results have been, and are expected to continue to be, influenced by the operational results of the Mine. Financial results are impacted by the levels of copper concentrate production, the costs associated with that production and the selling prices of the concentrate. The prices for the copper, gold and silver contained in the concentrate are determined using prevailing international prices in US Dollars whereas the majority of the mine costs are in Canadian Dollars.

Volatility of revenue and earnings over the past two years is due to the combined effect of changes in volumes and fluctuations in metal prices and the fluctuation of the US Dollar exchange rate.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION

Historically the Company has been successful in accessing the equity and debt markets to finance the initial acquisition of the Ming Mine site, a US$20 million gold loan and a US$8 million credit facility to finance the construction of the mine and milling facilities and drawing US$3 million of an advance purchase facility. In June 2016 the Company accessed approximately US$15 million in equity finance to improve working capital and to provide funds for the planned increase in production from the mine and improved capacity at the mill.

In future, the Company plans to fund operational requirements through internally generated cash flow, proceeds from the exercise of warrants, debt offerings and, if necessary, additional equity financing.

The Company continually reviews operational results, expenditures and additional financial opportunities in order to ensure adequate liquidity to support its growth strategy while maintaining or increasing production levels at the Ming Mine. However, there is no guarantee that the Company will have access to future capital or the ability to generate positive cash flows.

Cash flows utilised in investing activities amounted to US$7.6 million for the year (2015: US$9.9 million). Cash of US$3.6 million (2015: US$4.7 million) was spent on the Company's Mineral Property, US$2.9 million (2015: US$2.4 million) was spent on property, plant and equipment, US$0.5 million (2015: US$3.1 million) on exploration at the Ming mine. The Company acquired Thundermin Resources Inc. by way of an amalgamation with 1948565 Ontario Inc. for the issue of 8,757,838 ordinary shares and net cash of US$0.07 million.

Cash flows generated from financing activities during the period amounted to US$9.1 million (2015: utilised US$2.7 million) and included repayments of the gold loan of US$2.3 million (2015: US$1.9 million) and finance lease repayments of US$2.6 million (2015: US$2.7 million) offset by a receipt of US$1 million (2015: US$1.9 million) from an advanced purchase facility and funds received, net of expenses, on issue of share capital of US$14.3 million.

The Company 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 Company holds bearer deposit notes totalling US$3.3 million (2015: US$2.5million)

Sales of copper concentrate are in US dollars and the majority of the Company's expenses are incurred in Canadian dollars. The Company'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.

Financial Instruments

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

All of the Company'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 26 of the financial statements for the year ended July 31, 2016.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION (continued)

COMMITMENTS AND LOANS

Gold Loan

In March 2010, the Company 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 Company totalling US$20 million.

For this, in each production year following the first year of production, until 175,000 ounces of payable gold has been produced, the Company 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 175,000 ounces of payable gold has been produced, the Company 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 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 US$2.6 million (2015: US$3.2 million reversed) was charged during the period.

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

Advance Purchase Agreement

In July 2015 the Company entered into a 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 December 31, 2021.

Pursuant to the terms of the Purchase Agreement, Transamine has agreed to purchase in advance, at Rambler's option, up to US$5 million of concentrate (the "Advance Purchase Payments"). The Advance Purchase Payments accrue interest at a rate of three month LIBOR plus 3.5% 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 were used for working capital requirements along with the development and construction of Rambler's Lower Footwall Zone optimisation plan (Phase II) at the Ming Mine.

The Company drew down US$3 million of Advance Purchase Payments and further advances are no longer available under the agreement.

At July 31, 2016 the balance was US$1.98 ,million which, following an addendum to the Purchase Agreement which saw a lump sum of US$1 million repaid on June 17,2016. The remainder is repayable by twelve monthly instalments of US$176,005 plus interest at 3 month LIBOR plus 7.5%. The repayment by instalments commenced July 15, 2016.

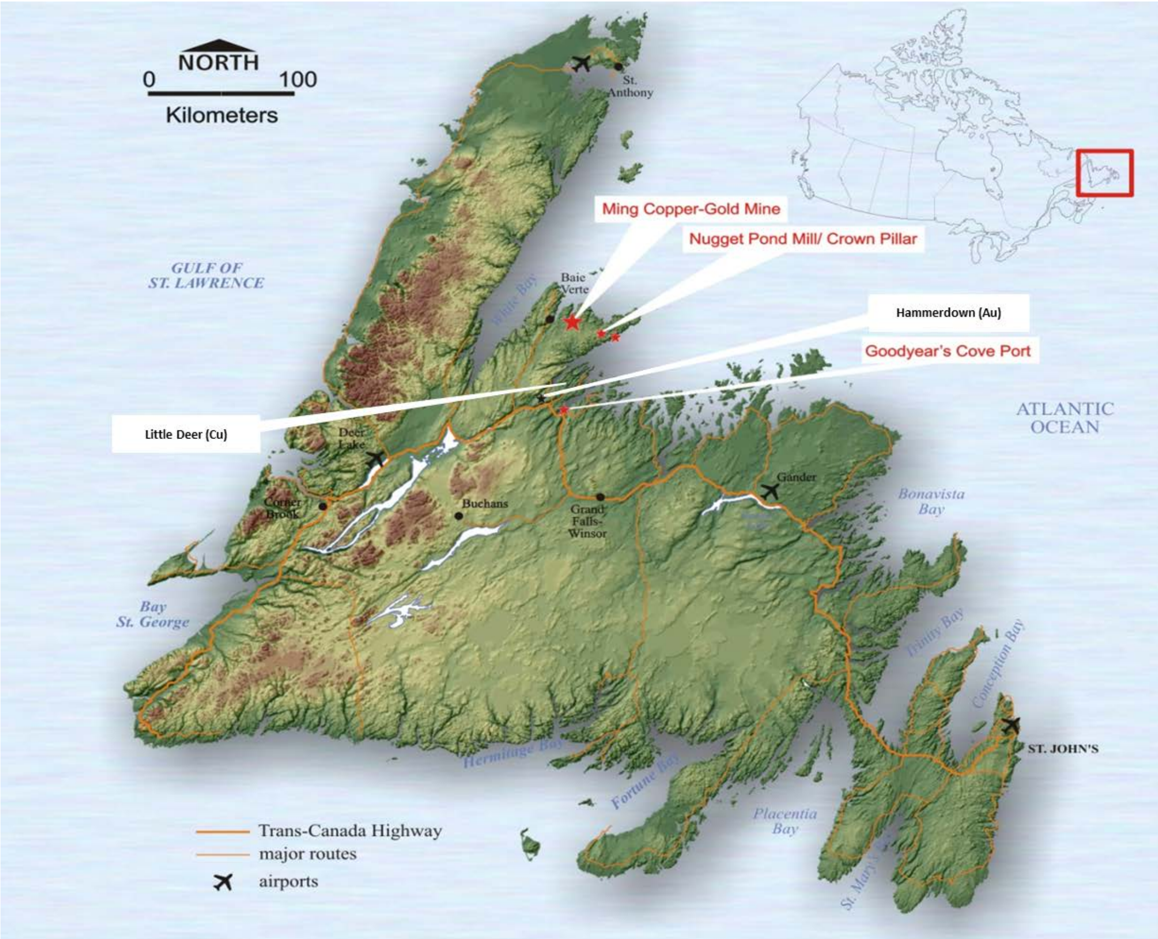
The advance purchase payments of US$3 million have been accounted for as a financial liability carried at amortised cost.

COMMITMENTS AND LOANS (CONTINUED)

Loan and lease balances

At July 31, 2016, interest bearing loans and borrowings comprised of finance lease commitments of US$3,195,000. The Company entered into finance lease commitments of US$2,256,000 to finance the acquisition of underground mobile equipment during the year.

