



RAMELIUS RESOURCES LIMITED  
*2016 Annual Report*





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## **RAMELIUS RESOURCES LIMITED**

ACN 001 717 540

ABN 51 001 717 540

## **ANNUAL GENERAL MEETING**

The Annual General Meeting of Ramelius Resources Limited will be held at Crowne Plaza Adelaide, 16 Hindmarsh Square, Adelaide South Australia 5000 on Wednesday 23 November 2016 at 11am Adelaide time.

## **STOCK EXCHANGE**

The Company is listed on the Australian Securities Exchange Limited.

## **ASX CODE**

Shares: RMS

**FRONT COVER IMAGES** (Top to bottom) - 1: Vivien Underground Gold Mine

2: Kathleen Valley Project - Mossbecker Open Pit Gold Mine 3: Perseverance Open Pit Gold Mine at Mt Magnet.

**BELOW** - Extracting Gold Ore at Perseverance.



# CHAIRMAN'S *Report*



Dear fellow shareholders,

It is with much pleasure that I present to you the 2016 Annual Report of Ramelius Resources Limited.

On behalf of the Board of Directors, I am pleased to report that Ramelius achieved improved financial and operational results in 2016 and an increased market share price. In August 2016, the Company announced an increased after tax profit of \$27.5 million for the financial year, up \$11.5 million from the amount reported in the prior year. The profit result was on increased sales revenue of \$173.7 million compared to \$130.4 million in 2015. During the financial year, Ramelius also increased cash flow from operating activities from \$45.8 million to \$65.5 million, total net assets from \$99.3 million to \$127.6 million and cash at bank from \$32.4 million to \$44.3 million. At 30 June 2016, the Company also had \$5.4 million of gold on hand which was realised in the new financial year adding to the cash balance.

It was also pleasing to see the Company's share price increase 278% during the financial year from 11.5 cents at 30 June 2015 to 43.5 cents at 30 June 2016.

Industry conditions during 2015/16 were less volatile for gold than in previous years with an increased sentiment towards gold in calendar year 2016. In Australian dollar terms, the gold price rose from A\$1,521 per ounce at 30 June 2015 to A\$1,773 per ounce at 30 June 2016 and has remained above A\$1,700 per ounce for all of the first quarter of 2016/17.

Operationally, the Company progressed mining at Mt Magnet completing pit cut-backs at Saturn and Mars and also commencing open pit cut-back developments at Perseverance as well as Titan towards the end of the financial year. These projects all form part of the Galaxy project at Mt Magnet.

In conjunction with mining operations at Mt Magnet, Ramelius also pressed ahead with the development of the Kathleen Valley open pit and the Vivien underground projects, both located near Leinster in Western Australia. The focus at Kathleen Valley was on the Mossbecker and Yellow Aster Deeps open pits which continued throughout the year. In the middle of the financial year, two additional small pits Yellow Aster North and Nil Desperandum were added to the Kathleen Valley mine plan where mining operations commenced in the first quarter of the 2016 calendar year.

Ramelius also continued developing its underground gold mine at Vivien which saw the decline advance 1,236 metres during the year. In February 2016 the Company accessed first development gold ore from the mine and by year end, produced 7,230 ounces of gold from the operation. The project is progressing within budget and is expected to significantly contribute to gold production in the 2016/17 financial year.

Gold ore from the Kathleen Valley and Vivien mines was trucked to Mt Magnet and processed at the Company's 100% owned Checkers processing plant which processed nearly 1.7 million tonnes of ore at a recovered average gold grade of 2.2g/t to produce 110,839 ounces of fine gold. This compared with approximately 1.63 million tonnes of ore at a recovered average grade of 1.55g/t for 81,683 ounces of fine gold in the previous year.

The Company's other gold processing plant near Coolgardie in Western Australia was on care and maintenance for the whole year and subsequent to the end of the financial year, a decision was taken to sell the asset for a total consideration of \$2.5 million to be paid in several instalments over 24 months commencing in August 2016.

During the year, Ramelius had exploration success at Mt Magnet with a high grade gold discovery at Milky Way followed up by reporting significant infill drill intersections and a maiden resource estimate towards the end of the financial year. The project was also progressed with scoping studies for a potential open pit mining operation. The Company also conducted step out drilling in the Boogardie Basin at Stellar West, Brown Cow, O'Meara and Franks Tower. Exploration activities were also undertaken at the following projects.

