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RAMBLER METALS AND MINING PLC

ANNUAL REPORT AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

CONTENTS OF THE FINANCIAL STATEMENTS

Rambler Metals and Mining Plc

Company Information

For the Year Ended December 31, 2017

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CHAIRMAN'S STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2017

In 2016 the Company changed its fiscal year from July 31 to December 31. The current reporting period is the three and twelve month periods ended December 31, 2017 ("Q4/17"). Comparative information has been restated for the year ended December 31, 2016 ("2016") and in line with calendar quarters and has been provided for the three month period ended September 30, 2017 ("Q3/17") and the three month period ended December 31, 2016 ('Q4/16'). In addition comparative information for the five months ended December 31, 2016 has been provided in the financial statements as required under UK regulations.

Fiscal 2017 saw the continuation of Phase II expansion plan for the Ming Copper-Gold Mine, targeting production of 1,250 metric tonnes per day ('mtpd') with a life of mine now over 20 years based on current mineral reserves. As previously reported, the Company originally targeted to hit this production level mid-2017, however, delays in underground development resulted in a slippage of the schedule which was further compounded by delays in bringing the new underground ventilation system online. As a result, the Company revised its production targets to accommodate the delay. Under the revised production guidance the operation was successful in setting a production record for the year producing approximately 340,000 dry metric tonnes ('dmt'), a twenty seven percent increase year over year. At the Nugget Pond copper and gold milling facility high capacity testing was completed to determine the plant's ability to process at the targeted throughput rate while achieving record ore throughput during the fourth quarter, processing 97,997 dry metric tonnes ('dmt'). The quarterly production included 17 days running at an average of 1,260 mtpd, confirming that the Company's mill improvements would allow the facility to produce at a sustained rate at or greater than 1,250 mtpd.

At year end work continued on the ventilation project at the mine site which was successfully completed during March 2018. Upon completion the mine's ventilation system will be reversed allowing for increased "in mine time" which should provide for consistent increases in mine production and improved cycle times. Given the productivity improvements just around the corner we are now turning our attention to increasing the overall mill feed grade and returning the Company to positive cash flows. The project's expansion will be completed during a time that has seen significant run up in short term copper and gold price forecasts with a positive long term outlook. The Company has now completed the capital improvements for its Phase II expansion with sustained production of 1,250 mtpd mining and milling to follow shortly.

With the completion of Phase II expansion, and the return to positive cash flow, the Company will continue its evaluation on a potential Phase III expansion to demonstrate the full value of the copper-gold asset with an optimized mine and mill production plan. Given its successes during the year the Company will also look to continue its surface exploration drill program. In 2017 the surface drilling program demonstrated that the Lower Footwall Zone ('LFZ') mineralization continues well beyond the currently defined mineral reserves with increases in grade and thickness at depth. The final drill hole in the 2017 returned the thickest LFZ mineralization discovered on the property to date, returning 1.65% copper over 102 meters including 36 meters of 2.59% copper. These initiatives could potentially add significant longer term value to the project.

FINANCIAL RESULTS

The Company's financial results for the period reflect the stage reached in its expansion plans. As a result, the Company generated lower revenue compared with prior periods due to lower copper head grades and lower than planned production while the Company continues to develop the mine to achieve its production target of 1,250 mtpd.

The results include:

- The Company generated revenue of US$28.3 million (2016: US$28.0 million) from the sale of copper concentrate containing gold and silver by-products.
- An operating loss of US$9.4 million (2016: US$4.8 million loss before impairment).
- Cash of US$1.3 million generated from operations (2016 US$0.7 million) during the year.

- The consolidated loss after taxation for the year amounted to US$4.1 million (loss per share of US$0.008) US$12.7 million for 2016 (loss per share of US$0.032) after a provision for impairment of US$11.3 million before tax.
- Earnings before interest, taxes, depreciation, amortisation ("EBITDA") for the year were US$2.2 million (2016: US$4.6 million).
- The gross assets of the Company amounted to US$97.1 million at the end of the year. This included Mineral property of US$38.8 million and intangible assets of US$3.4 million which consists of accumulated deferred exploration and evaluation expenditures.
- The Company's cash balance at year end was US$3.4 million and cash net of debt, excluding Gold Loan, was US$(6.6) million.
- Copper prices improved materially during the year rising from US$ 2.50/lb on January 1st to US$3.28/lb on December 31st 2017. The primary driver for an improving price outlook has been increasing shortages of metal and continued pressures from further downside supply issues.

We are confident that we will reach our targeted production in 2018 and we look forward to updating the market on our progress over the coming months.

B Mills
Chairman

April 30, 2018

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 April 30, 2018 and covers the results of operations for the year ended December 31, 2017. This discussion should be read in conjunction with the audited Financial Statements for the year ended December 31, 2017 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 is 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 Project ('the Project') with a fully funded expansion. Its principal activity is the development, mining and exploration of the Project in Newfoundland and Labrador (see map referenced in Appendix 1) with a longer term goal of continued exploration and development of other properties in its portfolio, all located in Canada.

The Company is looking forward to:

1. Finalizing the implementation of its Phase II expansion and optimisation strategy with the completion of its ventilation system upgrade in Q1/18.
2. Optimizing production at the reserve grade to further reduce costs to the 1,250 mtpd optimized design. The focus of the cost improvement efforts will be; maintenance practice improvements to increase equipment availability in the mine; cycle time improvements for improved productivity in the mine; improving grade control and upgrading low grade material by crushing and screening; and, improving gold and silver recovery in the plant.
3. Following sustained production at the planned tonnes and grade the Company will continue with engineering studies with a view to further increase production to 2,000 mtpd. Detailed engineering will continue later in 2018 and will include: underground material handling options; shaft rehabilitation; expanding the Nugget Pond mill versus building a higher capacity mill nearer to the mine.
4. Continue the diamond drilling exploration programs, from underground and surface, aiming to increase available resources and reserves through continued exploration within the Ming mine mineralized trend.

See Forward Looking Information in Appendix 6.

The Company's 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".

CHANGE IN FISCAL YEAR

In 2016 the Company changed its fiscal year from July 31 to December 31. The current reporting period is the three and twelve month periods ended December 31, 2017 ("Q4/17"). Comparative information has been restated for the year ended December 31, 2016 ("2016") and in line with calendar quarters and has been provided for the three month period ended September 30, 2017 ("Q3/17") and the three month period ended December 31, 2016 ('Q4/16'). In addition comparative information for the five months ended December 31, 2016 has been provided in the financial statements as required under UK regulations.

Due to the change in fiscal year end, the comparative figures are not representative of equivalent reporting periods and, as such, have greater variances.

HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2017

- ➔ Production of 97,997 dmt (Q3/17: 79,300 dmt, Q4/16: 72,036 dmt) for the quarter with copper concentrate grade of 28% (Q3/17: 29%, Q4/16: 27%). Increased total production to 339,631 dmt for the year (2016: 267,347 dmt) , a 27% increase, with copper concentrate grade of 28% (2016: 27%).

- ➔ Intersected significant Lower Footwall Zone mineralization in the surface drilling program extending the zone 550 meters below the current reserves. RM17-25b returned 102 meters of 1.65% copper including 36 meters of 2.59% copper.

- ➔ Revenue for the year was US$28.3 million (2016: US$28.0 million) and for the Q4/17, US$8.4 million (Q3/17: US$7.3 million, Q4/16 US$5.4 million). The increase in revenue compared to prior periods is mainly due to higher copper prices.

- ➔ Average prices for the year were US$2.79 (2016: US$2.17) per pound of copper and US$1,257 2016: US$1,248) per ounce gold. Average prices for the quarter were US$3.10 (Q3/17: US$2.86, Q4/16: US$2.40) per pound of copper and US$1,279 (Q3/17: US$1,273, Q4/16: US$1,245) per ounce of gold.

- ➔ Operating loss for the year was US$9.4 million (2016: US$15.6 million) and for Q4/17 US$1.0 million (Q3/17: US$2.5 million, Q4/16: US$3.4 million). Earnings before interest, taxes, depreciation, amortisation ('EBITDA') for the year were US$2.2 million (2016: US$4.6 million) and for Q4/17 of US$1.3 million (Q3/17: US$1.1 million, Q4/16 US$(1.0 million)).

- ➔ Cash production costs for the year were US$25.4 million (2016: US$18.0 million). Net direct cash costs net of by-product credits ('C1 costs') for the year were US$2.86 per pound of saleable copper (2016: US$1.96) and for the quarter US$2.84 (Q3/17: US$2.87, Q4/16: US$2.99). See appendix 4 for the reconciliation of the non-GAAP financial measures.

- ➔ Cash flows generated from operating activities for the year were US$1.3 million (2016: US$4.8 million) and for the quarter were US$0.7 million (Q3/17: US$2.2 million, Q4/16: US$0.1 million).

SUBSEQUENT EVENTS

On March 5, 2018 the Company announced the completion of a new mineral and reserves estimate for the Ming mine. Contained copper in the mineral reserves is estimated at 329 million pounds with gold of 114 thousand ounces, fully replacing reserves after two years of mining. Mineral resource tonnes (M+I) have declined from the 2015 estimate by 18%, however, the copper grade has improved 9% and gold grade by 14%. The change in measured and indicated resources is a result of an extensive diamond drilling program in an underexplored area of the Lower Footwall Zone. The life of mine, production, cost and financial highlights are as follows:

- Over a planned 20 year life-of-mine, ending 2037, the project will produce 514 thousand tonnes of high-grade copper concentrate containing saleable metal of 312 million pounds of copper and 57 thousand ounces of gold. Average annual sales is 26 thousand tonnes of copper concentrate

- Average annual cash operating cost of US$1.98 per pound of copper net of by-product credits ('C1'), with an all-in pre-tax costs of US$2.37 per pound of copper and after-tax cost of US$2.49 per pound.

- Net undiscounted cash flow from operations of US$277 million. Net pre-tax cash flow of US$195 million (after-tax US$157 million).

- Project pre-tax net present value ('$NPV_{7\%}$') of US$100 million. After-tax $NPV_{7\%}$ of US$83 million.

FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2017

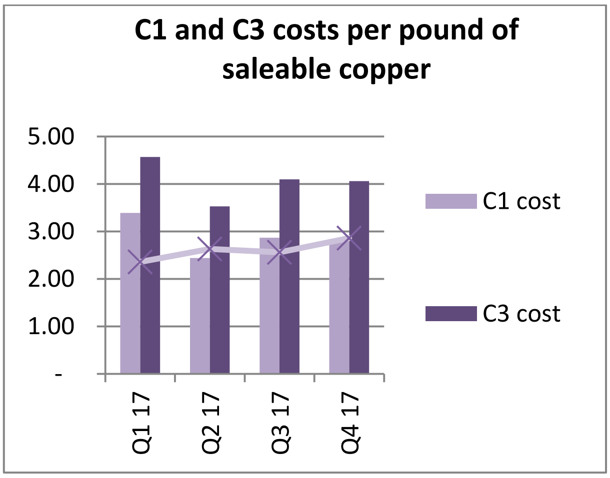
Revenue

➔ A total of 15,214 dmt (2016 – 15,239 dmt) of concentrate was provisionally invoiced during the year containing 4,026 (FY2016 – 3,992) tonnes of saleable copper metal, 3,410 (2016 – 6,057) ounces of saleable gold at an average price of US$2.79 (FY2016 – US$2.17) per pound copper and US$1,257 (FY2016 - US$1,248) per ounce gold, generating revenue of US$28.3 million (2016 – US$28.0 million).

Costs

➔ Cash production costs for the year were US$25.4 million (2016: US$18.0 million). Net cash direct costs per pound of copper net of by-product credits ('C1') for the year were US$2.86 (2016 - US$1.96) and for the quarter US$2.84 (Q3/17: US$2.87, Q4/16: US$2.99). Saleable copper in the period was 8.7 million pounds (2016 – 8.8 million pounds) and in the quarter was 2.3 million pounds (Q3/17: 2.2 million, Q4/16 2.1 million). Lower head grade, together with increased operating development costs from mining the post pillar cut and fill ('PPCF') areas in the LFZ contributed to the rise in C1 costs compared to 2016. Once Phase II expansion throughput reaches sustained production at 1,250 mtpd, C1 costs will decline towards US$2.00 and will decline further as production moves away from PPCF mining

➔ 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 increase in costs between Q2/17 and Q3/17 was a result of lower copper production as the mine moves toward its production target of 1,250 mtpd.