APPENDIX 1 – LOCATION MAP



APPENDIX 2 - SELECTED FINANCIAL INFORMATION & REVIEW OF OVERALL PERFORMANCE

Financial Highlights *(All amounts in 000s of US Dollars, unless otherwise stated)*	**Year ended July 31,**		
	2016	**2015**	**2014**
Gold sales – gold doré (Ounces)	-	-	293
Average price (per ounce)	N/A	N/A	1,447
Concentrate sales post commercial production (dmt)	17,048	17,662	25,806
Average provisional price ($ per tonne Cu, Ag & Au concentrate)	1,772	2,013	2,254
Average revenue per pound of Cu ($)	2.20	2.87	3.19
Revenue	30,378	34,583	57,863
Production Expenses	(28,508)	(30,111)	(37,015)
Exploration Expenditure	(26)	(32)	(87)
Administrative expenses	(2,899)	(3,502)	(4,129)
Impairment charge	(11,268)	(12,100)	-
Net (loss) income	(12,806)	(8,352)	8,398
Cash Flow generated from operating activities	4,808	7,325	23,062
Cash Flow used in investing activities	(7,702)	(9,939)	(9,247)
Cash Flow from (used in) financing activities	9,138	(2,725)	(10,133)
Net increase (decrease) in cash	6,244	(5,339)	3,682
Cash and cash equivalents at end of period	8,929	3,389	8,755
Total Assets	87,255	84,553	109,631
Total Liabilities	(25,569)	(25,370)	(29,367)
Working Capital	2,412	(4,288)	6,022
Weighted average number of shares outstanding (000s)	191,132	144,168	143,863
Earnings (loss) per share ($US)	(0.067)	(0.058)	0.058

APPENDIX 3 - FINANCIAL REVIEW FOR THE QUARTER ENDED JULY 31, 2016

Q4/16 Results (US$000's)	Commentary	Comparatives			
		Q3/16	*B/ (W)**	Q4/15	B/ (W)
7,890	**Revenue** of US$7.9 million in Q4/16 was generated through the sale of 4,169 dmt of copper concentrate containing 1,103 tonnes of saleable copper metal, 1,513 ounces of saleable gold and 7,862 ounces of saleable silver compared with US$8.0 million from the sale of 4,595 dmt of copper concentrate in Q3/16. The small reduction in revenue reflects lower average copper prices during the quarter on lower saleable copper metal. Revenue in Q4/15 was generated through the sale of 3,598 dmt of copper concentrate containing 931 tonnes of saleable copper metal and 1,392 ounces of saleable gold.	7,976	*(1)%*	7,103	*11%*
5,643	**Production costs** relate to the processing and mining costs associated with the Company's Ming Mine production and include processing and mining costs of US$1.3 million (Q3/16: US$1.4 million) and US$4.3million (Q3/16: US$4.1 million) respectively. Processing and mining costs in Q4/15 were of $1.4 million and $3.6 million respectively.	5,476	*(3)%*	5,086	*(11)%*
804	**General and administrative expenses** were higher than the previous quarter by US$131,000 mainly due to an increase in staff costs of US$115,000 relating to the payment of executive bonuses, an increase of US$55,000 in promotional and travel offset by a fall in legal and professional costs of US$92,000 and the receipt of a royalty payment of US$27,000. In comparison to Q4/15 administrative expenses increased by US$41,000. Staff costs increased by $77,000, promotional and travel costs increased by US$26,000 and legal and professional costs decreased by $92,000.	673	*(19)%*	763	*(5)%*
11,268	**Provision for impairment** represents the provision for impairment on the Ming Mine of US$11.3 million. 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 does not reflect management's current modelling.	-	*N/A*	12,100	*7%*
(792)	**Gain/(loss) on derivative financial instruments**. During the quarter the net unrealised fair value gain adjustment recognized was US$52,000 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 US$740,000 on the final settlement of the Company's thirteenth concentrate shipment. During Q3/16 the net unrealised fair value gain adjustment recognized was $116,000 being the difference in the commodity prices at time of provisional invoicing and anticipated commodity prices upon final settlement. During Q4/15 the net unrealised fair value gain adjustment recognized was $4,000 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 US$370,000 on the final settlement of the Company's tenth concentrate shipment.	116	*(783)%*	(366)	*(116)%*
(598)	**Foreign exchange differences** arising on the Gold Loan resulted in a loss in Q4/16 as a result of the weakening of the Canadian dollar against the US dollar during the quarter.	1,364	*(144)%*	(1,595)	*63%*
2,561	**Income tax credit/(expense).** A deferred tax credit of US$2,561,000 was recognised on the loss for the quarter. This compares with a charge of US$381,000 in Q3/16 and a credit of US$4,465,000 for Q4/15.	(381)	*772%*	4,465	*(43)%*

APPENDIX 3 - FINANCIAL REVIEW FOR THE QUARTER ENDED JULY 31, 2016 (continued)

Q4/16 Results (US$000's)	Commentary	Comparatives			
		Q3/16	*B/ (W)**	Q4/15	B/ (W)
921	**Mineral property** The Company incurred costs of US$1.0 million in the quarter offset by US$0.6 million of cost reallocated to operating expenditure in the quarter. The cost includes labour costs of $0.5 million and underground development costs of $0.5 million and an increase in the reclamation and closure provision of $0.5 million.	1,192	*23%*	824	*(12)%*
1,329	**Capital spending on property, plant and equipment** reduced by US$1.0 million during the quarter compared to Q3/16 and included the purchase of an additional haul truck.	2,327	*43%*	1,043	*(27)%*
54	**Capital spending on exploration and evaluation costs** in Q4/16 mainly relates to the Pre-Feasibility Study on the Ming mine's Lower Footwall Zone and further exploration drilling the 1806 and 1807 zones.	103	*48%*	539	*90%*

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

APPENDIX 4 – NON-GAAP FINANCIAL MEASURES

The Company has included non-GAAP performance measures throughout this document. These include: net direct cash cost (C1) per pound of saleable copper, fully allocated costs (C3) per pound of saleable copper and earnings before interest, taxes, depreciation, amortisation ('EBITDA').

C1 and C3 costs per pound of saleable copper 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 Company adjusts for non-cash items and includes financing fees within the total cash costs. Total 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 (non-cash inventory valuation adjustments, reclamation, capital, long-term development and exploration). These measures, along with sales, are considered to be key indicators of the Company'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 Company'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 Company's financial statements for the year ended July 31, 2016:

Cash Operating Cost *All amounts in 000s of US Dollars except pounds of saleable copper*		**Three months ended**						**Year to Jul 31,**		
		Jul 31, 2016		**Apr 30, 2016**		**Jul 31, 2015**		**2016**		**2015**
Production Costs per Financial Statements	**$**	**5,195**	$	5,665	$	5,086	**$**	**21,701**	$	23,928
Cash Production Costs	**$**	**5,195**	$	5,665	$	5,086	**$**	**21,701**	$	23,928
On-site general administration costs	**$**	**528**	$	428	$	479	**$**	**1,811**	$	2,049
By-product credits	**$**	**(1,577)**	$	(1,603)	$	(1,260)	**$**	**(6,450)**	$	(4,424)
Net direct cash costs (C1)	**$**	**4,146**	$	4,490	$	4,305	**$**	**17,062**	$	21,553
Pounds of saleable copper		**2,431**		2,638		2,051		**9,939**		10,190
C1 cost per pound of saleable copper	**$**	**1.71**	$	1.70	$	2.10	**$**	1.72	$	2.11

APPENDIX 4 - NON-GAAP FINANCIAL MEASURES (continued)

C3 per Pound of Saleable Copper *All amounts in 000s of US Dollars except pounds of saleable copper*	**Three months ended**			**Year to Jul 31,**	
	Jul 31, 2016	**Apr 30, 2016**	**Jul 31, 2015**	**2016**	**2015**
Net direct cash costs (see above)	**$ 4,146**	$ 4,490	$ 4,305	**$ 17,062**	$ 21,553
Depreciation and amortisation	**2,071**	1,733	1,418	**6,972**	6,680
Profit on sale of property, plant and equipment	**-**	-	(419)	**(105)**	(419)
Corporate Cash Expense	**273**	226	271	**1,015**	1,302
Cash Interest Expense	**103**	282	76	**544**	383
Fully allocated costs (C3 cost)	**$ 6,593**	$ 6,731	$ 5,651	**$ 25,488**	$ 29,499
Pounds of saleable copper	**2,431**	2,638	2,051	**9,939**	10,190
C3 cost per pound of saleable copper	**$ 2.71**	$ 2.55	$ 2.76	**$ 2.56**	$ 2.89

APPENDIX 4 - NON-GAAP FINANCIAL MEASURES (continued)

Earnings before interest, tax and depreciation *All amounts in 000s of US Dollars*	**Three months ended**			**Year to Jul 31,**	
	Jul 31, 2016	**Apr 30, 2016**	**Jul 31, 2015**	**2016**	**2015**
(Loss)/profit after tax per Financial statements	**$ (12,827)**	$ 859	$ (5,927)	**$ (12,806)**	$ (8,352)
Taxation	**(2,561)**	381	(4,465)	**(2,422)**	(5,207)
Net interest	**2,104**	346	(3,418)	**3,207**	(3,019)
Depreciation and amortisation	**2,071**	1,733	1,419	**6,972**	6,680
Gain on disposal of property, plant and equipment	**-**	-	(419)	**(105)**	(419)
Provision for impairment	**11,268**	-	12,100	**11,268**	12,100
EBITDA	**$ 55**	$ 3,319	$ (710)	**$ 6,114**	$ 1,783

APPENDIX 5 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The details of the Company'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

Historically the Company has been successful in accessing the equity and debt markets to finance the initial acquisition of the Ming Mine site, a US$20 million gold loan and a US$8 million credit facility to finance the construction of the mine and milling facilities and drawing US$3 million of an advance purchase facility. In June 2016 the Company accessed approximately US$15 million in equity finance to improve working capital and to provide funds for the planned increase in production from the mine and improved capacity at the mill.