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*Your Board saw first-hand the high standard of mining activities at all our project sites during the year and noted the significant emphasis placed on safety at those sites.*



# CHAIRMAN'S *Report*



- Coogee Beach gold project on Lake Lefroy southeast of Kalgoorlie in Western Australia;
- Kathleen Valley gold project near Leinster in Western Australia;
- Yandan, Eungella and Auburn gold projects in Queensland;
- Tanami joint venture gold project in the Northern Territory where Ramelius obtained some encouraging drilling results; and
- Blackmans gold project located 30km to the north of Mt Magnet.

Ramelius progressed the Blackmans gold project during the year and also undertook mine design and evaluation work for a mining proposal at Water Tank Hill expected to be submitted for approval in the first half of 2016/17.

The Company was also able to largely maintain its Mineral Resource and Ore Reserve gold ounces this year despite almost 110,000 ounces of gold being produced during the financial year, reporting the following estimates as at 30 June 2016:

- Total Mineral Resources of 29.305 million tonnes at 2.3g/t for 2,196,000 ounces of gold (2015: 28.152 million tonnes at 2.5g/t for 2,227,000 ounces of gold); and
- Total Ore Reserves of 5.430 million tonnes at 2.3g/t for 405,000 ounces of gold (2015: 4.854 million tonnes at 2.7g/t for 424,000 ounces of gold).

In August 2016, Ramelius completed a \$25 million capital raising through a placement of shares to institutional investors which will be used to accelerate the Water Tank Hill and Milky Way developments as well as to significantly increase resource extensional drilling of brownfield targets at Mt Magnet and Vivien in an effort to further increase mine life.

Your directors intend to continue their search for new opportunities in a quest to build on the Company's current cash flow positive gold projects.

Your Board saw first-hand the high standard of mining activities at all our project sites during the year and noted the significant emphasis placed on safety at those sites. Not only are our mining activities and project management of a high standard, but the improvements achieved at the Checkers Mill are also a testament to the continued search for improvement in productivity by the Mt Magnet team. I sincerely thank all our employees and contractors for their commitment and pride in their activities in all areas of the Company's operations during the year.

Our Managing Director Mark Zeptner has shone, as together with the management team, he has wrought the changes that have helped produce the excellent result for the year. The Company is also well served by its Directors who have provided the expertise and leadership to guide the Company and I thank them for their support.

We thank all shareholders for your ongoing support as we build a growing gold mining company.

**BOB KENNEDY**  
Chairman





*The operation, and primarily the Mossbecker open pit, carried the cost of developing the Vivien decline admirably and also covered the progression of the Perseverance open pit at Mt Magnet down to better grades and even provided some cash flow left over to hit the bottom line.*



# MANAGING DIRECTOR'S *Report*



Dear Shareholders,

During the 2015/16 financial year, your Company made significant progress towards becoming a serious participant in the Australian gold space with production exceeding 110,000 ounces. Helped by an improving A\$ gold price, we were able to add substantially to cash reserves whilst developing two brand new remote projects at the same time near Leinster in Western Australia.

In the first quarter of the year, Ramelius commenced mining and ore haulage at the Kathleen Valley open pit project, and kicked off the decline at the Vivien underground project. Ore mining has progressed on schedule at Kathleen Valley for the entire year with ore grades generally over-performing and greater than monthly budgeted tonnages trucked to the mill at Mt Magnet. The operation, and primarily the Mossbecker open pit, carried the cost of developing the Vivien decline admirably and also covered the progression of the Perseverance open pit at Mt Magnet down to better grades and even provided some cash flow left over to hit the bottom line. The decline at Vivien has progressed ahead of schedule, under the watchful eye of much of the previous Wattle Dam management team, hitting first ore in February 2016 and then preparing for the first stope panel by the end of the year.

The Company's flagship operation, the Mt Magnet Gold Mine, completed both the Saturn and Mars open pits late in the 2016 calendar year, with the Perseverance ("Percy") open pit continuing for the whole year but only passing the level of the original pit late in the March 2016 Quarter. Consistent with the strategy to ensure overlap of open pit projects at Mt Magnet in order to smooth grade profiles somewhat, the Titan open pit - also part of the Galaxy complex - was commenced in June 2016.

Ramelius continued to both deliver into and add to its risk mitigating forward gold sales program, with coverage currently out to June 2018 at an average price above A\$1,650 per ounce.