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 DECEMBER 31, 2017 (CONTINUED)

Loss

➔ The net loss before tax for the year was US$5.4 million (2016: US$19.4 million (US$8.1 million before impairment)). The net profit after tax for Q4/17 was US$0.7 million or US$0.001 per share which compares to a loss of US$1.4 million for Q3/17 and a loss of US$1.1 million for Q4/16.

➔ Earnings before interest, taxes, depreciation, amortisation ("EBITDA") for the year were US$2.2 million (2016: US$4.6 million).

Cash flow and cash resources

➔ Cash flows generated from operating activities for the year were US$1.3 million (2016: US$4.8 million) and for the quarter were US$0.7 million (Q3/17: US$2.2 million, Q4/16: US$0.1 million). The decrease in the cash generated relates to the operating loss and changes in working capital. The cash balance at December 31, 2017 was US$3.4 million.

Financing and Investment

➔ During the year repayment of US$1.1 million (project to date $18.1 million) was made on the Company's Gold Loan from the delivery of 876 payable ounces of gold (project to date 12,862 ounces have been delivered).

➔ Net debt excluding the Gold loan was as follows:

	Q4/FY17	**Q3/17**	**Q4/16**
	US$'000	US$'000	US$'000
Cash	3,351	1,323	2,156
Finance leases	(4,570)	(4,161)	(2,656)
Related party loan	(1,002)	-	-
Government assistance	(390)	(227)	-
Advance purchase agreement	(3,996)	-	(1,120)
Net debt	(6,607)	(3,065)	(1,620)

FINANCIAL RESULTS FOR YEAR ENDED DECEMBER 31, 2017 (Continued)

OPERATIONAL SUMMARY

Ore and Concentrate Production Summary for Fiscal 2017

PRODUCTION	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY2017	Revised F2017 Guidance
Dry Tonnes Milled	75,438	86,895	79,300	97,997	**339,631**	330,000 - 360,000
Copper Recovery (%)	96.6	94.2	95.4	96.1	**95.6**	94 – 96
Gold Recovery (%)	64.0	56.5	61.7	61.0	**60.7**	60 – 65
Copper Head Grade (%)	1.13	1.41	1.38	1.17	**1.27**	1.3 – 1.6
Gold Head Grade (g/t)	0.30	0.67	0.66	0.65	**0.58**	0.5 – 1.0

CONCENTRATE (Delivered to Warehouse)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY2017	F2017 Guidance
Copper (%)	28.2	26.6	28.9	27.5	**27.7**	26 – 28
Gold (g/t)	5.2	7.7	9.0	9.6	**8.0**	4.0 – 8.0
Dry Tonnes Produced	2,930	4,359	3,614	4,014	**14,907**	14,000 - 16,000
Saleable Copper Metal (tonnes)	794	1,112	1,004	1,061	**3,968**	3,800 - 4,200
Saleable Gold (ounces)	391	939	930	1,112	**3,357**	3,400 - 3,900

- For Q4 and the fiscal year the Nugget Pond copper and gold milling facility achieved record throughput for ore processed. The facility processed 97,997 dry metric tonnes ('dmt') at a feed grade of 1.17% copper and 0.65 g/t gold for the quarter with 339,631 dmt at 1.27% copper and 0.58 g/t gold for the 2017 fiscal year. The quarterly production included 17 days running at an average of 1,260 mtpd, confirming the Company's mill improvements should allow the facility to produce at a sustained rate at or greater than 1,250 mtpd.
- Recovery of metal to concentrate was 96.1% and 61.0% for copper and gold respectively for the quarter (95.6% and 60.7% for the 2017 fiscal year). Production of concentrate was 4,014 dmt containing saleable metal of 1,061 tonnes of copper and 1,112 ounces of gold. For the full year the operation produced 14,907 tonnes of concentrate containing saleable metal of 3,968 tonnes of copper and 3,357 ounces of gold.
- Revised guidance targets were met for mill throughput, copper and gold head grades and metal recovery to concentrate. Guidance for saleable metal produced was also met for copper and just under for gold.
- Rambler delivered on all of its safety targets during 2017. For the fiscal year there were no lost time incidents or medical aids, with the twelve-month rolling average lost time frequency rate remaining at 0%.
- Mine performance has shown significance improvements from Q4/17 compared to the same quarter in 2016. Mostly notably improvements include:
    - Daily development meters increased 33% (Q4/17: 12.1 m/ day, Q4/16: 9.1 m/ day)
    - Total material hauled increased 21% (Q4/17: 1,486 mtpd, Q4/16: 1,223 mtpd)
    - Backfill placed increased 53% (Q4/17: 286 mtpd, Q4/16: 187 mtpd)
    - Mine ore produced increase 38% (Q4/17: 1,061 mtpd, Q4/16: 767 mtpd)

OPERATIONAL SUMMARY (continued)

OUTLOOK

Management continues to pursue the following objectives:

➔ Finalize Phase II mine expansion with production sustained at 1,250 mtpd delivering improved grades from fiscal 2018 onward. Targeting grades between 1.3% to 1.5% Cu and 0.6 to 0.9 g/t Au in 2018 with copper grade continuing to improve as production moves further into the LFZ. As we continue to develop deeper into the LFZ, over the projected 20 year mine life, diamond drill results show that grades and mineralized thickness continue to strengthen at depth. At this time, it is expected that the mine will deliver 1,250 mtpd to the mill after completion of the underground ventilation upgrade in March 2018.

➔ Further evaluate the potential of a Phase III operation with increase in mine production and mill throughput to about 2,000 mtpd.

➔ Continuing with the underground exploration program to allow for further exploration of the mineralized trends both up-dip and down-dip with the goal to increase near-mine mine resource and reserves.

➔ Continue with the surface exploration diamond drilling program aimed to double the current plunge length of the known massive sulphide and LFZ mineralization.

FINANCIAL REVIEW

Fiscal 2017 (US$000's)	Commentary	Comparatives 2016 (US$000's)	B/ (W)*
28,324	**Revenue** of US$28.3 million was generated through the sale of 15,214 dmt of copper concentrate containing 4,026 tonnes of accountable copper metal and 3,410 ounces of accountable gold. This compared with revenue of US$28.0 million in 2016 generated through the sale of 15,239 dmt of copper concentrate containing 3,992 tonnes of saleable copper metal and 6,057 ounces of saleable gold.	28,021	*1%*
34,242	**Production costs** relate to the processing and mining costs associated with the Company's Ming Mine and include processing costs of US$5.6 million (2016: US$5.3 million), mining costs US$20.8 million (2016: US$17.0 million) and depreciation and amortisation of US$7.8 million (2016: US$7.3 million). The cost of production of pounds of copper increased during the year due to lower head grades compared to the previous year.	29,609	*(15)%*
3,441	**General and administrative expenses** were slightly higher than the previous year by US$0.3 million.	3,164	*(11)%*
-	**Provision for impairment** represents the provision for impairment on the Ming Mine of US$ nil (2016: US$11.3 million). Management have assessed that there are no indicators of impairment at the end of the year. This assessment considered financial and operating performance compared to forecasts, changes in the current market outlook regarding commodity prices and any changes in the current market cost of capital. The provision for impairment on the Ming Mine in the previous period was mainly because of the then current market outlook regarding commodity prices, foreign exchange rates and the current market cost of capital.	11,284	*100%*
2,015	**Gain on derivative financial instruments.** The Company realised a gain on derivative financial assets of $1,297,000, being the difference in the commodity prices at time of provisional invoicing, and actual commodity prices realised on final settlement of the shipment. An unrealised gain of $718,000 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.	1,327	*63%*
940	**Foreign exchange gains** arising on the Gold Loan increased in the year as a result of strengthening of the Canadian dollar against the US dollar during the period.	288	*226%*
1,296	**Income tax credit** The income tax credit is the deferred tax credit arising from the recognition of losses. The credit for 2016 includes an amount of US$1.5 million in respect of mining tax.	6,752	*(81)%*
5,278	**Mineral property** The Company incurred costs of US$5.3 million in the period which included labour costs of US$2.6 million and underground development costs of US$2.7 million. In 2016 the Company incurred costs of US$3.8 million in the year including labour of US$2.1 million and underground development costs of US$2.2 million offset by an adjustment of $0.5 million to the reclamation and closure provision.	3,766	*(40)%*
8,053	**Capital spending on property, plant and equipment** during the year included US$6.1 million spent on underground equipment and addition US$2.8 million was spent on assets under construction including ventilation upgrades and reclamation and closure works related directly to the Phase II expansion.	5,573	*(44)%*
1,020	**Capital spending on exploration and evaluation** in the year mainly related to the Board approved unbudgeted surface drilling program designed to test the down plunge continuity of the Lower Footwall Zone in support of the Phase III evaluation.	197	*(418)%*

***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**
Calendar 2017	Oct - Dec	Jul – Sep	Apr – Jun	Jan – Mar
Revenue	8,380	7,280	6,939	5,725
Profit/(loss) before tax	1,316	(1,905)	(949)	(3,906)
Net income/(loss)	686	(1,353)	(702)	(2,779)
Earnings/(loss) per Share (Basic & Diluted)	0.001	(0.003)	(0.001)	(0.005)
Fully allocated cost net of by-products (C3) per pound of saleable copper	3.09	4.10	3.53	4.57
Calendar 2016	Oct - Dec	Jul - Sep	Apr - Jun	Jan – Mar
Revenue	5,396	6,686	8,278	7,660
(Loss)/profit before impairment and tax	(4,423)	(3,256)	(1,490)	1,030
Net (loss) income	(1,565)	(10,794)	(1,050)	737
(Loss)/earnings per Share (Basic & Diluted)	(0.004)	(0.026)	(0.007)	0.005
Fully allocated cost net of by-products (C3) per pound of saleable copper	4.27	2.94	2.79	2.26

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 eight quarters 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

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. The financial statements have been prepared on a going concern basis which assumes that the Group will be able to realise its assets and settle its obligations in the normal course of business. The financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that would be necessary should the Group be unable to continue as a going concern. Such adjustments might be material.

The Group intends to fund its operations and growth from the operating cash flows of the Ming mine, and to the extent required, through the accessing of equity and debt markets and the proceeds from the exercise of warrants. Management believes that the Ming Mine will generate sufficient operating cash flows to support the day to day activities and future growth requirements of the business, but there is a risk that lower than forecast commodity prices or production issues will result in the need for additional financing.

Historically the Company has been successful in accessing equity and debt markets to finance the acquisition and development of the Ming Mine site, and management is currently finalising talks with a third party to obtain additional funding within the coming weeks. However, as this funding is not yet committed, it is not wholly within the Group's control and this represents a material uncertainty which casts significant doubt upon the Group's continued ability to operate as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Cash flows utilized in investing activities amounted to US$10.4 million for the year (2016: US$7.8 million). Cash of US$5.3 million (2016: US$3.8 million) was spent on the Company's Mineral Property, US$4.1 million (2016: US$3.0 million) was spent on property, plant and equipment, US$1.0 million (2016: US$0.2 million) on exploration at the Ming mine.

Cash flows generated from financing activities during the year amounted to US$10.2 million (2016: US$8.1 million) and included repayments of the gold loan of US$1.1 million (2016: US$2.4 million), finance lease repayments of US$2.6 million (2016: US$2.4 million) and advanced purchase facility repayments US$1.1 million (2016: US$2.1 million) and in 2017 offset by a receipt of US$4.0 million from an advanced purchase facility, US$1.0 million from CE II Mining Rambler Limited, US$0.6 million from government assistance and funds received, net of expenses, on issue of share capital of US$8.3 million (2016: 14.1 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$3.5 million (SY2017: US$3.2 million).

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.

<u>Financial Instruments</u>

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 24 of the financial statements for the year ended December 31, 2017.

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 to the Company totalling US$20 million in return for gold.

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 to Sandstorm 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$0.6 million (2016: US$3.0 million charged) was credited during the period.

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

Government Assistance

To date Company has received US$0.6 in interest free repayable contributions from a Canadian government agency. Contributions to a total of US$1.6 million are available in support of the Phase II expansion project for the mine. The contributions are repayable over eight years from May 2019.

The fair value of the contributions received calculated at a market interest rate of 10% have been classified as a financial liability with the difference between the fair value and the amount received credited against the cost of assets under construction.