In future, the Company plans to fund operational requirements through internally generated cash flow, proceeds from the exercise of warrants, debt offerings and, if necessary, additional equity financing.

The Company continually reviews operational results, expenditures and additional financial opportunities in order to ensure adequate liquidity to support its growth strategy while maintaining or increasing production levels at the Ming Mine. However, there is no guarantee that the Company will have access to future capital or the ability to generate positive cash flows.

Based on the above management concludes the Compay 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 financial statements.

Share-based payments

The Company calculates the cost of share based payments using the Black-Scholes model. Inputs into the model in respect of the expected option/warrant life and the volatility are subject to management estimates 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 notes 6 and 21 of the financial statements for the year ended July 31, 2016.

APPENDIX 5 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

Gold Loan
The Company 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 24 of the financial statements for the year ended July 31, 2016). 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 Company'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 Company'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 pre-tax real discount rate of 10.71% 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. The impairment review was based on the original PFS model adjusted for 2016 depletion and does not reflect management's latest internal modelling which factors in increased production through re-establishing the shaft for hoisting and the integration of ore pre-concentration. Management are confident that the new model will deliver significant value.

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 Company 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 Company 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 Company'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.

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 Company 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 Company 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 Company could be required to reduce the deferred tax asset which would result in a reduction in the Company's earnings and net assets.

The Company 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 2015. The adoption of these new and revised Standards and Interpretations had no material effect on the profit or loss or financial position of the Company.

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, 2016:

IFRS /Amendment	**Title**	**Nature of change to accounting policy**	**Application date of standard**	**Application date for Company**
IFRS 9	Financial instruments: Classification and Measurement	No change to accounting policy, therefore, no impact	January 1, 2018	January 1, 2018
IFRS 15	Revenue from contracts with customers	No change to accounting policy, therefore, no impact	January 1, 2018	January 1, 2018
IFRS 16	Leases	No change to accounting policy, therefore, no impact	January 1, 2019	January 1, 2019

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 Company are included in note 2 of the financial statements for the year ended July 31, 2016.

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	414,289,702	--
Warrants	200,000,000	US$0.066
Options	12,939,000*	US$0.15

*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 Company's objectives and strategy, future financial or operating performance of the Company 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 Company 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, 2016. Although the Company 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.

APPENDIX 6 – OTHER MATTERS (continued)

Forward Looking Information(continued)

Unless stated otherwise, statements containing FLI herein are made as of the date of this MD&A and the Company 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.
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 massive sulphide and LFZ workplaces with further exploration up-dip and down-dip	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	Economic viability

Further information

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

REPORT OF THE DIRECTORS FOR THE YEAR ENDED JULY 31, 2016

The Directors present their report with the audited financial statements of the Company for the year ended July 31, 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company 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 I Ackerman (appointed June 2, 2016)
T S Chan (resigned June 2, 2016)
E C Chen
D H W Dobson (resigned December 4, 2015)
L D Goodman (resigned June 2, 2016)
B Labatte (appointed June 2, 2016)
B A Mills (appointed June 2, 2016)
G Ogilvie (resigned June 2, 2016)
G R Poulter
M V Sander (appointed June 2, 2016)
J S Thomson (resigned June 2, 2016)
N P Williams

DIVIDENDS

No dividends will be distributed for the year ended July 31, 2016.

SUBSTANTIAL SHARE INTERESTS

At September 30, 2016 the parent company was aware of the following substantial share interests:

	Number of Ordinary Shares	% of Share Capital
CE Mining II Rambler	261,363,636	63.09
Henderson Global Investors	46,248,223	11.16
Tinma International Ltd.	22,736,992	5.49

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 26 to the financial statements.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED JULY 31, 2016 (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 Company'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 21, 2016

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the strategic report, 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.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED JULY 31, 2016

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 six non-executive Directors. G Poulter is the lead independent 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 E C Chen, the other members being B Mills and G Poulter. 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 Compensation, Corporate Governance and Nominating Committee, which meets at least once a year and is responsible for making decisions on directors' remuneration packages and the development of the Board, is chaired by M Sander, E C Chen, G Poulter and B Labatte are the other committee members.

The Safety, Health and Environment Committee was created to assist the Board in the effective discharge of its responsibilities in relation to safety, health and environmental issues and is chaired by B Labatte with T Ackerman and N Williams as its other members.

The Technical Committee is responsible for assurance to the Board in relation to the oversight of technical and operational matters and is chaired by T Ackerman, M Sander and N Williams 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 2016 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 2016 and of the group's loss 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).

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

21 October 2016.

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

CONSOLIDATED INCOME STATEMENT

For the Year Ended July 31, 2016
(EXPRESSED IN US DOLLARS)

	Note	2016 US$'000	2015 US$'000
Revenue	*4*	30,378	34,583
Production costs		(21,701)	(23,928)
Depreciation and amortisation		(6,807)	(6,183)
Gross profit		1,870	4,472
Administrative expenses		(2,899)	(3,502)
Exploration expenses		(26)	(32)
Operating (loss)/profit before impairment		(1,055)	938
Provision for impairment	*12*	(11,268)	(12,100)
Operating loss after impairment	*5*	(12,323)	(11,162)
Exchange loss		(237)	(3,604)
Bank interest receivable		25	64
Gain/(loss) on derivative financial instruments	*7*	539	(1,812)
Finance costs	*8*	(3,232)	2,955
Net financing expense		(2,905)	(2,397)
Loss before tax		(15,228)	(13,559)
Income tax credit	*9*	2,422	5,207
Loss for the year attributable to owners of the parent		(12,806)	(8,352)

Loss per share

	Note	2016 US$	2015 US$
Basic loss per share	*22*	(0.067)	(0.058)
Diluted loss per share	*22*	(0.067)	(0.058)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended July 31, 2016
(EXPRESSED IN US DOLLARS)

	2016 US$'000	2015 US$'000
Loss for the year	(12,806)	(8,352)
Other comprehensive income		
Items that may be reclassified into profit or loss		
Exchange differences on translation of foreign operations (net of tax)	(1,222)	(12,520)
Gain/(loss) on available for sale investment (net of tax)	1,178	(313)
Other comprehensive loss for the year	(44)	(12,833)
Total comprehensive loss for the year and attributable to the owners of the parent	(12,850)	(21,185)

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at July 31, 2016
(EXPRESSED IN US DOLLARS)