The Company effectively moved to rationalise greenfields exploration projects during the year, with work focused on the Tanami JV in the Northern Territory with junior explorer Tychean Resources Limited. Good progress was made at the Suplejack tenement with a target area identified and drilled. Exploration licences were also granted for the key Highland Rocks tenements in December 2015. These will be the primary focus of the greenfields program going forward although the forecast spend is less than 10% of the total exploration budget. A strong focus on brownfields exploration drilling at Mt Magnet resulted in the Milky Way discovery which has converted to a meaningful resource and reserve, and also gives the team significant impetus to further explore the porphyry hosted areas at Mt Magnet. The BIF hosted underground areas will be the subject of both exploration and infill drilling in the second half of FY2017, the potential of which is particularly exciting for the growth of mine life at Mt Magnet.

The FY2016 year has been a key development year for the Company and we look forward to further consolidating gains being made in FY2017, with another increase in production to 135,000 ounces. Beyond this I am already looking at what we can do in FY2018, with 150,000 ounces the current target as we look to bring the Milky Way project forward and also benefit from a revised mine plan at Vivien. Once again, resource conversion will be an important aspect as we target a 5 year plan, which we believe is eminently achievable given the sizable budget allocated for brownfields exploration this year.

Finally, I would like to thank the Board and staff for their support and ongoing efforts during the year, with the new teams at "KV" and Vivien performing well and combining seamlessly with the Mt Magnet team who continue to meet every guidance target set for them. Onwards and upwards in 2017!

**MARK ZEPTNER**  
Managing Director



## Financial Summary

- Profit after tax of \$27.5 million (up from \$16.0 million in 2015)
- Sales Revenue of \$173.7 million (up from \$130.4 million in 2015)
- Gold sales of \$173.5 million (up from \$129.9 million in 2015)
- Cash flow from operating activities of \$65.5 million (up from a \$45.8 million in 2015)
- Cash assets (excluding gold on hand of \$5.4 million) at 30 June 2016 of \$44.3 million (up from \$32.4 million in 2015)
- Undrawn finance facility at year end of \$10 million
- Forward gold sales at 30 June 2016 of 105,846 ounces of gold at an average price of A\$1,601.28 per ounce





Total consolidated profit before tax for the year ended 30 June 2016 was \$25.3 million compared to \$22.6 million in the previous corresponding period.

Revenue from gold sales during the year was \$173.5 million from the sale of 108,711 ounces of gold at an average gold price of A\$1,596 per ounce compared to 88,706 ounces at an average price of A\$1,464 per ounce in the prior year. Cash flow generated from operating activities during the year was significantly higher at \$65.5 million compared to \$45.8 million in the previous year.

At 30 June 2016 the Company held cash assets of \$44.3 million (excluding gold on hand of \$5.4 million). Ramelius also had a \$10 million standby finance facility with the Commonwealth Bank of Australia which remained undrawn at 30 June 2016.

Total net assets increased during the year from \$99.3 million to \$127.6 million. Net assets per share at 30 June 2016 was \$0.27 compared to \$0.21 at the end of the previous financial year.

At 30 June 2016 forward gold sales totalled 105,846 ounces of gold at an average gold price of A\$1,601.28 per ounce for delivery during the period to December 2017.

## Operational Summary

- Total of 110,839 ounces of fine gold produced during the financial year
- Mining activity continued at Kathleen Valley, initially focussing on the Mossbecker and Yellow Aster Deeps open pits followed by mining of Nil Desperandum and Yellow Aster North open pits
- Mining of the high grade Vivien underground gold mine commenced during the year including stope production activities in June 2016
- Commenced pre-strip mining of the Titan open pit cutback at Mt Magnet in June 2016, ensuring a smooth transition from current mining activity at the Perseverance open pit
- Maiden mineral resource established at the Milky Way gold project, 3.6km from the processing plant at Mt Magnet