Advance Purchase Agreement

During the year the Company repaid the balance of the advance purchase agreement originally signed in July 2015 and in December 2017 the Group entered into another amended and restated purchase agreement with Transamine Trading S.A. ("Transamine").

Pursuant to the terms of the Purchase Agreement, Transamine agreed to purchase in advance, at Rambler's option, up to US$4 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 Project.

The Company drew down US$4 million of Advance Purchase Payments on December 29, 2017.

At December 31, 2017 the balance was US$4 million. The loan is repayable by eighteen monthly instalments of US$222,222 plus interest at 6.75% per annum commencing June 28, 2018.

COMMITMENTS AND LOANS (CONTINUED)

The advance purchase payments of US$4 million have been accounted for as a financial liability carried at amortised cost.

Related party loan

In October 2017 the Company received a loan of US$1 million from CE Mining II Rambler Limited. The loan is unsecured, repayable by October 17, 2018 and carries interest at 9.5% per annum.

Finance lease balances

At December 31, 2017 the Company had finance lease commitments of US$4.6 million. The Company entered into finance lease commitments of US$2.2 million to finance the acquisition of underground mobile equipment during the period.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

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:

	Dec 31, 2017 US$'000	Five month period ended Dec 31, 2016 US$'000
Salary – executive		
N Williams	242	130
Fees – non-executive		
B A Mills	19	6
B Labatte	19	6
M V Sander	19	6
T I Ackerman	19	6
G Poulter	15	6
E C Chen	19	8
	352	168

Share options held by directors were as follows:	**At 31.12.17 No. '000**	At 31.12.16 No. '000
N Williams[1]	4,575	4,575
	4,575	4,575

[1] 100,000 options at an exercise price of US$0.71 expiring on July 7, 2018, 75,000 options at an exercise price of US$0.13 expiring on November 10, 2018, 250,000 options at an exercise price of US$0.37 expiring on May 7, 2020, 750,000 options at an exercise price of US$0.37 expiring on February 19, 2024 and 3,400,000 options at an exercise price of US$0.06 expiring on August 22, 2021.

Total key management personnel compensations were as follows:

	Dec 31, 2017	Five month period ended Dec 31, 2016
	$'000	$'000
Short term employee benefits	508	253
Social security costs	26	16
Share based payments	58	20
	592	289

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 Inc.	Common	100%	Exploration	Canada

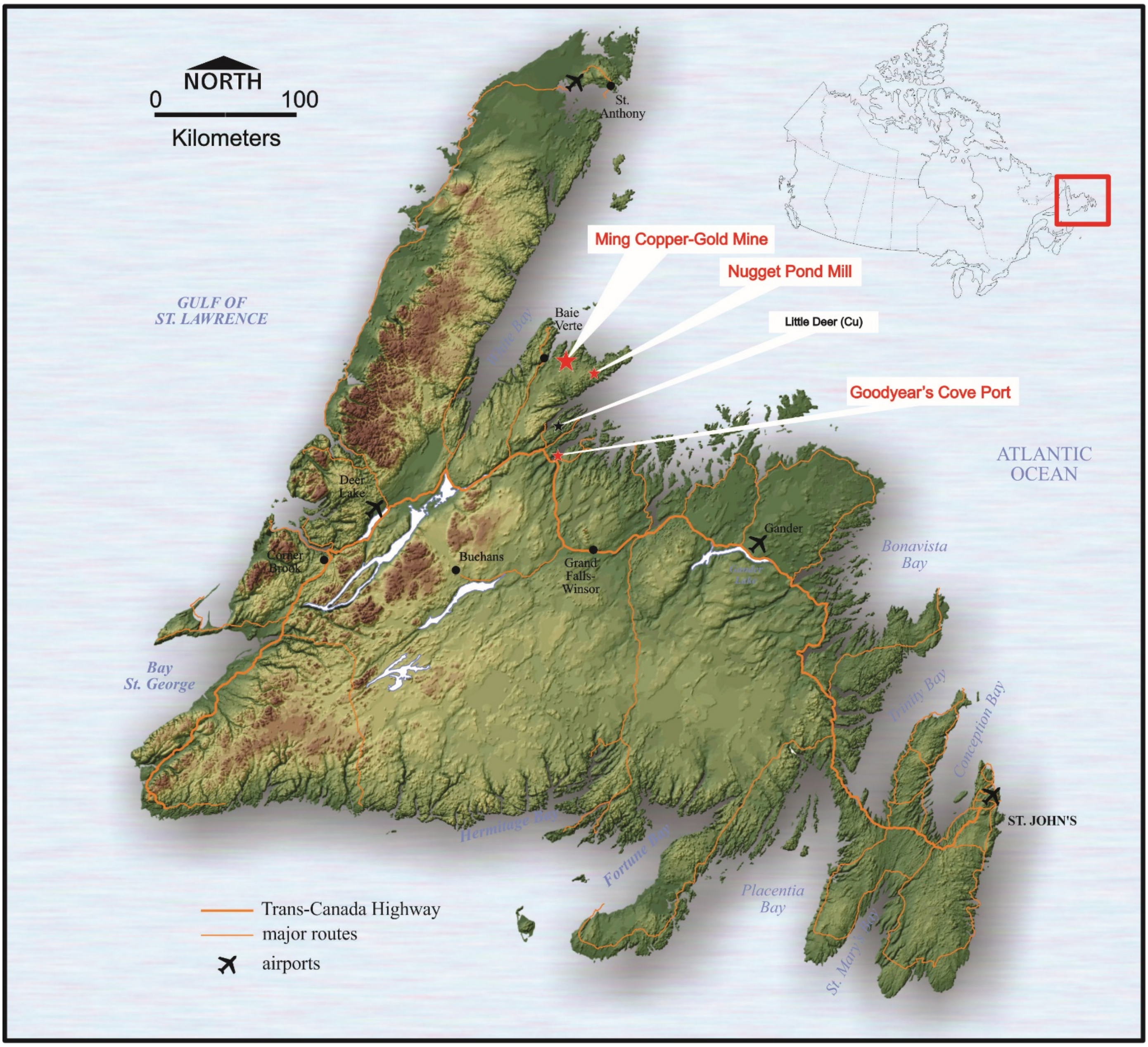
The registered address of Rambler Mines Limited is Salatin House, 19 Cedar Road, Sutton, Surrey SM2 5DA, England and for the two Canadian subsidiaries the registered address is P.O. Box 610, Baie Verte, NL, Canada A0K 1B0.

CE Mining II Rambler Limited, a controlling shareholder of the Company, holds 65,000,000 warrants which equates to US$859,000.

Ultimate and controlling party

CE Mining II Rambler Limited is the ultimate and controlling party of the Company.

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)*	**Period ended**			
	Year to Dec 31, 2017	**Year to Dec 31, 2016**	**5 months to Dec 31, 2016**	**Year to July 31, 2016**
Concentrate sales (dmt)	15,214	15,239	5,106	17,048
Average provisional price ($ per tonne Cu, Ag & Au concentrate)	1,931	1,783	1,796	1,772
Average revenue per pound of Cu ($)	2.79	2.17	2.22	2.20
Revenue	28,324	28,021	9,680	30,378
Production Expenses	(26,444)	(29,609)	(12,782)	(28,508)
Exploration Expenditure	(6)	(32)	(14)	(26)
Administrative expenses	(3,441)	(3,165)	(1,299)	(2,899)
Impairment charge	-	(11,268)	-	(11,268)
Net (loss) income	(4,148)	(12,672)	(2,745)	(12,806)
Cash Flow generated from operating activities	1,322	2,000	(947)	4,808
Cash Flow used in investing activities	(10,358)	(6,125)	(3,302)	(7,702)
Cash Flow from (used in) financing activities	10,190	6,436	(2,264)	9,138
Net increase (decrease) in cash	1,154	2,311	(6,513)	6,244
Cash and cash equivalents at end of period	3,351	2,156	2,156	8,929
Total Assets	97,142	82,491	82,491	87,255
Total Liabilities	(32,710)	(26,122)	(26,122)	(25,569)
Working Capital	(5,576)	(3,214)	(3,214)	2,412
Weighted average number of shares outstanding (000s)	532,673	414,290	414,290	191,132
Earnings (loss) per share ($US)	(0.008)	(0.007)	(0.007)	(0.067)

APPENDIX 3 - FINANCIAL REVIEW FOR THE YEAR ENDED DECEMBER 31, 2017

Q4/17 Results (US$000's)	Commentary	Comparatives Q3/17	*B/ (W)**	Q4/16	B/ (W)
8,380	**Revenue** of US$8.4 million in Q4/17 was generated through the sale of 3,984 dmt of copper concentrate containing 1,049 tonnes of saleable copper metal and 1,137 ounces of saleable gold compared with US$7.3 million from the sale of 3,681 dmt of copper concentrate in Q3/17. The increase in revenue reflects higher copper prices. Revenue in Q4/16 was generated through the sale of 2,599 dmt of copper concentrate containing 670 tonnes of saleable copper metal and 863 ounces of saleable gold.	7,280	*15%*	5,396	*55%*
7,058	**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$1.6 million (Q3/17: US$1.4 million, Q4/16: US$1.3 million) and US$5.5million (Q3/17: US$5.3 million, Q4/16: US$4.9 million) respectively.	6,728	*(5)%*	6,225	*(13)%*
1,010	**General and administrative expenses** were higher than the previous quarter by US$280,000 due mainly to increased legal and professional and marketing expenses. The costs were in line with Q4/16 which were net of US$172,000 of other income.	730	*(38)%*	793	*(27)%*
1,051	**Gain on derivative financial instruments**. During the quarter the net unrealised fair value gain adjustment recognized was US$752,000 being the difference in the commodity prices at time of provisional invoicing and anticipated commodity prices upon final settlement. In addition there was a realised gain of US$299,000 on the final settlement of the Company's sixteenth concentrate shipment. During Q3/17 the net unrealised fair value loss adjustment recognized was $384,000 being the difference in the commodity prices at time of provisional invoicing and anticipated commodity prices upon final settlement offset by a realised gain of US$1,203,000 on the second provisional invoice for the Company's sixteenth concentrate shipment. During Q4/16 the net unrealised fair value loss adjustment recognized was US$117,000 being the difference in the commodity prices at time of provisional invoicing and anticipated commodity prices upon final settlement offset by a realised gain of US$1,155,000 on the final settlement of the Company's fourteenth concentrate shipment..	819	*28%*	1,038	*1%*
(71)	**Foreign exchange differences** arising on the Gold Loan resulted in a loss in Q417 as a result of the weakening of the Canadian dollar against the US dollar during the period.	460	*(115)%*	(373)	*81%*
(630)	**Income tax credit/(expense).** A deferred tax expense of US$0.6 million was recognised on the result for the quarter. This compares with a credit of US$0.6 million in Q3/17 and a credit of US$2.9 million for Q4/16 which included a credit of US$1.5 million in respect of mining tax.	552	*(214)%*	2,859	*(122)%*

APPENDIX 3 - FINANCIAL REVIEW FOR THE YEAR ENDED DECEMBER 31, 2017 (continued)

Q4/17 Results (US$000's)	Commentary	Comparatives			
		Q3/17	*B/ (W)**	Q4/16	B/ (W)
1,034	**Mineral property** The Company incurred US$1 million in the quarter. The cost includes labour costs of US$0.5 million and underground development costs of US$0.5 million. The costs were lower than in Q3/17 due to lower capital development meters in the quarter. In Q4/16 **t**he 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.	1,792	*42%*	1,013	*(2)%*
2,306	**Capital spending on property, plant and equipment** increased by US$1.3 million during the quarter compared to Q3/17 and included the purchase of underground equipment.	994	*(132)%*	1,344	*(72)%*
258	**Capital spending on exploration and evaluation costs** in Q4/17 mainly relates to the surface drilling in the Ming mine's Lower Footwall Zone..	509	*49%*	-	*N/a%*