	Note	31 July 2016 US$'000	31 July 2015 US$'000	1 August 2014 US$'000
Assets				
Intangible assets	10	2,233	14,084	17,001
Mineral property	11	35,238	32,561	47,424
Property, plant and equipment	13	23,125	20,919	23,577
Available for sale investments	14	2,402	994	1,975
Deferred tax	9	8,420	6,447	1,611
Restricted cash	19	3,339	2,495	2,989
Total non-current assets		74,757	77,500	94,577
Inventory	15	2,383	1,831	3,628
Trade and other receivables	16	599	1,593	1,947
Derivative financial asset	17	587	240	724
Cash and cash equivalents	18	8,929	3,389	8,755
Total current assets		12,498	7,053	15,054
Total assets		87,255	84,553	109,631
Equity				
Issued capital	21	6,374	2,471	2,471
Share premium		81,455	72,128	72,128
Share warrants reserve		2,089	-	-
Merger reserve		180	180	180
Translation reserve		(16,756)	(15,534)	(3,014)
Fair value reserve		1,075	(103)	210
Retained profits		(12,731)	41	8,289
Total equity		61,686	59,183	80,264
Liabilities				
Interest-bearing loans and borrowings	24	13,650	12,732	18,588
Provision	25	1,833	1,297	1,747
Total non-current liabilities		15,483	14,029	20,335
Interest-bearing loans and borrowings	24	5,226	6,064	4,866
Trade and other payables	23	4,860	5,277	4,166
Total current liabilities		10,086	11,341	9,032
Total liabilities		25,569	25,370	29,367
Total equity and liabilities		87,255	84,553	109,631

ON BEHALF OF THE BOARD:

N P Williams
Director
Approved and authorised for issue by the Board on October 21, 2016

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EXPRESSED IN US DOLLARS)

	Share Capital US$'000	Share Premium US$'000	Warrants Reserve US$'000	Merger Reserve US$'000	Translation Reserve US$'000	Fair Value Reserve US$'000	Accumulated Losses US$'000	Total US$'000
Group								
Balance at August 1, 2014	2,471	72,128	-	180	(3,014)	210	8,289	80,264
Comprehensive income								
Profit for the year	-	-	-	-	-	-	(8,352)	(8,352)
Foreign exchange translation differences	-	-	-	-	(12,520)	-	-	(12,520)
Gain on available for sale investments (net of tax)	-	-	-	-	-	(313)	-	(313)
Total other comprehensive income	-	-	-	-	(12,520)	(313)	-	(12,833)
Total comprehensive income for the year	-	-	-	-	(12,520)	(313)	(8,352)	(21,185)
Transactions with owners								
Issue of share capital	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	104	104
Transactions with owners	-	-	-	-	-	-	104	104
Balance at July 31, 2015	2,471	72,128	-	180	(15,534)	(103)	41	59,183
Balance at August 1, 2015	2,471	72,128	-	180	(15,534)	(103)	41	59,183
Comprehensive income								
Loss for the year	-	-	-	-	-	-	(12,806)	(12,806)
Foreign exchange translation differences	-	-	-	-	(1,222)	-	-	(1,222)
Gain on available for sale investments (net of tax)	-	-	-	-	-	1,178	-	1178
Total other comprehensive income	-	-	-	-	(1,222)	1,178	-	(44)
Total comprehensive income/(loss) for the year	-	-	-	-	(1,222)	1,178	(12,806)	(12,850)
Transactions with owners								
Issue of share capital	3,903	10,223	2,089	-	-	-	-	16,215
Share issue expenses	-	(896)	-	-	-	-	-	(896)
Share-based payments	-	-		-	-	-	34	34
Transactions with owners	3,903	9,327	2,089	-	-	-	34	15,353
Balance at July 31, 2016	6,374	81,455	2,089	180	(16,756)	1,075	(12,731)	61,686

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended July 31, 2016
(EXPRESSED IN US DOLLARS)

	2016 $'000	2015 $'000
Cash flows from operating activities		
Operating loss	(12,323)	(11,162)
Depreciation and amortisation	6,972	6,680
Gain on disposal of property, plant and equipment	(105)	(419)
Provision for impairment	11,268	12,100
Share based payments	34	104
Foreign exchange difference	(703)	(1,678)
Decrease/(increase) in inventory	(551)	1,797
Decrease/(increase) in debtors	1,014	354
(Increase)/decrease in derivative financial instruments	191	(1,328)
(Decrease)/increase in creditors	(723)	1,112
Cash generated from operations	5,074	7,560
Interest paid	(266)	(235)
Net cash generated from operating activities	4,808	7,325
Cash flows from investing activities		
Interest received	25	64
Acquisition of bearer deposit note	(844)	-
Acquisition of listed investment	-	(308)
Acquisition of subsidiary net of cash (note 20)	(49)	-
Acquisition of evaluation and exploration assets	(480)	(3,107)
Acquisition of Mineral property – net	(3,551)	(4,693)
Acquisition of property, plant and equipment	(2,939)	(2,404)
Disposal of property, plant and equipment	136	509
Net cash utilised in investing activities	(7,702)	(9,939)
Cash flows from financing activities		
Issue of share capital	15,105	-
Share issue expenses	(896)	-
Loans received	1,000	1,880
Repayment of Gold Loan (note 24)	(2,297)	(1,932)
Repayment of Loans	(1,179)	-
Capital element of finance lease payments	(2,595)	(2,673)
Net cash utilised in financing activities	9,138	(2,725)
Net increase in cash and cash equivalents	6,244	(5,339)
Cash and cash equivalents at beginning of period	3,389	8,755
Effect of exchange rate fluctuations on cash held	(704)	(27)
Cash and cash equivalents at end of period	8,929	3,389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Nature of operation and going concern

The principal activity of the Group is the operation, 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 29. In addition, notes 21 and 26 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.

Historically the Company has been successful in accessing the equity and debt markets to finance the initial acquisition of the Ming Mine site, a US$20 million gold loan and a US$8 million credit facility to finance the construction of the mine and milling facilities and drawing US$3 million of an advance purchase facility. In June 2016 the Company accessed approximately US$15 million in equity finance to improve working capital and to provide funds for the planned increase in production from the mine and improved capacity at the mill.

In future, the Company plans to fund operational requirements through internally generated cash flow, proceeds from the exercise of warrants, debt offerings and, if necessary, additional equity financing.

The Company continually reviews operational results, expenditures and additional financial opportunities in order to ensure adequate liquidity to support its growth strategy while maintaining or increasing production levels at the Ming Mine. However, there is no guarantee that the Company will have access to future capital or the ability to generate positive cash flows.

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 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, 2016 comprise the Company and its subsidiaries (together referred to as the "Group").

(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.

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 2015.

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.

2 Significant accounting policies (continued)

(b) Basis of preparation

The financial statements are presented in United States dollars ("US dollars"), rounded to the nearest thousand dollars. US Dollars is used as the presentation currency in line with industry peers. The parent company has a functional currency of GB pounds and 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, 2016 the closing rate of exchange of US dollars to 1 GB pound was 1.32 (July 31, 2015: 1.55) and the average rate of exchange of US dollars to 1 GB pound for the year was 1.42 (2015: 1.48).

Change of presentation currency

The Group's principal operations are based in Canada with revenue generated in US dollars. The Directors consider that using US dollars as the Group's presentation currency allows greater comparability with industry peers and have therefore changed the Group's presentation currency from Canadian dollars to US dollars.

The change of the Group's presentation currency has been accounted for in accordance with IAS 21 'The Effects of Changes in Foreign Exchange Rates'.

On the change of the Group's presentational currency, comparative figures previously reported in Canadian dollars were translated into US dollars as follows:

- income and expenses were translated at the average exchange rate for the relevant period;
- assets and liabilities were translated at the closing exchange rate on the relevant balance sheet date; and
- equity items were translated at historical exchange rates.

The exchange rates used were as follows:

	2015 CAD$=US$	2014 CAD$=US$	2013 CAD$=US$	2012 CAD$=US$
Average rate	1.22	1.07	1.01	1.01
Closing rate	1.31	1.09	1.03	1.00

As a result of the change of the Group's presentation currency, a currency translation difference of $2,012,000 was recognised in equity as at 31 July 2015 which represented the difference between the Group's assets and liabilities translated from Canadian dollars into US dollars at the closing exchange rate on that date of CAD$1 = US$1.31 and the equity items recognised in the consolidated financial statements that were translated from Canadian dollars to US dollars at historical exchange rates.

2 Significant accounting policies (continued)

The currency translation difference arose as follows:

	US$'000
Ordinary share capital	457
Share premium account	14,256
Retranslation of net assets from Canadian dollars to US dollars	(12,701)
	2,012

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.

(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 US dollars at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of the parent company are translated to US 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.

2 Significant accounting policies (continued)

(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. Depreciation on assets under construction does not commence until they are complete and available for use. The estimated useful lives are as follows:

• 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.

2 Significant accounting policies (continued)

(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 are 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.

(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 Company 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.

2 Significant accounting policies (continued)

(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.