# REVIEW of Operations

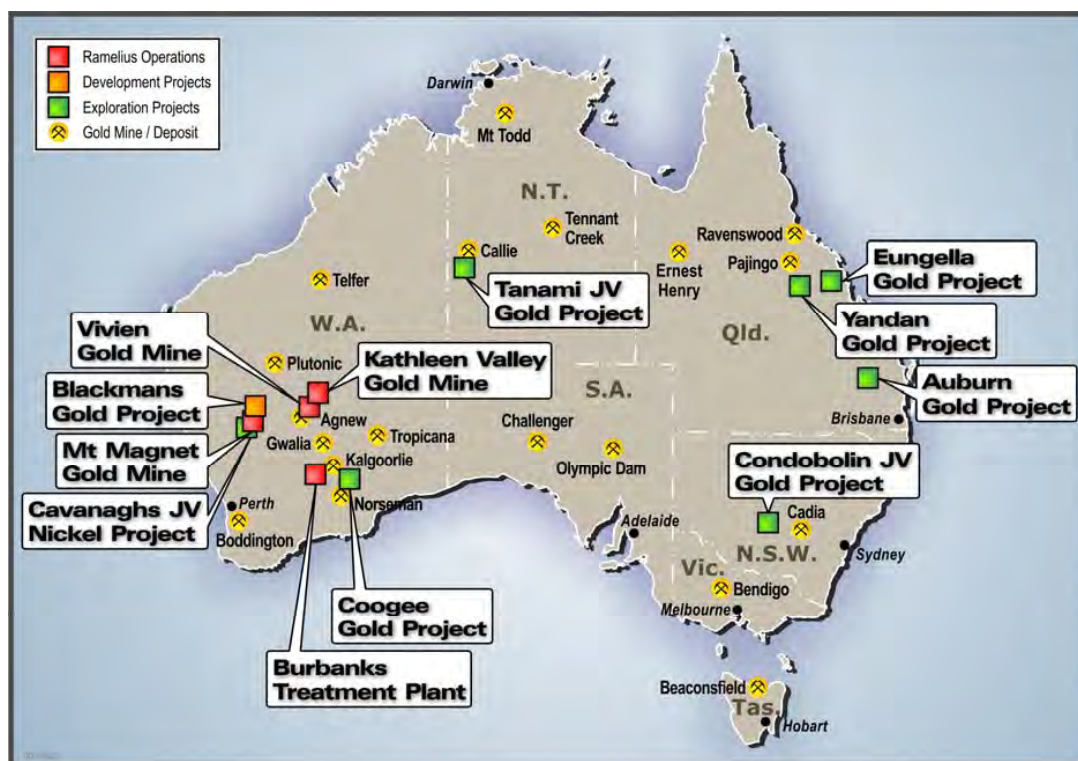


Figure 1: Project Locations

The Mt Magnet gold mine, 600km north-east from Perth in WA, was Ramelius' core operation for the 2016 financial year, with mining and processing operations ongoing at the mine, supplemented by high grade ore feed from the new Vivien and Kathleen Valley gold mines. The Burbanks processing plant, 9km south of Coolgardie, was on care and maintenance for the entire financial year and sold subsequent to the end of the period (refer Figure 1).

The Kathleen Valley and Vivien gold mines are located 370km and 300km by road from the processing plant at Mt Magnet respectively. The Blackmans gold project is located some 30km north of Mt Magnet and is planned to be developed in the 2017 financial year (refer Figure 2).





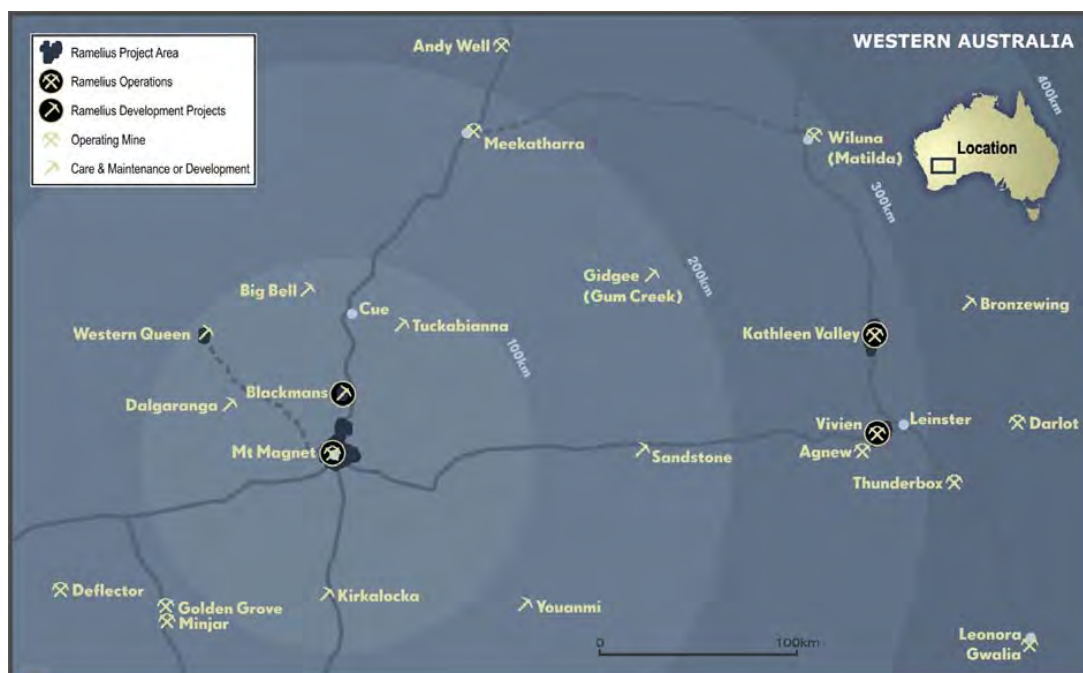


Figure 2: Mt Magnet & Leinster based project locations

Total fine gold production for the year was 110,839 ounces (refer Table 1).