***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 December 31, 2017:

Cash Operating Cost *All amounts in 000s of US Dollars except pounds of saleable copper*	**3 months to Dec 31, 2017**		**3 months to Sept 30, 2017**		**3 months to Dec 31, 2016**		**Year to Dec 31, 2017**		**12 months to Dec 31, 2016**	
Production Costs per Financial Statements	**$**	**7,058**	$	6,728	$	6,225	**$**	**26,444**	$	22,345
Cash Production Costs	**$**	**7,058**	$	6,728	$	6,225	**$**	**26,444**	$	22,345
On-site general administration costs	**$**	**622**	$	510	$	312	**$**	**2,173**	$	1,572
By-product credits	**$**	**(1,119)**	$	(868)	$	(990)	**$**	**(3,224)**	$	(5,892)
Net direct cash costs (C1)	**$**	**6,561**	$	6,370	$	5,547	**$**	**25,393**	$	18,025
Pounds of saleable copper		**2,312**		2,216		1,855		**8,876**		9,180
C1 cost per pound of saleable copper	**$**	**2.84**	$	2.87	$	2.99	**$**	2.86	$	1.96

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*		**3 months to Dec 31, 2017**		**3 months to Sept 30, 2017**		**3 months to Dec 31, 2016**		**Year to Dec 31, 2017**		**12 months to Dec 31, 2016**
Net direct cash costs (see above)	**$**	**6,561**	$	6,370	$	5,547	**$**	**25,393**	$	18,025
Depreciation and amortisation		**1,321**		2,350		1,773		**7.824**		7,321
Corporate Cash Expense		**303**		236		481		**1,061**		1,536
Cash Interest Expense		**151**		129		114		**463**		487
Fully allocated costs (C3 cost)	**$**	**7,147**	$	9,085	$	7,915	**$**	**34,741**	$	27,369
Pounds of saleable copper		**2,312**		2,216		1,855		**8,876**		9,180
C3 cost per pound of saleable copper	**$**	**3.09**	$	4.10	$	4.27	**$**	**3.91**	$	2.98

APPENDIX 4 - NON-GAAP FINANCIAL MEASURES (continued)

Earnings before interest, tax and depreciation *All amounts in 000s of US Dollars*	**3 months to Dec 31, 2017**	**3 months to Sept 30, 2017**	**3 months to Dec 31, 2016**	**12 months to Dec 31, 2017**	**12 months to Dec 31, 2016**
Profit/(loss) after tax per Financial statements	**$ 686**	$ (1,353)	$ (1,565)	**$ (4,148)**	$ (12,672)
Impairment charge			-	**-**	11,284
Taxation	**630**	(552)	(2,859)	**(1,296)**	(6,752)
Net interest	**(1,340)**	664	1,692	**(187)**	5,434
Depreciation and amortisation	**1,321**	2,350	1,773	**7,824**	7,321
EBITDA	**$ 1,297**	$ 1,109	$ (959)	**$ 2,193**	$ 4,615

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 period.

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 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. The financial statements have been prepared on a going concern basis which assumes that the Group will be able to realise its assets and settle its obligations in the normal course of business. The financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that would be necessary should the Group be unable to continue as a going concern. Such adjustments might be material.

The Group intends to fund its operations and growth from the operating cash flows of the Ming mine, and to the extent required, through the accessing of equity and debt markets and the proceeds from the exercise of warrants. Management believes that the Ming Mine will generate sufficient operating cash flows to support the day to day activities and future growth requirements of the business, but there is a risk that lower than forecast commodity prices or production issues will result in the need for additional financing.

Historically the Company has been successful in accessing equity and debt markets to finance the acquisition and development of the Ming Mine site, and management is currently finalising talks with a third party to obtain additional funding within the coming weeks. However, as this funding is not yet committed, it is not wholly within the Group's control and this represents a material uncertainty which casts significant doubt upon the Group's continued ability to operate as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

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 December 31, 2017.

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 22 of the financial statements for the year ended December 31, 2017). 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.

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.

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.

APPENDIX 5 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

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 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 2017. 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 December 31, 2017:

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	Accounting policy will be updated to reflect requirements of IFRS 16	January 1, 2019	January 1, 2019

IFRS 15 'Revenue from Contracts with Customers' was issued by the IASB in May 2014. It is effective for accounting periods beginning on or after 1 January 2018. The new standard will replace existing accounting standards, and provides enhanced detail on the principle of recognising revenue to reflect the transfer of goods and services to customers at a value which the company expects to be entitled to receive. The standard also updates revenue disclosure requirements. The directors have carefully considered the potential effects in the context of the group's revenues and have concluded that on adoption there will be no significant changes to the way in which the group's performance obligations to customers are identified or deemed to be satisfied and, therefore, no material impact on the revenues recognised in the financial statements.

IFRS 9 was published in July 2014 and will be effective from 1 January 2018. It is applicable to financial assets and financial liabilities, and covers the classification, measurement, impairment and de-recognition of financial assets and financial liabilities together with a new hedge accounting model. The directors have carefully considered the potential effect of the implementation of IFRS9 and the current expectation is that it is unlikely to have a material impact on the classification, measurement, impairment and de-recognition of the Group's financial assets and liabilities.

IFRS 16 'Leases' – IFRS 16 'Leases' was issued by the IASB in January 2016 and is effective for accounting periods beginning on or after 1 January 2019. The new standard will replace IAS 17 'Leases' and will eliminate the classification of leases as either operating leases or finance leases and, instead, introduce a single lessee accounting model. The Standard Provides a single lessee accounting model, specifying how leases are recognised, measured, presented and disclosed. The Group does not expect any significant changes to the accounting treatment of its existing lease arrangements and the Directors do not consider that the financial and operational impact of this standard, will have a material impact but are continuing to assess the impact of this new standard.

Details of the main accounting policies of the Company are included in note 2 of the financial statements for the year ended December 31, 2017.

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	549,289,702	--
Warrants	65,000,000	US$0.064
Options	13,247,000*	US$0.13

*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 December 31, 2017. 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.

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.

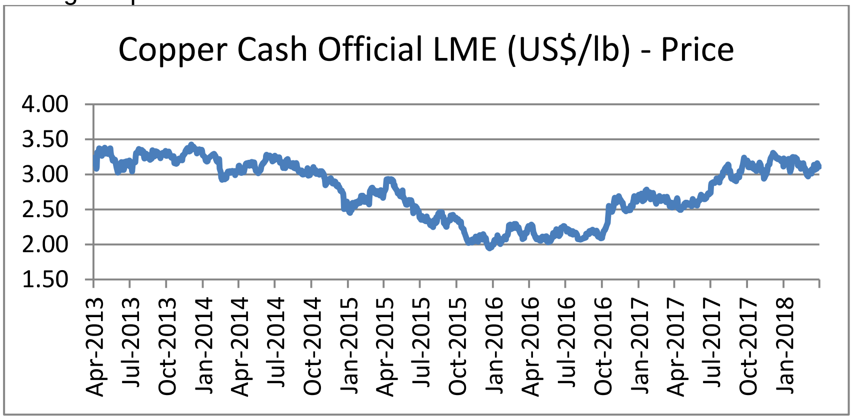
Mining risks
Mining operations are inherently risky. These operations are subject to all hazards and risks encountered in the exploration, development and production of mineralization in an underground setting. These include but are not limited to formation pressures, seismic activity, rock bursts, fires, 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 improved since the last financial reporting period end and the Company has not made any further provision for impairment during the period.



STRATEGIC REPORT FOR THE YEAR ENDED DECEMBER 31, 2017

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

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.

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. Should any additional equity financing be required this 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

April 30, 2018

REPORT OF THE DIRECTORS FOR THE YEAR ENDED DECEMBER 31, 2017

The Directors present their report with the audited financial statements of the Company for the year ended December 31, 2017.

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
E C Chen
B Labatte
B A Mills
G R Poulter
M V Sander
N P Williams

DIVIDENDS

No dividends will be distributed for the year ended December 31, 2017.

SUBSTANTIAL SHARE INTERESTS

At April 27, 2018 the parent company was aware of the following substantial share interests:

	Number of Ordinary Shares	% of Share Capital
CE Mining II Rambler	396,363,636	72.10
Compagnie Odier SCA	31,793,340	5.78
CI Financial	27,636,906	5.03
Tinma International Ltd.	22,736,992	4.14

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 24 to the financial statements.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED DECEMBER 31, 2017 (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

Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

AUDITOR

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P Mercer
Company Secretary

April 30, 2018

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report 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 are required to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European and have also chosen to prepare the parent company financial statements under IFRSs as adopted by the EU. Under company law the directors must not approve the accounts 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 and company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement
We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;
- the strategic report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's position and performance, business model and strategy.

This responsibility statement was approved by the board of directors on 27 April 2018 and is signed on its behalf by:

Norman Williams
Chief Executive Officer
April 30, 2018

Report on the audit of the financial statements

Opinion

In our opinion:

- **the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2017 and of the group's loss for the year then ended;**
- **the group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and IFRSs as issued by the International Accounting Standards Board (IASB);**
- **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.**

We have audited the financial statements of Rambler Metals and Mining PLC (the 'parent company') and its subsidiaries (the 'group') 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 flow; and
- the related notes 1 to 26 to the group financial statements and notes C1 to C7 to the parent company financial statements.

The financial reporting framework that has been applied in their preparation is applicable law and 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 2 in the financial statements, which indicates that there is a risk that lower than forecast commodity prices or production issues will result in the need for the Group to obtain additional financing for the development of the Ming Mine site.

In response to this, we have evaluated the design and implementation of key internal controls over management's assessment of going concern.

In addition, we performed the following procedures:

- Tested the clerical accuracy of management's cash flow forecast and agreed key assumptions to supporting evidence;
- Considered the historical accuracy of forecasts prepared by management;
- Considered the ability of the group to meet production figures forecast by the latest N143-101 technical report, especially in light of actual production in the first quarter of the year; and
- Understood the impact of a range of reasonable sensitivities on the forecast headroom.

As stated in note 2, these events or conditions, along with the other matters as set forth in note 2 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the group's and the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Impairment of in-production and development assets; and • Going concern (see material uncertainty relating to going concern section above).
Materiality	The materiality for the group financial statements as a whole was set at $950,000. This was determined with reference to a benchmark of 1.5% of the net assets of the group.
Scoping	We have performed full-scope audit procedures for the significant entities Rambler Metals & Mining Canada and Rambler Metals & Mining PLC which constitutes 97% of the group's Net Assets and 100% of the group's Revenue.
Significant changes in our approach	This is the first year that Deloitte have audited Rambler Metals & Mining PLC.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the material uncertainty relating to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of in-production and development assets	
Key audit matter description	At December 31, 2017 in-production and development assets are carried at $38.8 million and $3.4 million respectively and the in-production Ming Mine is carried net of significant impairment provisions previously recorded. IAS36 requires that for assets other than goodwill, where there has been a positive change in the estimates used to determine an asset's recoverable amount since an impairment loss was recognized, the impairment loss shall be reversed. The impairment assessment is an inherently judgemental process that requires the estimation of several key assumptions. As a consequence of the continued volatility in the forecast gold price, the assessment of the recoverable amount of in-production and development assets in accordance with IAS36 "Impairment of Assets" or IFRS6 "Exploration for and Evaluation of Mineral Resources" is a key audit matter. The accounting policies for impairment and impairment reversal are set out in note 2 to the financial statements.

How the scope of our audit responded to the key audit matter	We have evaluated the design and implementation of entity level controls over the impairment assessment process for in-production mining and development assets. We have reviewed and challenged management's assessment as to whether indicators of impairment or impairment reversal exist. For development assets we have assessed whether mining licenses and permits remain in good standing and management continues to incur expenditure in respect of the project. Where indicators have been identified in respect of in-production assets we obtained copies of the valuation models and performed the following procedures: • Determined that mining licenses and permits remain in good standing; • Reviewed the forecasts within the models and assessed the historical accuracy of management's forecasting process by comparing current year actual performance to prior year budgets; • Reviewed and challenged the most recent N43-101 technical report against management's production plans and capital and operating forecasts. We have also assessed the competence, capability and objectivity of management's expert; • Independently tested key macro assumptions including the forecast gold and copper prices and foreign exchange rates; and • Utilized internal Deloitte valuation specialists to evaluate the Group's cost of capital.
Key observations	We concur with the key assumptions used by Management including the forecast gold price and discount rate although these are at the conservative end of our acceptable range. We concur with Management's assessment that at the reporting date the carrying value of in-production mining asset is supported by its value in use, and no impairment or impairment reversal is required. We did not identify any audit adjustments that warranted reporting to the Audit Committee.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	$950,000 (2016: $145,000)	$807,500 (2016: £23,000)
Basis for determining materiality	1.5% of net assets	1.25% of net assets
Rationale for the benchmark applied	We consider net assets to be an appropriate basis for materiality as the users of the financial statements will be most interested in balance sheet based metrics whilst the Group's operations are still evolving, and the income statement does not	We consider net assets to be an appropriate basis for materiality for the Company as it acts as a holding company for the group.

	fully reflect the size and scale of the business.	