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.

2 Significant accounting policies (continued)

(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.

The Company accounts for its share warrants as equity at fair value as of the date of issuance on the Company's consolidated balance sheets and no further adjustments to their valuation are made. Management estimates the fair value of these liabilities using option pricing models and assumptions that are based on the individual characteristics of the warrants or instruments on the valuation date, as well as assumptions for future financings, expected volatility, expected life, yield, and risk-free interest rate.

(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.

(q) 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 Company 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 Company 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.

2 Significant accounting policies (continued)

(r) 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.

(s) 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.

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.

2 Significant accounting policies (continued)

(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.

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 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.

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 based pre-tax real discount rate of 10.71% 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.

3. Critical accounting estimates and judgements (continued)

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/warrant 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 notes 6 and 20.

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 24).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

	2016			2015		
	UK	**Canada**	**Consolidated**	UK	Canada	Consolidated
	US$'000	**US$'000**	**US$'000**	US$'000	US$'000	US$'000
Revenue	-	30,378	30,378	-	34,583	34,583
Non-current assets	1,567	73,190	74,757	1,569	75,931	77,500

Information about major customers

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

	2016	2015
	US$'000	US$'000
Customer A	30,378	34,583
	30,378	34,583

5. Operating profit

The operating profit is after charging:

	2016 US$'000	2015 US$'000
Depreciation – owned assets	2,906	3,011
Gain on disposal of property, plant and equipment	(105)	(419)
Amortisation	4,066	3,669
Impairment charges (see note 12)	11,268	12,100
Directors' emoluments (see note 27)	416	464
Auditor's remuneration:		
Audit of these financial statements	81	81
Fees payable to the auditor for other services:		
Other assurance services	4	7

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

6. Personnel expenses

Salary costs	Group 2016 US$'000	Group 2015 US$,000
Wages and salaries	8,308	9,302
Other short term benefits	504	506
Compulsory social security contributions	1,412	1,680
Share based payments	34	104
	10,258	11,592

Salary costs of US$259,000 (2015: US$13,000) were capitalised as part of the cost of assets under construction costs during the year.

Number of employees

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

	Group 2016	Group 2015
Directors	7	7
Administration	11	14
Production and development	122	117
	140	138

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.

6. Personnel expenses (continued)

Share-based payments

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

	Weighted average exercise price 2016 US$	**Number of options 2016 '000**	Weighted average exercise price 2015 US$	Number of options 2015 **'000**
Outstanding at the beginning of the year	0.37	5,190	0.37	5,506
Granted during the year	0.62	264	-	-
Cancelled during the year	0.49	(375)	0.39	(316)
Outstanding at the end of the year	0.36	5,079	0.37	5,190
Exercisable at end of year	0.36	4,999	0.37	4,795

The options outstanding at July 31, 2016 have an exercise price in the range of US$0.13 to US$0.84 (2015: US$0.14 to US$0.84) and a weighted average remaining contractual life of 4.3 years (2015: 5.3 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	2016	2015
Fair value at measurement date	US$0.03	-
Share price (weighted average)	US$0.62	-
Exercise price (weighted average)	US0.07	-
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes model)	94%	-
Expected option life (years)	4	-
Expected dividends	-	-
Risk-free interest rate (based on national government bonds)	0.55%	-

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:

	2016 US$'000	2015 US$'000
Share options granted in 2012	-	13
Share options granted in 2013	18	23
Share options granted in 2014	16	68
Total expense recognised as employee costs	34	104

7. Loss on derivative financial instruments

	2016	2015
	US$'000	US$'000
Gain/(loss) on concentrate receivables from off-taker	539	(1,812)

8. Finance costs

	2016	2015
	US$'000	US$'000
Finance lease interest	123	214
Gold loan interest	2,648	(3,347)
Advance purchase facility interest and charges	279	-
Off-take provisional payment interest	144	139
Unwinding of discount on reclamation provision	38	39
	3,232	(2,955)

9. Income tax

Recognised in the income statement

	2016	2015
	US$,000	US$,000
Current tax expense		
Current year	-	-
	-	-
Deferred tax credit		
Origination and reversal of temporary timing differences	(4,186)	(5,207)
Over provision in previous year	1,764	-
Total income tax credit in income statement	(2,422)	(5,207)

Reconciliation of effective tax rate

	2016	2015
	US$'000	US$'000
Loss before tax	(15,228)	(13,559)
Income tax using the UK corporation tax rate of 20% (2015: 20.67%)	(3,046)	(2,803)
Effect of tax rates in foreign jurisdictions (rates increased)	(1,416)	(1,019)
Non-deductible expenses	371	122
Effect of change in tax rates	(52)	8
Effect of tax losses and credits	155	(1,556)
Over provision in previous year	1,764	-
Exchange difference	(198)	41
	(2,422)	(5,207)

9. Income tax (continued)

Recognised in other comprehensive income	2016 US$,000	2015 US$,000
Current tax expense		
Current year	-	-
		-
Deferred tax (credit)/expense		
Fair value re-measurement of available for sale investments	201	(21)
Exchange difference on retranslation of UK deferred tax asset	256	(196)
Over provision in previous period	--	(50)
Total income tax expense/(credit) in statement of other comprehensive income	457	(267)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	Balance July 31, 2016 US$'000	Balance July 31, 2015 US$'000	Balance July 31, 2016 US$'000	Balance July 31, 2015 US$'000	Balance July 31, 2016 US$'000	Balance July 31, 2015 US$'000
Property, plant and equipment	-	-	(3,264)	(2,103)	(3,264)	(2,103)
Mineral property	3,328	1,795	-	-	3,328	1,795
Intangible assets	107		-	(361)	107	(361)
Available for sale investment	-	110	(91)	-	(91)	110
Gold loan	-	713	(634)	-	(634)	713
Tax value of loss carry-forwards and credits recognised	8,974	6,294	-	-	8,974	6,294
Net tax assets / (liabilities)	12,409	8,912	(3,989)	(2,464)	8,420	6,448

9. Income tax credit (continued)

Movement in recognised deferred tax assets and liabilities

	Balance Aug 1, 2014	Recognised in income	Recognised in other comprehensive income	Exchange difference	Balance July 31, 2015
	US$'000	US$'000	US$'000	US$'000	US$'000
Property, plant and equipment	1,682	741	-	(320)	2,103
Mineral property	1,989	(3,689)	-	(95)	(1,795)
Intangible assets	1,523	(964)	-	(198)	361
Available for sale investment	32	(92)	(53)	3	(110)
Gold loan	138	(878)	-	27	(713)
Other timing differences	(26)	(8)	-	4	(30)
Tax value of loss carry-forwards and credits	(6,949)	(317)	(148)	1,150	(6,264)
	(1,611)	(5,207)	(201)	571	(6,448)

	Balance Aug 1, 2015	Recognised in income	Recognised in other comprehensive income	Exchange difference	Balance Jul 31, 2016
	US$'000	US$'000	US$'000	US$'000	US$'000
Property, plant and equipment	2,103	1,157	-	4	3,264
Mineral property	(1,795)	(1,528)	-	(5)	(3,328)
Intangible assets	361	(467)	-	-	(106)
Available for sale investment	(110)	-	201	-	91
Gold loan	(713)	1,348	-	(1)	634
Other timing differences	(30)	1	-	-	(29)
Tax value of loss carry-forwards and credits	(6,264)	(2,933)	256	(5)	(8,946)
	(6,448)	(2,422)	457	(7)	(8,420)

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 US$8.4 million (2015: US$6.4 million).

10. Intangible assets

	Exploration and evaluation costs		
	Ming Mine	Little Deer Project	Total
	US$'000	US$'000	US$'000
Cost			
Balance at 1 August 2014	16,496	505	17,001
Additions	3,225	235	3,460
Effect of movements in foreign exchange	(3,056)	(109)	(3,165)
Balance at 31 July 2015	16,665	631	17,296
Balance at 1 August 2015	16,665	631	17,296
Additions	440	1,463	1,903
Transfer to mineral property	(17,125)	-	(17,125)
Effect of movements in foreign exchange	20	139	159
Balance at July 31, 2016	-	2,233	2,233
Impairment			
Balance at 1 August 2014	-	-	-
Provision for impairment	3,354	-	3,354
Effect of movements in foreign exchange	(142)	-	(142)
Balance at July 31, 2015	3,212	-	3,212
Balance at 1 August 2015	3,212	-	3,212
Transfer to mineral property	(3,214)	-	(3,214)
Effect of movements in foreign exchange	2	-	2
Balance at July 31, 2016	-	-	-
Carrying amounts			
At 1 August 2014	16,496	505	17,001
At 31 July 2015	13,453	631	14,084
At 1 August 2015	13,453	631	14,084
At July 31, 2016	-	2,233	2,233

Following the integration of the Lower Footwall Zone into the Company's mine plan, costs of US$ 17.1 million were transferred to mineral properties.