Operation	2015/16			2014/15	
	Dry Tonnes Milled (t)	Head Grade (g/t)	Recovery (%)	Fine Gold Produced (oz)*	Fine Gold Produced (oz)
Mt Magnet	1,332,113	1.36	91%	51,636	81,683
Vivien	26,519	8.97	97%	7,230	0
Kathleen Valley	336,251	4.98	97%	51,973	0
Burbanks	0	0	-	0	4,970
Total Production	1,694,883	2.20	94%	110,839	86,653

\* Calculation difference relates to timing between gold production which includes gold in circuit and fine gold outturned.

Table 1: Total Gold Production

## OPERATIONS

### Mt Magnet Gold Mine

The Mt Magnet Gold Mine consists of numerous deposits, situated on granted mining leases, covering a total area of 225km<sup>2</sup>. Mt Magnet has produced over 6 million ounces of gold since its discovery in 1891. The Hill 50 underground mine was the major producer until 2007 and was mined to 1,500 metres below surface, whilst the Morning Star underground mine was mined to a depth of 980 metres. Gold is primarily associated with a number of Banded Iron Formation (BIF) units that occur within a typical greenstone stratigraphy of mafic and ultramafic units. In addition, gold occurs in a number of structurally controlled mafic hosted deposits (e.g. Morning Star) and felsic porphyry hosted deposits (e.g. Milky Way).

# REVIEW of Operations

Mining by Ramelius at Mt Magnet has concentrated on the Galaxy mine area over the past four years consisting of open pit mining only. The Galaxy mine is located approximately one kilometre from the processing plant (Checker). The Milky Way area, a further 1km south of Galaxy, has been a strong focus for exploration and mineral resource extensions during the 2016 financial year, whilst Water Tank Hill is an underground project currently forming part of the Company's development pipeline in the 2017 financial year (refer Figure 3).



**Figure 3:** Mt Magnet key mining areas

During the 2016 financial year the Mt Magnet operation continued to lift production as the Galaxy cutback pits continued and grades improved. The June 2016 Quarter production was a record quarter in terms of gold production for the Company with further production growth forecast for the 2017 financial year (refer Figures 4 & 5).