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of $47,500 for the group and $40,375 for the parent company, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

We have performed full-scope audit procedures for the significant entities Rambler Metals & Mining Canada and Rambler Metals & Mining PLC which constitutes 97% of the group's Net Assets and 100% of the group's Revenue. The component materiality for Rambler Metals & Mining Canada and Rambler Metals & Mining PLC were both set at $807,500. As the operations are principally based out of St John's, Canada, we have focused our audit work in this geographical area. The senior statutory auditor visited St. John's during the year end audit.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:
- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and or the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:
- we have not received all the information and explanations we require for our audit; or
- 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.

We have nothing to report in respect of these matters.

Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

Paul Barnett

Paul Barnett FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK
April 30, 2018

RAMBLER METALS AND MINING PLC

CONSOLIDATED INCOME STATEMENT

For the Year Ended December 31, 2017
(EXPRESSED IN US DOLLARS)

	Note	Year to 31 December 2017 US$'000	Five months to 31 December 2016 US$'000	Year to 31 December 2016 US$'000
Revenue	*4*	28,324	9,680	28,021
Production costs		(26,444)	(9,845)	(22,344)
Depreciation and amortisation		(7,798)	(2,937)	(7,322)
Gross loss		(5,918)	(3,102)	(1,645)
Administrative expenses		(3,441)	(1,299)	(3,107)
Exploration expenses		(6)	(14)	(32)
Operating loss before impairment		(9,365)	(4,415)	(4,784)
Impairment charge		-	-	(11,284)
Operating loss after impairment	*5*	(9,365)	(4,415)	(16,068)
Exchange gain/(loss)		940	(452)	288
Bank interest receivable		43	17	30
Profit on disposal of available for sale investments		779	451	463
Gain on derivative financial instruments	*7*	2,015	1,504	1,327
Net finance costs	*8*	144	(3,176)	(5,464)
Net expense		3,921	(1,656)	(3,356)
Loss before tax		(5,444)	(6,071)	(19,424)
Income tax credit	*9*	1,296	3,326	6,752
Loss for the period		(4,148)	(2,745)	(12,672)

Loss per share

	Note	Year to 31 December 2017 US$	Five months to 31 December 2016 US$	Year to 31 December 2016 US$
Basic loss per share	*20*	(0.008)	(0.007)	(0.032)
Diluted loss per share	*20*	(0.008)	(0.007)	(0.032)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended December 31, 2017
(EXPRESSED IN US DOLLARS)

	Year to 31 December 2017 US$'000	5 Months to 31 December 2016 US$'000	Year to 31 December 2016 US$'000
Loss for the period	(4,148)	(2,745)	(12,672)
Other comprehensive income			
Items that may be reclassified into profit or loss			
Exchange differences on translation of foreign operations (net of tax)	4,165	(1,993)	491
Disposal of available for sale investment (net of tax)	(250)	(383)	-
(Loss)/gain on available for sale investment (net of tax)	(140)	(216)	619
Other comprehensive gain/(loss) for the period	3,775	(2,592)	1,110
Total comprehensive loss for the period	(373)	(5,337)	(11,562)

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2017
(EXPRESSED IN US DOLLARS)

	Note	31 December 2017 US$'000	31 December 2016 US$'000
Assets			
Intangible assets	*10*	3,397	2,169
Mineral property	*11*	38,834	34,453
Property, plant and equipment	*12*	28,443	23,056
Available for sale investments	*13*	610	1,333
Deferred tax	*9*	13,851	11,545
Restricted cash	*18*	3,530	3,243
Total non-current assets		88,665	75,799
Inventory	*14*	2,467	2,496
Trade and other receivables	*15*	829	1,284
Derivative financial asset	*16*	1,830	756
Cash and cash equivalents	*17*	3,351	2,156
Total current assets		8,477	6,692
Total assets		97,142	82,491
Equity			
Issued capital	*19*	8,061	6,374
Share premium	*19*	89,309	81,442
Share warrants reserve	*19*	859	2,089
Merger reserve	*19*	180	180
Translation reserve	*19*	(14,584)	(18,749)
Fair value reserve	*19*	86	476
Retained profits		(19,479)	(15,443)
Total equity		64,432	56,369
Liabilities			
Interest-bearing loans and borrowings	*22*	16,696	14,412
Provision	*23*	1,961	1,804
Total non-current liabilities		18,657	16,216
Interest-bearing loans and borrowings	*22*	6,739	4,814
Trade and other payables	*21*	7,314	5,092
Total current liabilities		14,053	9,906
Total liabilities		32,710	26,122
Total equity and liabilities		97,142	82,491

ON BEHALF OF THE BOARD:

N P Williams
Director
Approved and authorised for issue by the Board on April 30, 2018

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, 2016	6,374	81,455	2,089	180	(16,756)	1,075	(12,731)	61,686
Comprehensive income								
Loss for the year	-	-	-	-	-	-	(2,745)	(2,745)
Foreign exchange translation differences	-	-	-	-	(1,993)	-	-	(1,993)
Disposal of available for sale investment (net of tax)	-	-	-	-	-	(383)	-	(383)
Gain on available for sale investments (net of tax)	-	-	-	-	-	(216)	-	(216)
Total other comprehensive income	-	-	-	-	(1,993)	(599)	-	(2,592)
Total comprehensive (loss)/income for the year	-	-	-	-	(1,993)	(599)	(2,745)	(5,337)
Transactions with owners								
Share issue expenses	-	(13)		-	-	-	-	(13)
Share-based payments	-	-		-	-	-	33	33
Transactions with owners	-	(13)		-	-	-	33	20
Balance at December 31, 2016	6,374	81,442	2,089	180	(18,749)	476	(15,443)	56,369
Balance at January 1, 2017	6,374	81,442	2,089	180	(18,749)	476	(15,443)	56,369
Comprehensive income								
Loss for the period	-	-	-	-	-	-	(4,148)	(4,148)
Foreign exchange translation differences	-	-	-	-	4,165	-	-	4,165
Disposal of available for sale investment (net of tax)	-	-	-	-	-	(240)	-	(240)
Gain on available for sale investments (net of tax)	-	-	-	-	-	(150)	-	(150)
Total other comprehensive income	-	-	-	-	4,165	(390)	-	3,775
Total comprehensive income/(loss) for the period	-	-	-	-	4,165	(390)	(4,148)	(373)
Transactions with owners								
Issue of share capital (note 19)	1,687	7,979	(1,230)	-	-	-	-	8,436
Share issue expenses	-	(112)		-	-	-	-	(112)
Share-based payments	-	-		-	-	-	112	112
Transactions with owners	1,687	7,867	(1,230)	-	-	-	112	8,436
Balance at December 31, 2017	8,061	89,309	859	180	(14,584)	86	(19,479)	64,432

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2017
(EXPRESSED IN US DOLLARS)

	31 December 2017 $'000	5 months to 31 December 2016 $'000	Year to 31 December 2016 $'000
Cash flows from operating activities			
Operating loss	(9,365)	(4,415)	(16,068)
Depreciation and amortisation	7,824	2,927	7,308
Gain on disposal of property, plant and equipment	-	(12)	(12)
Provision for impairment	-	-	11,268
Share based payments	112	33	45
Foreign exchange difference	(259)	(126)	(1,996)
Decrease/(increase) in inventory	29	(114)	(842)
Decrease/(increase) in debtors	455	(685)	(81)
Decrease in derivative financial instruments	941	1,335	1,530
Increase/(decrease) in creditors	1,961	232	(200)
Cash generated from operations	1,698	(825)	952
Interest paid	(376)	(122)	(275)
Net cash generated from operating activities	1,322	(947)	677
Cash flows from investing activities			
Interest received	43	17	30
Acquisition of bearer deposit note	-	-	(844)
Acquisition of subsidiary net of cash	-	-	(49)
Acquisition of evaluation and exploration assets	(1,020)	-	(197)
Acquisition of Mineral property – net	(5,277)	(1,673)	(3,766)
Acquisition of property, plant and equipment	(4,103)	(1,676)	(2,974)
Disposal of property, plant and equipment	-	30	30
Net cash utilised in investing activities	(10,357)	(3,302)	(7,770)
Cash flows from financing activities			
Issue of share capital (note 19)	8,436	-	15,106
Share issue expenses	(112)	(13)	(909)
Disposal of available for sale investments	1,103	783	783
Loans received (note 22)	5,598	-	-
Repayment of Gold Loan (note 22)	(1,105)	(1,255)	(2,411)
Repayment of Loans	(1,137)	(913)	(2,093)
Capital element of finance lease payments	(2,593)	(866)	(2,365)
Net cash utilised in financing activities	10,190	(2,264)	8,111
Net increase/(decrease) in cash and cash equivalents	1,155	(6,513)	1,018
Cash and cash equivalents at beginning of period	2,156	8,929	1,166
Effect of exchange rate fluctuations on cash held	40	(260)	(28)
Cash and cash equivalents at end of period	3,351	2,156	2,156

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Nature of operation and going concern

The principal activity of the Company and its subsidiaries ("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 4 to 26. In addition, notes 19 and 24 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.

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. The financial statements have been prepared on a going concern basis which assumes that the Group will be able to realise its assets and settle its obligations in the normal course of business. The financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that would be necessary should the Group be unable to continue as a going concern. Such adjustments might be material.

The Group intends to fund its operations and growth from the operating cash flows of the Ming mine, and to the extent required, through the accessing of equity and debt markets and the proceeds from the exercise of warrants. Management believes that the Ming Mine will generate sufficient operating cash flows to support the day to day activities and future growth requirements of the business, but there is a risk that lower than forecast commodity prices or production issues will result in the need for additional financing.

Historically the Company has been successful in accessing equity and debt markets to finance the acquisition and development of the Ming Mine site, and management is currently finalising talks with a third party to obtain additional funding within the coming weeks. However, as this funding is not yet committed, it is not wholly within the Group's control and this represents a material uncertainty which casts significant doubt upon the Group's continued ability to operate as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

2 Significant accounting policies

Rambler Metals and Mining Plc (the "Company") is a public company limited by shares registered in England and Wales. The Company changed its fiscal year in 2016 from July 31 to December 31. The current reporting period is for the twelve month period from January 1, 2017 to December 31, 2017 with comparatives for the five months period August 1, 2016 to December 31, 2016 as required by UK law and, additionally, for the twelve months from January 1, 2016 to December 31, 2016 as required by Canadian Securities Law. The consolidated financial statements of the Company for the year ended December 31, 2017 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 2017. None of the new and revised Standards and Interpretations adopted had a material impact in the year.

The Group has not adopted any standards or interpretations in advance of the required implementation dates. It is not expected that adoption of standards or interpretations which have been issued by the International

2 Significant accounting policies (continued)

(a) Statement of compliance (continued)

Accounting Standards Board but have not been adopted will have a material impact on the financial statements.

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	Accounting policy will be updated to reflect the requirements of IFRS 16	January 1, 2019	January 1, 2019

IFRS 15 'Revenue from Contracts with Customers' was issued by the IASB in May 2014. It is effective for accounting periods beginning on or after 1 January 2018. The new standard will replace existing accounting standards, and provides enhanced detail on the principle of recognising revenue to reflect the transfer of goods and services to customers at a value which the company expects to be entitled to receive. The standard also updates revenue disclosure requirements. The directors have carefully considered the potential effects in the context of the group's revenues and have concluded that on adoption there will be no significant changes to the way in which the group's performance obligations to customers are identified or deemed to be satisfied and, therefore, no material impact on the revenues recognised in the financial statements.

IFRS 9 was published in July 2014 and will be effective from 1 January 2018. It is applicable to financial assets and financial liabilities, and covers the classification, measurement, impairment and de-recognition of financial assets and financial liabilities together with a new hedge accounting model. The directors have carefully considered the potential effect of the implementation of IFRS9 and the current expectation is that it is unlikely to have a material impact on the classification, measurement, impairment and de-recognition of the Group's financial assets and liabilities.

IFRS 16 'Leases' – IFRS 16 'Leases' was issued by the IASB in January 2016 and is effective for accounting periods beginning on or after 1 January 2019. The new standard will replace IAS 17 'Leases' and will eliminate the classification of leases as either operating leases or finance leases and, instead, introduce a single lessee accounting model. The Standard Provides a single lessee accounting model, specifying how leases are recognised, measured, presented and disclosed. The Group does not expect any significant changes to the accounting treatment of its existing lease arrangements and the Directors do not consider that the financial and operational impact of this standard, will have a material impact but are continuing to assess the impact of this new standard..