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.

11. Mineral property

	Mineral property US$'000
Cost	
Balance at August 1, 2014	53,519
Additions	4,493
Effect of movements in foreign exchange	(9,237)
Balance at July 31, 2015	48,775
Balance at August 1, 2015	48,775
Additions	4,050
Transfer from exploration and evaluation costs	17,125
Effect of movements in foreign exchange	108
Balance at July 31, 2016	70,058
Amortisation and impairment	
Balance at August 1, 2014	6,095
Amortisation charge	3,669
Provision for impairment	8,119
Effect of movements in foreign exchange	(1,669)
Balance at July 31, 2015	16,214
Balance at August 1, 2015	16,214
Amortisation charge	4,066
Provision for impairment	11,268
Transfer from exploration and evaluation costs	3,214
Effect of movements in foreign exchange	58
Balance at July 31, 2016	34,820
Carrying amounts	
At August 1, 2014	47,424
At July 31, 2015	32,561
At August 1, 2015	32,561
At July 31, 2016	35,238

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.

12. Provision for impairment

Summary of impairments

The following impairment charges were recognised in the income statement for the year ended July 31, 2016:

	2016	2015
	US$'000	US$'000
Mineral property	11,268	8,119
Exploration and evaluation costs	-	3,354
Available for sale investments	-	627
	11,268	12,100

Consideration of impairment for mineral property costs

As part of the annual impairment review of asset carrying values a charge of $11.3 million (2015: $11.5 million) was recorded in relation to the Ming Mine. 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 10.71% the recoverability of the entire carrying values of the mineral property 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.

Key assumptions

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

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

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 158,000 tonnes of copper is estimated to be produced with 90,000 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$2.71 per pound, US$1,300 per ounce and US$22 per ounce respectively, have been used to estimate future revenues.

Discount rate*:* In calculating the VIU, a pre-tax discount rate of 10.71% 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 US$0.81.

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	Decrease
Total provision for impairment	US$'000	US$'000
Copper price (4% increase/decrease)	-	21,911
Discount rate (at 8.56%/12.86%)	-	20,058

13. Property, plant and equipment

	Land and buildings US$'000	Assets under construction US$'000	Motor vehicles US$'000	Plant and equipment US$'000	Fixtures, fittings and equipment US$'000	Computer equipment US$'000	Total US$'000
Cost							
Balance at August 1, 2014	4,080	42	238	39,765	101	889	45,115
Additions	16	808	35	3,602	9	24	4,494
Disposals	(161)	-	-	(261)	-	-	(422)
Reclassification	-	(236)	-	236	-	-	-
Effect of movements in foreign exchange	(668)	(82)	(45)	(6,952)	(17)	(150)	(7,914)
Balance at July 31, 2015	3,267	532	228	36,390	93	763	41,273
Balance at August 1, 2015	3,267	532	228	36,390	93	763	41,273
Additions	138	1,159	-	3,822	2	1	5,122
Disposals	-	-	-	(707)	-	-	(707)
Reclassification	641	(963)	-	322	-	-	-
Effect of movements in foreign exchange	17	-	-	58	1	-	76
Balance at July 31, 2016	4,063	728	228	39,885	96	764	45,764
Depreciation and impairment losses							
Balance at August 1, 2014	1,897	-	210	18,604	94	733	21,538
Depreciation charge for the year	318	-	30	2,585	7	71	3,011
Eliminated on disposals	(145)	-	-	(209)	-	-	(354)
Effect of movements in foreign exchange	(336)	-	(38)	(3,324)	(17)	(126)	(3,841)
Balance at July 31, 2015	1,734	-	202	17,656	84	678	20,354
Balance at August 1, 2015	1,734	-	202	17,656	84	678	20,354
Depreciation charge for the year	304	-	14	2,522	6	60	2,906
Eliminated on disposals	-	-	-	(675)	-	-	(675)
Effect of movements in foreign exchange	7	-	1	46	-	-	54
Balance at July 31, 2016	2,045	-	217	19,549	90	738	22,639
Carrying amounts							
At August 1, 2014	2,183	42	28	21,161	7	156	23,577
At July 31, 2015	1,533	532	26	18,734	9	85	20,919
At August 1, 2015	1,533	532	26	18,734	9	85	20,919
At July 31, 2016	2,018	728	11	20,336	6	26	23,125

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, 2016, the net carrying amount of leased plant and machinery was US$4,211,000 (2015: US$2,984,000). The leased plant and machinery secures lease obligations (see note 24). During the year plant and equipment additions of US$2,256,000 (2015: US$2,090,000) were acquired through finance lease arrangements.

14. Available for sale investments

	Available for sale investments US$'000
Cost or valuation	
Balance at August 1, 2014	1,975
Acquisitions	288
Revaluation	(342)
Provision for impairment	(627)
Effect of movements in foreign exchange	(300)
Balance at July 31, 2015	994
Balance at August 1, 2015	994
Acquisitions	21
Revaluation	1,371
Effect of movements in foreign exchange	16
Balance at July 31, 2016	2,402
Carrying amounts	
At July 31, 2015	994
At July 31, 2016	2,402

Rambler holds a 10.86% 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, 2016 was US$0.21 (2015: US$0.08 per share).

Rambler holds 2.58% equity stake in Marathon Gold Corporation. The market price at July 31, 2016 was US$0.37 (2015: US$0.19 per share).

The Company acquired a number of listed investments on the acquisition of Thundermin Resources Inc. at a fair value of US$21,000.

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 US$1,776,000 (2015: US$1,752,000).

15. Inventory

	2016	2015
	US$'000	US$'000
Metals in process	891	580
Operating supplies	1,492	1,251
	2,383	1,831

16. Trade and other receivables

	2016	2015
	US$'000	US$'000
Trade receivables	-	207
Other receivables	206	232
Sales taxes recoverable	250	402
Prepayments and accrued income	143	752
	599	1,593

There are no trade receivables past due or considered impaired (2015: $nil).

17. Derivative financial asset

	2016	2015
	US$'000	US$'000
Concentrate receivables from off-taker	587	240

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 US$638,000 (2015: US$235,000).

18. Cash and cash equivalents

	2016	2015
	US$'000	US$'000
Bank balances	8,929	3,389
Cash and cash equivalents in the statement of cash flows	8,929	3,389

19. Restricted cash

	2016	2015
	US$'000	US$'000
Bearer deposit notes	3,339	2,495

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. An additional Letter of Credit of US$843 was obtained during the year in connection with an additional reclamation and closure liability for an extension of the waste stockpile. The bearer deposit notes mature on differing dates throughout fiscal 2016 and have a nominal value of US$3,339,000 (2015 - US$2,495,000) giving an effective yield of 1.2% (2015 – 1.2%).

20. Acquisition of subsidiary

The Group acquired the entire share capital of Thundermin Resources Inc. by way of an amalgamation into 1948565 Ontario Inc. on January 12, 2016. The fair value of the assets acquired was as follows:

	Book value	Fair value adjustment	Fair value
	US$'000	US$'000	US$'000
Exploration and evaluation assets	3	1,421	1,424
Listed investments	21	-	21
Trade and other receivables	21	-	21
Cash at bank	21	-	21
Trade and other payables	(308)	-	(308)
Net assets acquired	(242)	1,421	1,179
Issue of share capital			1,109
Cash consideration			70
Total consideration			1,179

The acquisition was accounted for as an asset acquisition as the definition of a business in IFRS 3 – Business Combinations was not met.

21. Capital and reserves

Share capital and share premium – group and company

	Share capital US$'000	Share premium US$'000	*Number* *Number '000*
In issue at 1 August 2014	2,471	72,128	144,168
Issued during the year		-	-
In issue at 31 July 2015	2,471	72,128	144,168
In issue at 1 August 2015	2,471	72,128	144,168
Issued during the year	3,903	9,327	270,122
In issue at July 31, 2016	6,374	81,455	414,290

At July 31, 2016, 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.