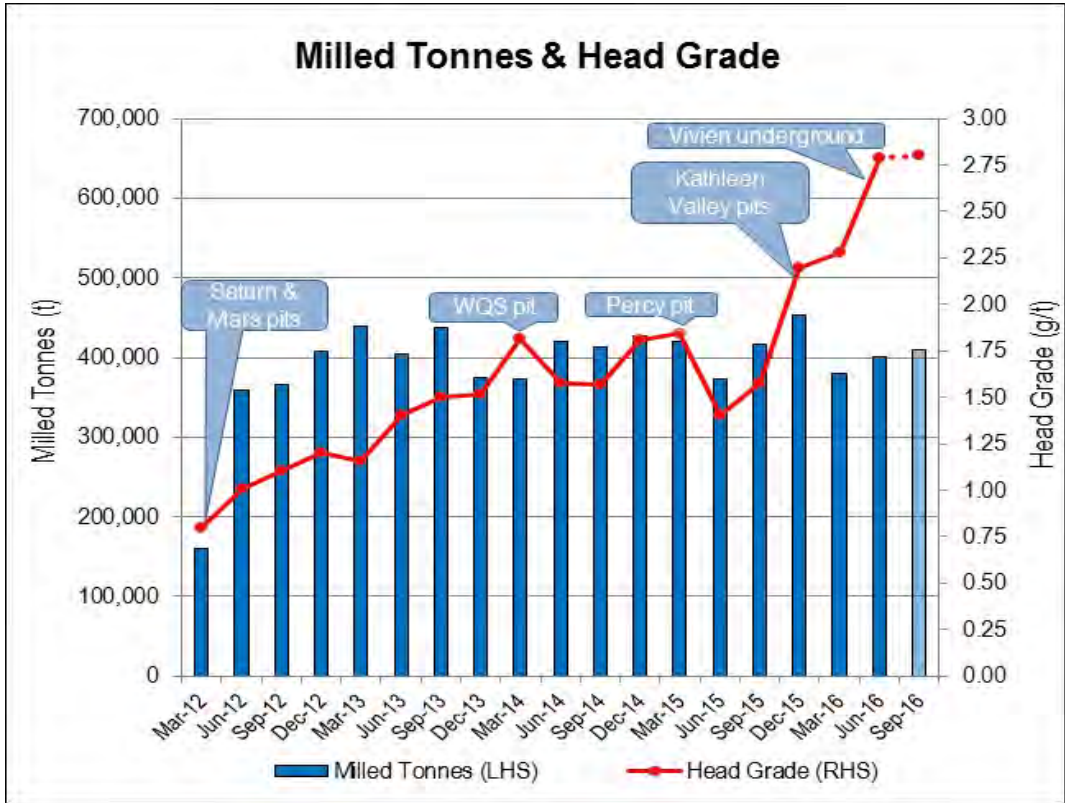


Figure 4: Mt Magnet mill throughput & head grade by Quarter

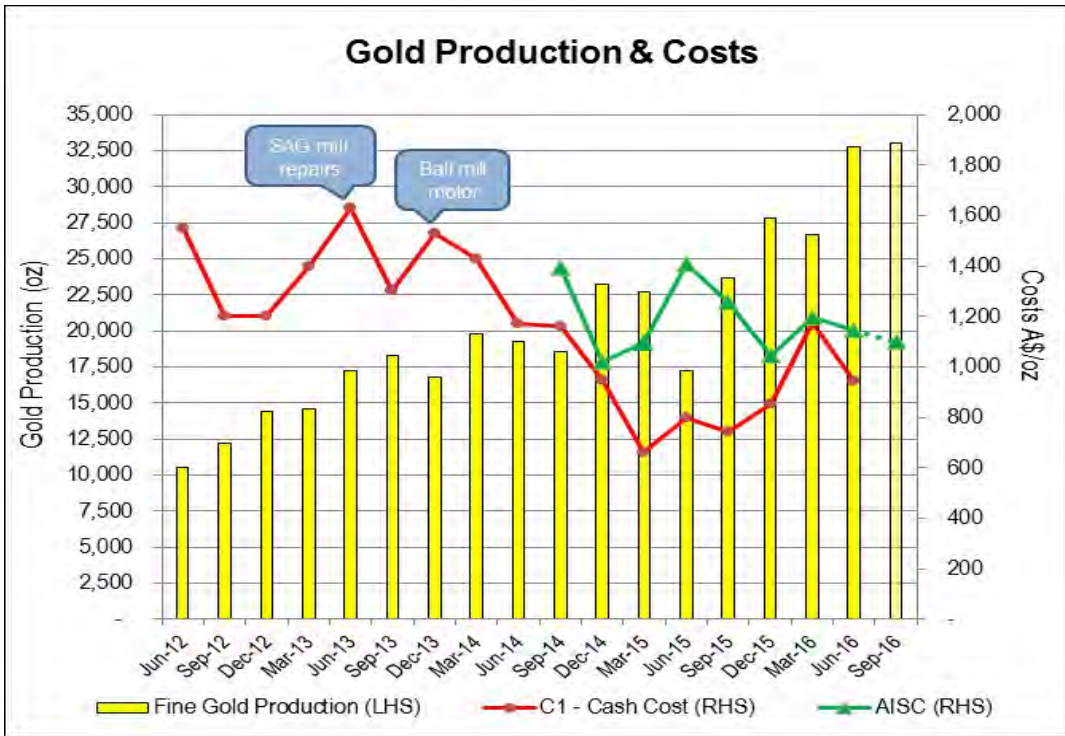


Figure 5: Mt Magnet gold production and unit costs by Quarter



# REVIEW of Operations

Mining was completed at both the Saturn and Mars open pits (refer Figure 6) in the second half of the 2015 calendar year. The September 2015 Quarter saw mining completed at the 200-metre-deep Saturn pit, after 4 years of continuous production. Claimed high-grade ore production for the pit since commencement totalled 2,835,374 t @ 1.41 g/t for 128,353 ounces. This compares favourably to the June 2011 Ore Reserve of 2.08 Mt @ 1.50 g/t for 103,000 ounces. The Mars open pit was completed on the 30<sup>th</sup> October 2015, to a depth of 150 metres. Claimed high-grade ore production for the pit, since commencement, totalled 1,403,010 tonnes @ 1.70g/t for 76,680 ounces. This compares favourably in terms of overall ounces to the June 2011 Ore Reserve of 996,000 tonnes @ 2.1 g/t for 67,000 ounces.