(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 December 31, 2017 the closing rate of exchange of US dollars to 1 GB pound was 1.35 (December 31, 2016: 1.23) and the average rate of exchange of US dollars to 1 GB pound for the year was 1.28 (for the five months to December 31, 2016: 1.33).

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.

2 Significant accounting policies (continued)

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

(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.

2 Significant accounting policies (continued)

(e) Property, plant and equipment (continued)

(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.

(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.

2 Significant accounting policies (continued)

(h) Available for sale investments

Available for sale investments are recognised at fair value with changes in value recorded in other comprehensive income. Subsequent to initial recognition available-for-sale financial assets are stated at fair value. Movements in fair values are recognised in other comprehensive income, with the exception of impairment losses which are recognised in profit or loss. Fair values are based on prices quoted in an active market if such a market is available. If an active market is not available, the 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.

(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(t)), 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.

2 Significant accounting policies (continued)

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

(i) Calculation of recoverable amount

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

(ii) Reversals of impairment

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

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

(n) Financial liabilities and equity

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

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

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.

2 Significant accounting policies (continued)

(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.

(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.

Mining taxes and royalties are treated and disclosed as current and deferred taxes if they have the characteristics of an income tax.

(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 16)
- Available for sale investments (note 13)

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

3. Critical judgements and accounting estimates

(a) Critical judgements in applying the Company's accounting policies

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 judgements in applying the Company's accounting policies,

Going concern

Judgements are necessary in applying the going concern basis in the preparation of the Company's financial statements in respect of the Company's ability to continue as a going concern for a period of at least 12 months from the date of signing the current period's report.

Mineral Property, Property, Plant and Equipment and Exploration and Evaluation Costs

Notes 2(g) and 2(m) describe the judgements necessary to implement the Company's policy with respect to the carrying value of the Company's mineral property and exploration and evaluation costs. Management considers these assets for impairment at least annually with reference to the following indicators:

Reviewing the financial performance compared to forecast;
Reviewing the key production and milling statistics to forecast;
Reviewing the commodity price forecasts against assumptions in the previous impairment model; and
Considering any significant changes to the cost of capital.

Judgements necessary for the amortisation of the mineral property, closure costs, share-based payments, Gold Loan, Revenue and Available for Sale Investments are described in the relevant accounting policies in Note 2.

(b) Key sources of estimation uncertainty

The Company uses 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.

3. Critical judgement and accounting estimates (continued)

(b) Key sources of estimation uncertainty (continued)

Mineral Property, Property, Plant and Equipment and Exploration and Evaluation Costs

The directors have assessed whether there are any indicators of impairment in respect of mineral property, property, plant and equipment and exploration and evaluation costs totalling US$70.6 million. In making this assessment they have considered the Group's business plan which includes resource estimates, future processing capacity, future exchange rates, the forward market and longer term price outlook for copper and gold and assumptions regarding weighted average cost of capital. 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.

Amortisation of Mineral Property

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

Closure costs

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

Share-based payments

The Group calculates the cost of share based payments using the Black-Scholes model. Inputs into the model in respect of the expected option/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 22).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.

3. Critical judgement and accounting estimates (continued)

(b) Key sources of estimation uncertainty (continued)

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 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.

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

	Year to Dec 31, 2017			Five months to Dec 31, 2016		
	UK	**Canada**	**Consolidated**	UK	Canada	Consolidated
	US$'000	**US$'000**	**US$'000**	US$'000	US$'000	US$'000
Revenue	-	28,324	28,324	-	9,680	9,680
Non-current assets	1,680	86,788	88,468	1,429	74,370	75,799

Information about major customers

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

	Year to Dec 31, 2017	*5 months to Dec 31, 2016*
	US$'000	US$'000
Customer A	28,324	9,680
	28,324	9,680

5. Operating loss

The operating loss is after charging:

	Year to Dec 31, 2017 US$'000	5 months to Dec 31, 2016 US$'000
Depreciation – owned assets	4,469	1,483
Gain on disposal of property, plant and equipment	-	(12)
Amortisation	3,355	1,444
Impairment charges	-	-
Directors' emoluments (see note 25)	351	168
Auditor's remuneration:		
Audit of these financial statements	132	125
Fees payable to the auditor for other services:		
Other assurance services	6	2

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

6. Personnel expenses

Salary costs

	Group Year to Dec 31, 2017 US$'000	Group 5 months to Dec 31, 2016 US$,000
Wages and salaries	10,074	3,988
Other short term benefits	565	219
Compulsory social security contributions	1,675	602
Share based payments	112	33
	12,426	4,842

Salary costs of US$533,000 (Five months to December 31, 2016: US$138,000, year to July 31, 2016: US$259,000) 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 period was as follows:

	Group Year to Dec 31, 2017	Group 5 months to Dec 31, 2016
Directors	7	6
Administration	14	11
Production and development	164	131
	185	148

6. Personnel expenses (continued)

During the period 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.

Share-based payments

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

	Weighted average exercise price Dec 31, 2017 US$	**Number of options Dec 31, 2017 '000**	Weighted average exercise price Dec 31, 2016 US$	Number of options Dec 31, 2016 '000
Outstanding at the beginning of the period	0.38	13,014	0.36	5,079
Granted during the period	0.09	1,230	0.06	9,580
Exercised during period	0.06	(450)	-	-
Cancelled during the period	0.11	(355)	0.28	(1,620)
Expired during the period	0.82	(210)	0.52	(25)
Outstanding at the end of the period	0.13	13,229	0.14	13,014
Exercisable at end of period	0.35	3,239	0.38	3,430

The options outstanding at December 31, 2017 have an exercise price in the range of US$0.05 to US$0.82 (December 31, 2016: US$0.05 to US$0.82) and a weighted average remaining contractual life of 3.8 years (December 31, 2016: 4.8 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 period	Year to Dec 31,2017	5m to Dec 31,2016
Fair value at measurement date	US$0.07	US$0.04
Share price (weighted average)	US$0.09	US$0.06
Exercise price (weighted average)	US$0.09	US$0.06
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes model)	116%	94%
Expected option life (years)	5	5
Expected dividends	-	-
Risk-free interest rate (based on national government bonds)	1.41%	0.64%

6. Personnel expenses (continued)

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:

	Year to Dec 31, 2017 US$'000	5m to Dec 31, 2016 US$'000
Share options granted in 2014	-	1
Share options granted in 2016	110	32
Share options granted in 2017	2	---
Total expense recognised as employee costs	112	33

7. Gain on derivative financial instruments

	Year to Dec 31, 2017 US$'000	5 months to Dec 31, 2016 US$'000
Gain on concentrate receivables from off-taker	2,015	1,504

8. Finance costs

	Year to Dec 31, 2017 US$'000	5 months to Dec 31, 2016 US$'000
Finance lease interest	175	46
Gold loan interest	(566)	3,003
Advance purchase facility interest and charges	17	51
Other loan interest	40	-
Off-take provisional payment interest	162	66
Unwinding of discount on reclamation provision	28	10
	(144)	3,176

9. Income tax

Recognised in the income statement

	Year to Dec 31, 2017 US$,000	5 months to Dec 31, 2016 US$,000
Current tax expense		
Current period	-	-
Deferred tax credit		
Origination and reversal of temporary timing differences	(1,460)	(1,601)
Mining tax – origination and reversal of temporary differences	55	(1,496)
(Under)/over provision in previous year	22	(229)
Total income tax (credit)/charge in income statement	(1,296)	(3,326)

9. Income tax (continued)

Reconciliation of effective tax rate

A reconciliation between the tax credit and the product of the Group's accounting loss multiplied by the Group's statutory income tax rate for the year ended December 31, 2017 and the five months ended December 31, 2016 is as follows:

	Year to Dec 31, 2017 US$'000	5 months to Dec 31, 2016 US$'000
Loss before tax	(5,444)	(6,071)
Income tax using the UK corporation tax rate of 19.25% (2016: 20%)	(1,048)	(1,214)
Effect of tax rates in foreign jurisdictions (rates increased)	(458)	(542)
Mining tax	56	(1,496)
Net permanent differences	46	31
Effect of tax rates on chargeable gain	(115)	(62)
Effect of change in tax rates	107	162
Effect of tax losses and credits	87	3
(Under)/over provision in previous year	23	(229)
Exchange difference	6	21
	(1,296)	(3,326)

Recognised in other comprehensive income	**Year to Dec 31, 2017 US$,000**	5 months to Dec 31, 2016 US$,000
Current tax expense		
Current year	-	-
Deferred tax credit		
Fair value re-measurement of available for sale investments	(87)	(93)
Exchange difference on retranslation of UK deferred tax asset	(48)	59
Total income tax expense/(credit) in statement of other comprehensive income	(135)	(34)

9. Income tax credit (continued)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	Balance Dec 31, 2017 US$'000	Balance Dec 31, 2016 US$'000	Balance Dec 31, 2017 US$'000	Balance Dec 31, 2016 US$'000	Balance Dec 31, 2017 US$'000	Balance Dec 31, 2016 US$'000
Property, plant and equipment	-	-	(3,471)	(3,112)	(3,471)	(3,112)
Mineral property	2,283	3,064	-	-	2,283	3,064
Intangible assets	118	109	-	-	118	109
Available for sale investment	-	3	-	-	-	3
Gold loan and government assistance	1,581	26	-	-	1,581	26
Mining tax	1,536	1,496	-	-	1,536	1,496
Other timing differences	-	-	(217)	(94)	(217)	(94)
Tax value of loss carry-forwards and credits recognised	12,020	10,053	-	-	12,020	10,053
Net tax assets /(liabilities)	17,538	14,751	(3,688)	(3,206)	13,850	11,545

Movement in recognised deferred tax assets and liabilities

	Balance Aug 1, 2016 US$'000	Recognised in income US$'000	Recognised in other comprehensive income US$'000	Exchange difference US$'000	Balance Dec 31, 2016 US$'000
Property, plant and equipment	3,264	(59)	-	(93)	3,112
Mineral property	(3,328)	169	-	95	(3,064)
Intangible assets	(106)	(4)	-	1	(109)
Available for sale investment	91	-	(93)	(1)	(3)
Gold loan	634	(645)	-	(15)	(26)
Mining tax	-	(1,496)	-	-	(1,496)
Other timing differences	(29)	117	-	6	94
Tax value of loss carry-forwards and credits – Canada	(7,379)	(1,280)	-	35	(8,624)
Tax value of loss carry-forwards – UK	(1,567)	(128)	59	207	(1,429)
	(8,420)	(3,326)	(34)	235	(11,545)

	Balance Jan 1, 2017 US$'000	Recognised in income US$'000	Recognised in other comprehensive income US$'000	Exchange difference US$'000	Balance Dec 31, 2017 US$'000
Property, plant and equipment	3,112	133	-	226	3,471
Mineral property	(3,064)	945	-	(164)	(2,283)
Intangible assets	(109)	(2)	-	(7)	(118)
Available for sale investment	(3)	90	(87)	-	-
Gold loan and government assistance	(26)	(1,548)	-	(85)	(1,659)
Mining tax	(1,496)	55	-	(95)	(1,536)
Other timing differences	94	191	-	10	295
Tax value of loss carry-forwards and credits – Canada	(8,624)	(942)	-	(774)	(10,340)
Tax value of loss carry-forwards – UK	(1,429)	(218)	(48)	15	(1,680)
	(11,545)	(1,296)	(135)	(874)	(13,850)

9. Income tax credit (continued)

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$13.9 million (December 31, 2016: US$11.6 million).

The Group has recognised a deferred tax liability in respect of mining tax of US$55,000 during the year bringing the balance to US$1.5 million (five months to December 31, 2016: recognised deferred tax asset of US$1.5 million). The group considers that with recent increases in the market outlook for copper prices that it has sufficient evidence of future mining profits to justify the recognition of this asset.