On January 12, 2016 the Company issued 7,142,857 shares for US$0.15 each raising a total of US$1,050,000 as part consideration for the acquisition of Thundermin Resources Inc.

On February 5, 2016 the Company issued 1,614,981 shares for US$0.04 each raising a total of US$60,055 as part consideration for the acquisition of Thundermin Resources Inc.

On June 3, 2016 the Company issued 261,363,636 ordinary shares for US$0.06 (GBP0.04) each. The Company also issued 200,000,000 warrants to purchase ordinary shares at US$0.07 per share (GBP0.05). Of the total proceeds of US$15.1 million, US$3.8 million was credited to share capital, US$9.2 million to share premium account and US$2.1 million was credited to the warrants reserve representing the fair value of the warrants issued.

21. Capital and reserves (continued)

Warrants reserve

	Number '000	$'000
At August 1, 2015	-	-
Fair value of warrants issued during the year	200,000	2,089
At July 31, 2016	200,000	2,089

On June 3, 2016 the Company issued 200,000,000 share purchase warrants at an exercise price of US$0.07 (GBP 0.05). The share purchase warrants expire on 3 June 2018. The fair value of the share purchase warrants is measured using the Black-Scholes model assuming an expected volatility of 100%, a risk-free interest rate of 1% and a contractual life of the warrant of 2 years. The fair value of services received in return for the warrants issued is measured by reference to the fair value of the warrants issued in the absence of information on the fair value of the services provided. The share warrant reserve reflects the value of outstanding share warrants based on the fair value of the share warrants at the time of issue.

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:

	2016 US$'000	2015 US$'000
Cash and cash equivalents	8,929	3,389
Finance leases	(3,195)	(3,566)
Advance purchase loan	(1,979)	(1,879)
Gold loan	(13,702)	(13,351)
Net debt	(9,947)	(15,407)
Equity	(61,686)	(59,183)
Total capital	(71,633)	(74,590)

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

22. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at July 31, 2016 was based on the loss attributable to ordinary shareholders of $12,806,000 and a weighted average number of ordinary shares outstanding during the period ended July 31, 2016 of 191,132,000 calculated as follows:

Loss attributable to ordinary shareholders

	2016	2015
	US$'000	US$'000
Loss for the period	(12,806)	(8,352)
Loss attributable to ordinary shareholders	(12,806)	(8,352)

Weighted average number of ordinary shares

	Number '000
At August 1, 2014	144,168
Effect of shares issued during the year	-
At July 31, 2015	144,168

In issue at August 1, 2015	144,168
Effect of shares issued during year	46,964
Weighted average number of ordinary shares at July 31, 2016	191,132

There is no material difference between the basic and diluted loss per share. At July 31, 2016 there were 5,373,157 (2015: 5,189,667) share options in issue of which 578,925 (2015: 578,925) were considered to be dilutive and may have a dilutive effect on the basic earnings or loss per share in the future. At July 31, 2016 there were 200,000,000 (2015: nil) warrants in issue of which none were considered to be dilutive.

23. Trade and other payables

	2016	2015
	US$'000	US$'000
Trade payables	3,396	3,996
Non trade payables	193	217
Accrued expenses	1,271	1,064
	4,860	5,277

24. 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 26.

24. Interest-bearing loans and borrowings (continued)

	2016 US$'000	2015 US$'000
Non-current liabilities		
Finance lease liabilities	1,550	1,320
Gold Loan	12,100	11,412
	13,650	12,732
Current liabilities		
Current portion of finance lease liabilities	1,645	2,246
Advance Purchase Facility	1,980	1,879
Current portion of Gold Loan	1,601	1,939
	5,226	6,064

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Minimum lease Payments 2016 US$'000	Interest 2016 US$'000	Principal 2016 US$'000	Minimum lease Payments 2015 US$'000	Interest 2015 US$'000	Principal 2015 US$'000
Less than one year	1,730	85	1,645	2,356	110	2,246
Between one and five years	1,611	61	1,550	1,360	40	1,320
	3,341	146	3,195	3,716	150	3,566

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 175,000 ounces 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 175,000 ounces 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

24. 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 US$2,648,000 (2015: US$3,180,000 reversed) was charged during the period.

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

Advance Purchase Facility

In July 2015 the Group entered into a 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 December 31, 2021.

Pursuant to the terms of the Purchase Agreement, Transamine agreed to purchase in advance, at Rambler's option, up to US$5 million of concentrate (the "Advance Purchase Payments"). to be used for working capital requirements along with the development and construction of Rambler's Lower Footwall Zone optimisation plan (Phase II) at the Ming Mine.

The Company drew down US$3 million of Advance Purchase Payments and further advances are no longer available under the agreement.

At July 31, 2016 the balance was US$1,980,000 which, following an addendum to the Purchase Agreement which saw a lump sum of US$1,000,000 repaid on June 17,2016. The remainder is repayable by twelve monthly instalments of US$176,005 plus interest at 3 month LIBOR plus 7.5%. The repayment by instalments commenced July 15, 2016.

The advance purchase payments of US$3,000,000 have been accounted for as a financial liability carried at amortised cost.

25. Provision

	2016	2015
	US$'000	US$'000
Reclamation and closure provision		
Opening balance	1,297	1,727
Charged/(credited) to Mineral Property	498	(200)
Unwinding of discount	38	44
Effect of movements in foreign exchange	-	(274)
Ending balance	1,833	1,297

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. During the year the Company made an additional provision in respect of its extended stockpile resulting in an amount of US$498,000 being debited to mineral properties (2015: US$200,000 credited to the Mineral Property). The liability is secured by Letters of Credit for US$3,338,728.

26. 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, 2016:

	2016	2015
	US$'000	US$'000
Financial assets		
Assets at fair value through profit and loss:		
Derivative financial instruments – level 2 fair value	587	240
Available for sale investments:		
Investment in quoted equity securities – level 1 fair value	2,402	994
Loans and receivables:		
Trade receivables	-	207
Other receivables	206	232
Sales taxes recoverable	250	402
Cash at bank	8,929	3,389
Restricted cash	3,339	2,495
	12,724	6,725
Total financial assets	15,713	7,959

Liabilities at amortised cost or equivalent:	**2016**	2015
	US$'000	US$'000
Trade payables	(3,396)	(3,996)
Non trade payables	(193)	(217)
Accrued expenses	(1,271)	(1,064)
Loans and borrowings	(18,876)	(18,796)
Total financial liabilities	(23,736)	(24,073)

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.

26. Financial instruments (continued)

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, 2016.

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:

	2016 US$'000	2015 US$'000
Due within one year	5,516	6,412
Due within one to two years	3,464	3,482
Due within two to three years	2,516	2,046
Due within three to four years	2,341	1,964
Due within four to five years	2,204	2,012
Due after five years	14,450	14,368
	30,491	30,284

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	2016 US$'000	2015 US$'000
Due within one year	1,731	2,356
Due within one to two years	772	1,125
Due within two to three years	601	214
Due within three to four years	218	20
Due within four to five years	19	1
	3,341	3,716

The average fixed interest rate for the finance leases and hire purchase contracts outstanding at July 31, 2016 was 4.6%.

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, 2016 was represented by receivables and cash resources.

26. Financial instruments (continued)

Market risk

Foreign currency risk

The Company has a small amount of cash resources and certain liabilities including the Gold loan and the advance purchase agreement denominated in US dollars. All other assets and liabilities are denominated in Canadian dollars and GB pounds. Revenue is generated in US dollars while the majority of the expenditure is incurred in Canadian dollars and, to a lesser extent, GB pounds. The Company has a downside exposure to any strengthening of the Canadian Dollar or GB pound as this would increase expenses in US dollar terms. This risk is mitigated by reviewing the holding of cash balances in Canadian Dollars and GB pounds. Any weakening of the Canadian Dollar or GB pound would however result in the reduction of the expenses in US dollar terms. In addition movements in the Canadian dollar and GB pound/US Dollar exchange rates would affect the Consolidated Balance Sheet.

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 and Canadian Dollar against the US Dollar. 10% represents management's assessment of the reasonable possible exposure.