The Perseverance (Percy) open pit cutback, which was commenced in January 2015, continued throughout the year. Percy is located at the top of the Hill 50 and Perseverance BIF lodes, which hosted the historic Hill 50 underground mine. The cutback is forecast to be completed during the 2017 financial year. For this reason, the Titan open pit cutback was commenced in June 2016. Titan is located immediately west of the Saturn pit which was completed in 2015. Titan mineralisation is hosted by a felsic porphyry and occurs as a large stockwork style orebody. The existing Titan pit was mined in 2000-2003, with recorded production of 920,000 tonnes @ 1.75 g/t for 51,700 ounces.

Mill production for the year was 1.33 million dry tonnes. Oxide blend material was sourced from low grade stockpiles and also Percy oxide ore. Mill head grade was 1.36 g/t Au for 51,636 poured ounces and gold recovery was 91%. Major SAG mill relines were completed in July 2015, January 2016 and June 2016.



**Figure 6:** Completion of mining at the Mars open pit



## Vivien Gold Mine

Development of the Vivien underground project continued on budget and to schedule over the 2015/16 year. As of 30 June 2016, the decline had progressed 1,236 metres and had reached the to the 293mRL (slightly greater than 200 metres below surface).

The first ore mined was on the 400 Level in February 2016 and by year end significant ore development had taken place on the 360, 340 and 320 levels.

Stoping activities for the first stope panel commenced in June 2016 (refer Figures 7 & 8).

Claimed ore mined (all development) for the 2016 financial year was 28,238t @ 8.63g/t for 7,836oz. Ore hauled was 27,594t and reconciled mill production was 26,519t @ 8.97g/t for 7,230oz.

Initial grade control modelling for the first stoping level showed both increased width and grade when compared to the original resource model, and hence a significant increase in contained gold. This trend has continued over several levels and the signs for increased economic ounces are highly encouraging.