10. Intangible assets

	Exploration and evaluation costs		
	Ming Mine	Little Deer Project	Total
	US$'000	US$'000	US$'000
Cost			
Balance at 1 August, 2016	-	2,233	2,233
Effect of movements in foreign exchange	-	(64)	(64)
Balance at 31 December, 2016	-	2,169	2,169
Balance at 1 January, 2017	-	2,169	2,169
Additions	979	41	1,020
Effect of movements in foreign exchange	15	193	208
Balance at December 31, 2017	994	2,403	3,397
Carrying amounts			
At 1 August, 2016	-	2,233	14,084
At 31 December, 2016	-	2,169	2,169
At 1 January, 2017	-	2,169	2,169
At December 31, 2017	994	2,403	3,397

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. Following the assessment, management concluded that no impairment triggers had been noted that would require a formal impairment test and impairment charge against exploration and evaluation costs has been recorded.

11. Mineral property

	Mineral property US$'000
Cost	
Balance at August 1, 2016	70,058
Additions	1,673
Effect of movements in foreign exchange	(2,030)
Balance at December 31, 2016	69,701
Balance at January 1, 2017	69,701
Additions	5,278
Effect of movements in foreign exchange	5,064
Balance at December 31, 2017	80,043
Amortisation and impairment	
Balance at August 1, 2016	34,820
Amortisation charge	1,444
Effect of movements in foreign exchange	(1,016)
Balance at December 31, 2016	35,248
Balance at January 1, 2017	35,248
Amortisation charge	3,355
Effect of movements in foreign exchange	2,606
Balance at December 31, 2017	41,209
Carrying amounts	
At August 1, 2016	35,238
At December 31, 2016	34,453
At January 1, 2017	34,453
At December 31, 2017	38,834

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 3 for an explanation of the factors considered in respect of the Ming Mine. After consideration of those factors management concluded that no impairment triggers had been noted that would require a formal impairment test and no further impairment charge against in-production mining assets has been recorded.

12. 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, 2016	4,063	728	228	39,885	96	764	45,764
Additions	10	654	-	1,407	-	26	2,097
Disposals	-	-	-	(823)	-	-	(823)
Effect of movements in foreign exchange	(117)	(25)	(6)	(1,107)	(2)	(21)	(1,278)
Balance at December 31, 2016	3,956	1,357	222	39,362	94	769	45,760
Balance at January 1, 2017	3,956	1,357	222	39,362	94	769	45,760
Additions	25	2,814	-	5,143	1	70	8,053
Reclassification	-	(319)	-	319	-	-	-
Effect of movements in foreign exchange	279	159	15	3,024	6	57	3,540
Balance at December 31, 2017	4,260	4,011	237	47,848	101	896	57,353
Depreciation and impairment losses							
Balance at August 1, 2016	2,045	-	217	19,549	90	738	22,639
Depreciation charge for the year	156	-	4	1,302	2	19	1,483
Eliminated on disposals	-	-	-	(805)	-	-	(805)
Effect of movements in foreign exchange	(60)	-	(6)	(523)	(3)	(21)	(613)
Balance at December 31, 2016	2,141	-	215	19,523	89	736	22,704
Balance at January 1, 2017	2,141	-	215	19,523	89	736	22,704
Depreciation charge for the year	362	-	7	4,073	4	22	4,468
Effect of movements in foreign exchange	163	-	15	1,501	7	52	1,738
Balance at December 31, 2017	2,666	-	237	25,097	100	810	28,910
Carrying amounts							
At August 1, 2016	2,018	728	11	20,336	6	26	23,125
At December 31, 2016	1,815	1,357	7	19,840	5	33	23,056
At January 1, 2017	1,815	1,357	7	19,840	5	33	23,056
At December 31, 2017	1,594	4,011	-	22,751	1	86	28,443

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 December 31, 2017, the net carrying amount of leased plant and machinery was US$5.1 million (December 31, 2016: US$3.3 million). The leased plant and machinery secures lease obligations (see note 22). During the period plant and equipment additions of US$4.2 million (2016: US$0.5 million) were acquired through finance lease arrangements.

13. Available for sale investments

	Available for sale investments US$'000
Cost or valuation	
Balance at August 1, 2016	2,402
Disposals	(783)
Revaluation	(245)
Effect of movements in foreign exchange	(41)
Balance at December 31, 2016	1,333
Balance at January 1, 2017	1,333
Disposals	(324)
Revaluation	(389)
Effect of movements in foreign exchange	(10)
Balance at December 31, 2017	610
Carrying amounts	
At December 31, 2016	1,333
At December 31, 2017	610

Rambler holds an 8.4% 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 per share at December 31, 2017 was US$0.08 (December 31, 2016: US$0.10).

During the year the Company disposed of its remaining shareholding in Marathon Gold Corporation for US$1.1 million.

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$1,148,000 (December 31, 2016: US$1,399,000).

14. Inventory

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Metals in process	561	884
Operating supplies	1,906	1,612
	2,467	2,496

15. Trade and other receivables

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Trade receivables	-	-
Other receivables	260	200
Sales taxes recoverable	412	684
Prepayments and accrued income	157	400
	829	1,284

There are no trade receivables past due or considered impaired (period ended December 31, 2016: $nil).

16. Derivative financial asset

	Dec 31, 2017	Dec 31, 2016
	US$'000	US$'000
Concentrate receivables from off-taker	1,830	756

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$1,104,000 (December 31, 2016: US$375,000).

17. Cash and cash equivalents

	Dec 31, 2017	Dec 31, 2016
	US$'000	US$'000
Bank balances	3,351	2,156
Cash and cash equivalents in the statement of cash flows	3,351	2,156

18. Restricted cash

	Dec 31, 2017	Dec 31, 2016
	US$'000	US$'000
Bearer deposit notes	3,530	3,243

The Group is required to hold Letters of Credit in favour of the Government of Newfoundland and Labrador in respect of the reclamation and closure liability associated with the Ming Mine. The bearer deposit notes mature on differing dates throughout fiscal 2017 and have a nominal value of US$3,530,000 (December 31, 2016 - US$3,243,000) giving an effective yield of 1.2% (December 31, 2016 – 1.2%).

19. Capital and reserves

Share capital and share premium – group and company

	Share capital US$'000	Share premium US$'000	Total US$'000	*Number '000*
In issue at August 1, 2016	6,374	81,455	87,829	414,290
Share issue expenses	-	(13)	(13)	-
In issue at December 31, 2016	6,374	81,442	87,816	414,290
In issue at January 1, 2017	6,374	81,442	87,816	414,290
Issued on February 6, 2017	1,681	6,726	8,407	135,000
Issued on November 6, 2017	6	23	29	450
Shares issued during the year	1,687	6,749	8,436	135,450
Transfer from share warrant reserve	-	1,230	1,230	-
Share issue expenses	-	(112)	(112)	-
In issue at December 31, 2017	8,061	89,309	97,370	549,740

At December 31, 2017, 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.

19. Capital and reserves (continued)

Warrants reserve

	Number '000	$'000
At August 1, 2016	200,000	2,089
At December 31, 2016	200,000	2,089
At January 1, 2017	200,000	2,089
Fair value of warrants exercised on February 6, 2017 at US$0.0623	(135,000)	(1,230)
At December 31, 2017	65,000	859

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.

19. Capital and reserves continued

Capital management continued

The Group's capital was as follows:

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Cash and cash equivalents	3,351	2,156
Finance leases	(4,570)	(2,656)
Advance purchase loan	(3,997)	(1,120)
Government assistance	(390)	-
Loan from related party	(1,002)	-
Gold loan	(13,476)	(15,450)
Net debt	(20,084)	(17,079)
Equity	(64,432)	(56,369)
Total capital	(84,516)	(73,439)

20. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at December 31, 2017 was based on the loss attributable to ordinary shareholders of $4.3 million and a weighted average number of ordinary shares outstanding during the year ended December 31, 2017 of 535.7 million calculated as follows:

Loss attributable to ordinary shareholders

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Loss for the period	(4,341)	(1,747)
Loss attributable to ordinary shareholders	(4,341)	(1.747)

Weighted average number of ordinary shares

	Number '000
At August 1, 2016	414,290
Effect of shares issued during the year	-
At December 31, 2016	414,290

In issue at January 1, 2017	414,290
Effect of shares issued during period	121,383
Weighted average number of ordinary shares at December 31, 2017	535,673

There is no material difference between the basic and diluted loss per share. At December 31, 2017 there were 13,229,000 (December 31, 2017: 13,014,000) share options in issue of which 4,742,472 (December 31, 2017: 2,909,049) were considered to be dilutive and may have a dilutive effect on the basic earnings or loss per share in the future. At December 31, 2017 there were 65,000,000 (December 31, 2016: 200,000,000) warrants in issue of which 29,649,555 were considered to be dilutive (December 31, 2016: 49,785,331).

21. Trade and other payables

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Trade payables	5,383	3,669
Other payables	320	125
Accrued expenses	1,611	1,298
	7,314	5,092

22. 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 24.

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Non-current liabilities		
Finance lease liabilities	3,000	1,371
Gold Loan	10,624	13,041
Advance purchase agreement	2,682	-
Repayable contribution	390	
	16,696	14,412
Current liabilities		
Current portion of finance lease liabilities	1,570	1,284
Advance Purchase Facility	1,315	1,121
Loan from related party	1,002	-
Current portion of Gold Loan	2,852	2,409
	6,739	4,814

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Minimum lease Payments Dec 31, 2017 US$'000	Interest Dec 31, 2017 US$'000	Principal Dec 31, 2017 US$'000	Minimum lease Payments Dec 31, 2016 US$'000	Interest Dec 31, 2016 US$'000	Principal Dec 31, 2016 US$'000
Less than one year	1,743	173	1,570	1,354	70	1,284
Between one and five years	3,146	146	3,000	1,430	59	1,371
	4,889	319	4,570	2,784	129	2,655

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

22. Interest-bearing loans and borrowings (continued)

Gold Loan

In March 2010, the Company entered into an agreement (“Gold Loan”) with Sandstorm Resources Ltd. (‘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 oz of payable gold has been produced, the Company has agreed to sell to Sandstorm, at market price, a percentage equal to 25% x (85% divided by the actual percentage of metallurgical recovery of gold realized 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. The percentage of payable gold of 25% falls to 12% after 175,000 oz of payable gold has been produced and remains payable 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.

At September 30, 2017, the Company has produced 42,355 payable ounces of gold of which 13,068 ounces were transferrable to Sandstorm under the agreement as follows:

Production year	Payable gold ounces produced	Ounces transferrable
Pre-production	15,429	4,937
1	4,888	1,280
2	5,945	1,904
3	5,408	1,689
4	6,905	2,069
5	3,040	955
6 (to date)	740	234
Total	**42,355**	**13,068**

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 at each quarter end 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$606,000 (five months ended December 31, 2016: US$3,003,000) was credited during the year.

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

Government Assistance

During the year the Company received US$622,000 in interest free repayable contributions from a Canadian government agency. Contributions to a total of US$1.59 million are available in support of the Phase II expansion project for the mine. The contributions are repayable over eight years from May 2019.

The fair value of the contributions received calculated at a market interest rate of 10% have been classified as a financial liability with the difference between the fair value and the amount received credited against the cost of assets under construction.

22. Interest-bearing loans and borrowings (continued)

Related party loan

In October 2017 the company received a loan of US$1 million from CE Mining II Rambler Limited. The loan is unsecured, repayable by October 17, 2018 and carries interest at 9.5% per annum.

Advance Purchase Facility

During the year the Company repaid the balance of the advance purchase agreement originally signed in July 2015 and in December 2017 the Group entered into another amended and restated purchase agreement with Transamine Trading S.A. ("Transamine").

Pursuant to the terms of the Purchase Agreement, Transamine agreed to purchase in advance, at Rambler's option, up to US$4 million of concentrate (the "Advance Purchase Payments") to be used for working capital requirements.

The Company drew down US$4 million of Advance Purchase Payments on December 29, 2017.

At December 31, 2017 the balance was US$4 million which is repayable by eighteen monthly instalments of US$222,222 plus interest at 6.75% per annum commencing on June 28, 2018.

The advance purchase payments of US$4 million have been accounted for as a financial liability carried at amortised cost.

23. Provision

	Dec 31, 2017	Dec 31, 2016
	US$'000	US$'000
Reclamation and closure provision		
Opening balance	1,804	1,833
Unwinding of discount	28	10
Effect of movements in foreign exchange	129	(39)
Ending balance	1,961	1,804

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 expected useful life of 20 years. The provision has been calculated based on the present value of the expected future cash flows associated with reclamation and closure activities as required by the Government of Newfoundland and Labrador. The provision relates to restoration of all three sites associated with the Ming Mine project: mill, mine and port sites. The liability is secured by Letters of Credit for US$3.5 million.