	Equity	
	2016	2015
	US$'000	US$'000
10% strengthening of GB pound	(783)	(47)
10% weakening of GB pound	712	43
10% strengthening of Canadian dollar	(291)	(404)
10% weakening of Canadian dollar	265	367

26. 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, 2016		
	$'000	**$'000**
Canadian $	757	720
US $	17	17
Sterling	8,155	8,192
	8,929	8,929
At July 31, 2015		
	$'000	$'000
Canadian $	1,205	1,205
US $	2,101	2,101
Sterling	83	83
	3,389	3,389

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 24.

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	
	2016	2015
	US$'000	US$'000
10% increase in the price of gold	(1,370)	(1,609)
25% decrease in the price of gold	3,425	4,021

26. 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	
	2016	2015
	$'000	$'000
5% increase in the price of copper, gold and silver	434	804
5% decrease in the price of copper, gold and silver	(434)	(804)

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 Company's financial instruments.

27. 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:

	2016	2015
	$'000	$'000
Salary – executive		
N Williams	282	292
Fees – non-executive		
B A Mills	5	-
B Labatte	5	-
M V Sander	5	-
T I Ackerman	5	-
G Poulter	17	13
G Ogilvie	32	63
L D Goodman	23	24
T S Chan	10	24
J Thomson	18	24
E C Chen	14	24
	416	464

Share options held by directors were as follows:	**At 31.07.16**	At 31.07.15
	No.	No.
	'000	'000
G Ogilvie	N/A	1,100
N Williams[1]	1,175	1,175
J Thomson	N/A	400
D H W Dobson	N/A	45
L D Goodman	N/A	45
	1,175	2,765

[1] 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.

Total key management personnel compensations were as follows:

	2016	2015
	$'000	$'000
Short term employee benefits	412	656
Social security costs	37	41
Share based payments	19	61
	468	758

27. Related parties (continued)

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
1948565 Ontario Resources Inc.	Common	100%	Exploration	Canada

Ultimate and controlling party

CE Mining II Rambler Limited, a controlling shareholder of the Company, holds 200,000,000 warrants which equates to US$2.089m (see Note 21).

Following the allotment of 261,363,636 shares during the year to CE Mining II Rambler Limited, CE Mining Fund II L.P. became the controlling shareholder of the Company.

28. Subsequent events

On August 22, 2016 the Company issued 9,405,000 options to employees at an exercise price of US$0.06. The options were issued to advance the interests of the Company by providing the directors, senior officers and employees a performance incentive for continued and improved service enhancing their contribution to increased shareholder return by encouraging share ownership.

On August 29, 2016 and September 8, 2016 the Company sold 1,176,500 and 190,000 common shares respectively of Marathon Gold Corporation thereby divesting approximately 50% of its equity stake for gross proceeds of US$0.8 million.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended July 31, 2016
(EXPRESSED IN US DOLLARS)

	2016	2015
	US$'000	US$'000
Loss for the year	5,870	(5,594)
Other comprehensive income		
Items that may be reclassified into profit or loss		
Exchange differences on translation into presentation currency	(9,252)	(5,156)
Other comprehensive loss for the year	(9,252)	(5,156)
Total comprehensive loss for the year	(3,382)	(10,750)

RAMBLER METALS AND MINING PLC

COMPANY STATEMENT OF FINANCIAL POSITION

As at July 31, 2016
(EXPRESSED IN US DOLLARS)

	Note	**2016 US$'000**	2015 US$'000
Assets			
Investments	C3	55,861	51,968
Deferred tax	C4	1,567	1,651
Total non-current assets		57,428	53,619
Trade and other receivables	C5	41	61
Cash and cash equivalents	C6	8,155	86
Total current assets		8,196	147
Total assets		65,624	53,766
Equity			
Issued capital	21	6,374	2,471
Share premium		81,455	72,128
Warrants reserve		2,089	-
Translation reserve		(8,746)	506
Retained profit		(15,759)	(21,643)
Total equity		65,413	53,462
Liabilities			
Trade and other payables	C7	211	304
Total current liabilities		211	304
Total liabilities		211	304
Total equity and liabilities		65,624	53,766

ON BEHALF OF THE BOARD:

N P Williams
Director
Approved and authorised for issue by the Board on October 21, 2016.

RAMBLER METALS AND MINING PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

(EXPRESSED IN US DOLLARS)	Share capital US$'000	Share premium US$'000	Warrants reserve US$'000	Translation reserve US$'000	Accumulated losses US$'000	Total US$'000
Balance at August 1, 2014	2,471	72,128	-	5,662	(16,107)	64,154
Comprehensive income						
Loss for the year	-	-	-	-	(5,594)	(5,594)
Foreign exchange translation differences	-	-	-	(5,156)	-	(5,156)
Total other comprehensive income	-	-	-	(5,156)	-	(5,156)
Total comprehensive loss for the year	-	-	-	(5,156)	(5,594)	(10,750)
Share based payments	-	-	-	-	58	58
Transactions with owners	-	-	-	-	58	58
Balance at July 31, 2015	2,471	72,128	-	506	(21,643)	53,462
Balance at August 1, 2015	2,471	72,128	-	506	(21,643)	53,462
Comprehensive income						
Loss for the year	-	-	-	-	5,870	5,870
Foreign exchange translation differences	-	-	-	(9,252)	-	(9,252)
Total other comprehensive income	-	-	-	(9,252)	-	(9,252)
Total comprehensive loss for the year	-	-	-	(9,252)	5,870	(3,382)
Issue of shares	3,903	10,223	2,089	-	-	16,215
Share issue expenses	-	(896)	-	-	-	(896)
Share based payments	-	-		-	14	14
Transactions with owners	3,903	9,327	2,089	-	14	15,333
Balance at July 31, 2016	6,374	81,455	2,089	(8,746)	(15,759)	65,413

STATEMENT OF CASH FLOWS

For the Year Ended July 31, 2016
(EXPRESSED IN US DOLLARS)

	2016	2015
	$'000	$'000
Cash flows from operating activities		
Operating profit/(loss)	5,695	(5,848)
Share based payments	14	58
Foreign exchange losses	(7,258)	4,573
Decrease/(increase) in debtors	20	26
Increase in creditors	(92)	91
Net cash utilised in operating activities	(1,621)	(1,100)
Cash flows from investing activities		
Acquisition of subsidiary	(70)	-
Advances to subsidiaries	(5,277)	-
Loans repaid by subsidiaries	1,530	1,063
Net cash generated from/(utilised in) investing activities	(3,817)	1,063
Cash flows from financing activities		
Proceeds from the issue of share capital	15,105	-
Share issue expenses	(896)	-
Net cash from financing activities	14,209	-
Net (decrease)/increase in cash and cash equivalents	8,771	(37)
Cash and cash equivalents at beginning of period	86	133
Effect of exchange rate fluctuations on cash held	(702)	(10)
Cash and cash equivalents at end of period	8,155	86

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 profit for the financial year was $5,925,000 (2015: loss $5,594,000).

C3. Investments

	Investment in subsidiary $'000	Loans $'000	Total $'000
Cost			
Balance at August 1, 2014	406	62,262	62,668
Repayments (net)	-	(1,064)	(1,064)
Effect of movements in foreign exchange	(33)	(9,603)	(9,636)
Balance at July 31, 2015	373	51,595	51,968
Balance at August 1, 2015	373	51,595	51,968
Acquisition of subsidiary	1,110	-	1,110
Advances	-	5,277	5,277
Repayments	-	(1,530)	(1,530)
Effect of movements in foreign exchange	15	(979)	(964)
Balance at July 31, 2016	1,498	54,363	55,861

The company has interests in the following 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
1948565 Ontario Inc.	Common	100%	Exploration	Canada

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

The loans to the subsidiary undertakings are interest free.

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 $1.6 million (2015: US$1.6 million).

C5. Trade and other receivables

	2016	2015
	$'000	$'000
Sales taxes recoverable	24	14
Prepayments and accrued income	17	47
	41	61

C6. Cash and cash equivalents

	2016	2015
	$'000	$'000
Bank balances	8,155	86
Cash and cash equivalents in the statement of cash flows	8,155	86

C7. Trade and other payables

	2016	2015
	$'000	$'000
Trade payables	105	82
Non trade payables	1	1
Accrued expenses	105	221
	211	304

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 27).

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 27.