24. 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 14 and 17 respectively.

24. Financial instruments (continued)

The Group held the following categories of financial instruments at December 31, 2017:

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Financial assets		
Assets at fair value through profit and loss:		
Derivative financial instruments – level 2 fair value	1,830	756
Available for sale investments:		
Investment in quoted equity securities – level 1 fair value	610	1,333
Loans and receivables:		
Trade receivables	-	-
Other receivables	260	200
Sales taxes recoverable	412	684
Cash at bank	3,351	2,156
Restricted cash	3,530	3,243
	7,553	6,283
Total financial assets	9,993	8,372

Liabilities at amortised cost or equivalent:	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Trade payables	(5,383)	(3,669)
Other payables	(320)	(125)
Accrued expenses	(1,611)	(1,298)
Loans and borrowings	(23,435)	(19,226)
Total financial liabilities	(30,749)	(24,318)

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

Liquidity risk

With finite cash resources the liquidity risk is significant. This risk is managed by controls over expenditure and concentrating on achieving the payment milestones under the financing arrangement. Success will depend largely upon the outcome of on-going and future exploration and development programmes. Given the nature of the Group's current activities the entity will remain dependent on a mixture of debt and equity funding in the short to medium term until such time as the Group becomes self-financing from the commercial production of mineral resources. The liabilities of the parent company are due within one year. The parent company has adequate financial resources to meet the obligations existing at December 31, 2017.

24. Financial instruments (continued)

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:

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Due within one year	7,436	5,945
Due within one to two years	8,763	2,443
Due within two to three years	4,516	2,893
Due within three to four years	2,717	2,605
Due within four to five years	946	2,615
Due after five years	13,155	17,318
	37,533	33,819

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	**Dec 31, 2017 US$'000**	Dec 31, 2016 US$'000
Due within one year	3,306	1,354
Due within one to two years	4,402	662
Due within two to three years	1,317	574
Due within three to four years	408	194
Due within four to five years	81	-
Due after five years	352	-
	9,866	2,784

The average fixed interest rate for the finance leases and hire purchase contracts outstanding at December 31, 2017 was 5.3%.

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 15). The Group maximum exposure to credit risk at December 31, 2017 was represented by receivables and cash resources.

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.

24. Financial instruments (continued)

Market risk (continued)

Foreign currency risk (continued)

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	
	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
10% strengthening of GB pound	(17)	98
10% weakening of GB pound	16	(89)
10% strengthening of Canadian dollar	(295)	(107)
10% weakening of Canadian dollar	269	97

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

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Canadian $	644	948
US $	2,692	37
Sterling	15	1,171
	3,351	2,156

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 22.

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.

24. Financial instruments (continued)

Market risk (continued)

Commodity price risk (continued)

	Gross assets	
	Dec 31, 2017	Dec 31, 2016
	US$'000	US$'000
10% increase in the price of gold	(1,348)	(1,368)
25% decrease in the price of gold	3,369	3,397

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	
	Dec 31, 2017	Dec 31, 2016
	$'000	$'000
5% increase in the price of copper, gold and silver	587	603
5% decrease in the price of copper, gold and silver	(587)	(603)

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.

25. 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:

	Dec 31, 2017 US$'000	Dec 31, 2016 US$'000
Salary – executive		
N Williams	242	130
Fees – non-executive		
B A Mills	19	6
B Labatte	19	6
M V Sander	19	6
T I Ackerman	19	6
G Poulter	15	6
E C Chen	19	8
	352	168

Share options held by directors were as follows:	At 31.12.17 No. '000	At 31.12.16 No. '000
N Williams[1]	4,575	4,575
	4,575	4,575

[1] 100,000 options at an exercise price of US$0.71 expiring on July 7, 2018, 75,000 options at an exercise price of US$0.13 expiring on November 10, 2018, 250,000 options at an exercise price of US$0.37 expiring on May 7, 2020, 750,000 options at an exercise price of US$0.37 expiring on February 19, 2024 and 3,400,000 options at an exercise price of US$0.06 expiring on August 22, 2021.

Total key management personnel compensations were as follows:

	Dec 31, 2017 $'000	Dec 31, 2016 $'000
Short term employee benefits	508	253
Social security costs	26	16
Share based payments	58	20
	592	289

25. 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

The registered address of Rambler Mines Limited is Salatin House, 19 Cedar Road, Sutton, Surrey SM2 5DA, England and for the two Canadian subsidiaries the registered address is P.O. Box 610, Baie Verte, NL, Canada A0K 1B0.

CE Mining II Rambler Limited, a controlling shareholder of the Company, holds 65,000,000 warrants at a valuation of US$858,000 (see Note 19). Details of related party transactions with CE Mining II Rambler Limited are included in note 22.

Ultimate and controlling party

CE Mining II Rambler Limited is the ultimate and controlling party of the Company.

26. Subsequent events

On March 5, 2018 the Company announced the completion of a new mineral and reserves estimate for the Ming mine. Contained copper in the mineral reserves is estimated at 329 million pounds with gold of 114 thousand ounces, fully replacing reserves after two years of mining. Mineral resource tonnes (M+I) have declined from the 2015 estimate by 18%, however, the copper grade has improved 9% and gold grade by 14%. The change in measured and indicated resources is a result of an extensive diamond drilling program in an underexplored area of the Lower Footwall Zone. The life of mine, production, cost and financial highlights are as follows:

- Over a planned 20 year life-of-mine, ending 2037, the project will produce 514 thousand tonnes of high-grade copper concentrate containing saleable metal of 312 million pounds of copper and 57 thousand ounces of gold. Average annual sales is 26 thousand tonnes of copper concentrate

- Average annual cash operating cost of US$1.98 per pound of copper net of by-product credits (‘C1’), with an all-in pre-tax costs of US$2.37 per pound of copper and after-tax cost of US$2.49 per pound.

- Net undiscounted cash flow from operations of US$277 million. Net pre-tax cash flow of US$195 million (after-tax US$157 million).

- Project pre-tax net present value (‘$NPV_{7\%}$’) of US$100 million. After-tax $NPV_{7\%}$ of US$83 million.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended December 31, 2017
(EXPRESSED IN US DOLLARS)

	Year to December 31, 2017	5 months to December 31, 2016	Year to December 31, 2016
	$'000	$'000	$'000
(Loss)/profit for the period	(2,799)	1,348	8,025
Other comprehensive income			
Items that may be reclassified into profit or loss			
Exchange differences on translation into presentation currency	6,603	(4,426)	(11,310)
Other comprehensive profit/(loss) for the year	6,603	(4,426)	(11,310)
Total comprehensive profit/(loss) for the year	3,804	(3,078)	(3,285)

RAMBLER METALS AND MINING PLC

COMPANY STATEMENT OF FINANCIAL POSITION

As at December 31, 2017
(EXPRESSED IN US DOLLARS)

	Note	**December 31, 2017 $'000**	December 31, 2016 $'000
Assets			
Investments	*C2*	71,458	58,408
Loans	*C2*	1,532	1,398
Deferred tax	*C3*	1,680	1,429
Total non-current assets		74,670	61,235
Trade and other receivables	*C4*	28	46
Cash and cash equivalents	*C5*	15	1,171
Total current assets		43	1,217
Total assets		74,713	62,452
Equity			
Issued capital	*20*	8,061	6,374
Share premium		89,309	81,442
Warrants reserve		859	2,089
Translation reserve		(6,599)	(13,202)
Retained profit		(17,134)	(14,394)
Total equity		74,496	62,309
Liabilities			
Trade and other payables	*C6*	217	143
Total current liabilities		217	143
Total liabilities		217	143
Total equity and liabilities		74,713	62,452

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the company is not presented as part of these financial statements. The company's total comprehensive profit for the financial year was US$3.8m (five months ended December 31, 2016: US$3.1m loss, year ended December 31, 2016: US$3.3 million loss).

ON BEHALF OF THE BOARD:

N P Williams
Director
Approved and authorised for issue by the Board on April 30, 2018.

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, 2016	6,374	81,455	2,089	(8,746)	(15,759)	65,413
Comprehensive income						
Profit for the year	-	-	-	-	1,345	1,345
Foreign exchange translation differences	-	-	-	(4,456)	-	(4,456)
Total other comprehensive income	-	-	-	(4,456)	-	(4,456)
Total comprehensive loss for the year	-	-	-	(4,456)	1,345	(3,111)
Share issue expenses	-	(13)	-	-	-	(13)
Share based payments	-	-		-	20	20
Transactions with owners	-	(13)	-	-	20	7
Balance at December 31, 2016	6,374	81,442	2,089	(13,202)	(14,394)	62,309
Balance at January 1, 2017	6,374	81,442	2,089	(13,202)	(14,394)	62,309
Comprehensive income						
Loss for the year	-	-	-	-	(2,799)	(2,799)
Foreign exchange translation differences	-	-	-	6,603	-	6,603
Total other comprehensive income	-	-	-	6,603	-	6,603
Total comprehensive loss for the year	-	-	-	6,603	(2,799)	3805
Issue of share capital	1,687	7,979	(1,230)	-	-	8,436
Share issue expenses	-	(112)	-	-	-	(112)
Share based payments	-	-	-	-	59	59
Transactions with owners	1,687	7,867	(1,230)	-	59	8,383
Balance at December 31, 2017	8,061	89,309	859	(6,599)	(17,134)	74,496

RAMBLER METALS AND MINING PLC

COMPANY STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2017
(EXPRESSED IN US DOLLARS)

	Year to December 31, 2017	5 months to December 31, 2016
	$'000	$'000
Cash flows from operating activities		
Operating profit/(loss)	(2,906)	1,383
Share based payments	59	20
Foreign exchange losses	1,657	(2,132)
Decrease/(increase) in debtors	18	(4)
Increase in creditors	74	(69)
Net cash utilised in operating activities	(1,098)	(802)
Cash flows from investing activities		
Acquisition of subsidiary	-	-
Advances to subsidiaries	(9,133)	(6,243)
Loans repaid by subsidiaries	707	364
Net cash generated from/(utilised in) investing activities	(8,426)	(5,879)
Cash flows from financing activities		
Proceeds from the issue of share capital	8,435	-
Share issue expenses	(112)	(46)
Net cash from financing activities	8,323	(46)
Net decrease in cash and cash equivalents	(1,201)	(6,727)
Cash and cash equivalents at beginning of period	1,171	8,155
Effect of exchange rate fluctuations on cash held	45	(257)
Cash and cash equivalents at end of period	15	1,171

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. Investments and loans

	Investment in subsidiary $'000	Loans $'000	Total $'000
Cost			
Balance at August 1, 2016	1,498	54,363	55,861
Advances	-	6,243	6,243
Repayments	-	(364)	(364)
Effect of movements in foreign exchange	(100)	(1,834)	(1,934)
Balance at December 31, 2016	1,398	58,408	59,806
Balance at January 1, 2017	1,398	58,408	59,806
Advances	-	9,133	9,133
Repayments	-	(707)	(707)
Effect of movements in foreign exchange	134	4,624	4,758
Balance at December 31, 2017	1,532	71,458	72,990

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 registered address of Rambler Mines Limited is Salatin House, 19 Cedar Road, Sutton, Surrey SM2 5DA, England and for the two Canadian subsidiaries the registered address is P.O. Box 610, Baie Verte, NL, Canada A0K 1B0.

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

The loans to the subsidiary undertakings are interest free.

C3. 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 $1.7 million (2016: US$1.4 million).

C4. Trade and other receivables

	December 31, 2017 $'000	December 31, 2016 $'000
Sales taxes recoverable	16	7
Prepayments and accrued income	12	39
	28	46

C5. Cash and cash equivalents

	December 31, 2017 $'000	December 31, 2016 $'000
Bank balances	15	1,171
Cash and cash equivalents in the statement of cash flows	15	1,171

C6. Trade and other payables

	December 31, 2017 $'000	December 31, 2016 $'000
Trade payables	67	1
Non trade payables	-	-
Accrued expenses	150	142
	217	143

C7. Related party transactions

The Company has a related party relationship with its subsidiaries (see note C2) and with its directors and executive officers (see note 25).

Transactions with subsidiary undertakings

Details of loans advanced to subsidiary undertakings are included in note C2.

Other related parties

Transactions with other related parties are detailed in note 25.