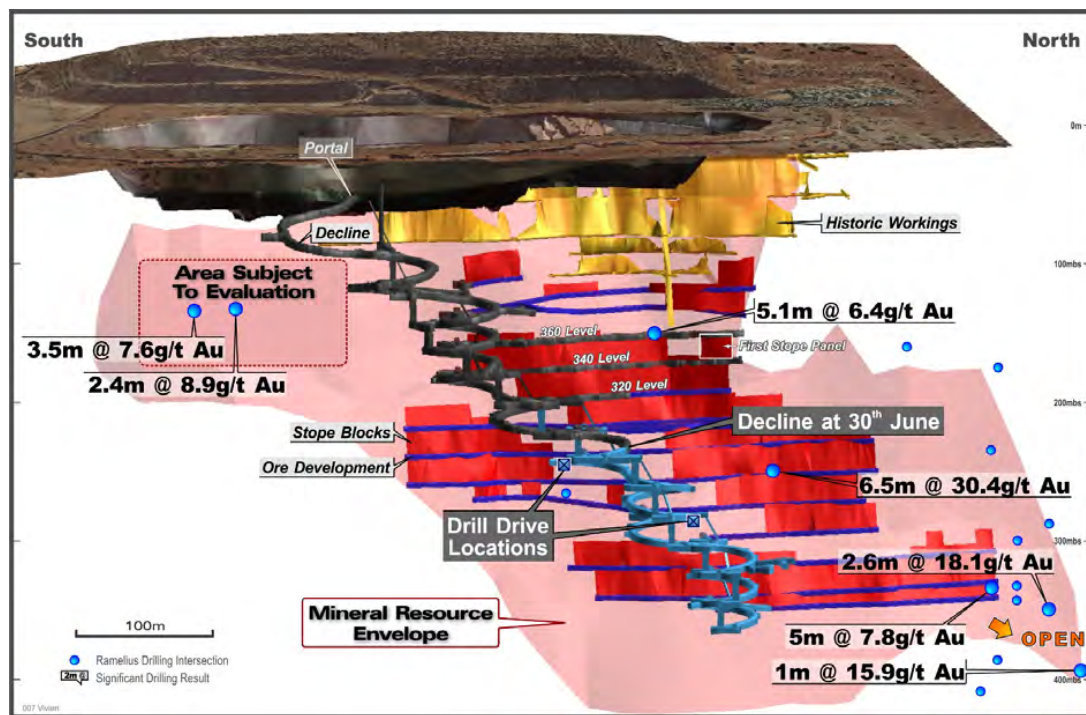


Figure 7: Vivien development progress (grey) – oblique view to east



# REVIEW of Operations



**Figure 8:** First Vivien ore face on the 400 Level (115m below surface)

## **Kathleen Valley Gold Mine**

Acquisition of the Kathleen Valley Gold project was completed in September 2014. An infill RC drilling programme was carried out in November 2014. Drilling confirmed previous resources and upgraded some resource areas. The resource block model was updated and open pit mine design work commenced. A Pre-Feasibility Study was subsequently completed and a maiden Ore Reserve generated and announced, using a A\$1,400 per ounce gold price which was consistent with Ore Reserve gold price assumptions used at Mt Magnet at the time. Two open pits, Mossbecker and Yellow Aster, were designed and expected to produce a total of 408,000t @ 4.2 g/t for 55,000oz of gold. Environmental and permitting approvals were also progressed and were received in May 2015. Board approval was given the same month and development of the project commenced immediately.

Late in the 2015 financial year, the successful mining contractor, WATPAC mining mobilised to site and completed clearing and road construction. An initial RC grade control programme was completed and blasting and waste mining commenced.

Early in the 2016 financial year, ore mining commenced. Grade control results confirmed reserve expectations and ore haulage to Mt Magnet and milling of ore commenced in mid-August 2015.

In December 2015 two additional small open pits, Yellow Aster North and Nil Desperandum were added to the mine plan with Probable Ore Reserves of 70,000t @ 3.5g/t for 8,000oz. Mining at these pits was commenced in February & March 2016 respectively. At year end the Mossbecker pit was approaching completion and Yellow Aster was well advanced.



**Figure 9:** Mining at Mossbecker open pit

At year end the total claimed ore mined for the project was 421,214t @ 4.08g/t for 55,281oz. Reconciled mill production was 336,251t @ 4.98g/t for 51,973oz and a significant closing stockpile of 67,768t existed at KV.

### **Burbanks**

The Company's gold treatment plant at Burbanks, located near Coolgardie, remained on care and maintenance for the entire year with costs managed to minimum levels. In July 2015, Ramelius entered into an agreement to lease the mill for a 12-month period to Kidman Resources Limited (ASX:KDR) for its neighbouring Burbanks Mining project. Kidman never took possession of the site for leasing activities and the lease was eventually terminated in May 2016.

Subsequent to 30 June 2016, the Burbanks facility held by Ramelius subsidiary, Ramelius Milling Services Pty Ltd, was sold to Maximus Resources Limited (ASX:MXR) for a total consideration of A\$2.5M, staged over a 24-month period.





# REVIEW of Operations

## **DEVELOPMENT PROJECTS**

### **Blackmans Gold Project**

Blackmans is located 30km north of Mt Magnet, relatively close to the Company's Checker processing facility on the outskirts of Mt Magnet (refer Figure 2). Gold mineralisation at Blackmans extends over at least 350m of strike and is associated with a number of sub-parallel, steeply west dipping quartz-sulphide lodes developed within high magnesium basalt host rocks. Lodes are generally 2-5m wide, from 10-20m below surface and vary between 60 and 300m in strike length. The lodes are overlain by transported laterite cover of 8-12m thickness, which contains a flat lying 2-5m thick, enriched gold zone near the base.

After encouraging RC drilling programmes completed in December 2014 and February 2015, Ramelius announced a maiden Mineral Resource in June 2015, that was subsequently updated in September 2015 and contained 457kt @ 2.6g/t for 38,000 ounces, using a 1.0g/t cut-off;

A 50m deep pit has been designed containing a Probable Ore Reserve of 244,000 tonnes @ 2.0g/t for 16,000 ounces. The project was further advanced during the 2016 financial year with granting of the Mining Proposal and Mine Closure Plan Approval in April 2016. Engagement with the Shire and Main Roads also occurred and final approvals and mining commencement is expected early in the 2017 financial year.

### **Water Tank Hill Project**

The Water Tank Hill project lies 1.5km west of the town of Mt Magnet (refer Figure 3). The original deposit was located on a small hill, where the towns' water storage tanks were previously sited. With the mining of the Water Tank Hill open pit, the hill was largely removed and the town water tanks relocated to a new site. The deposit is also located 300m west of the St George deposit which was mined by open pit and then underground methods between 2005 and 2007.

Gold mineralisation at the Water Tank Hill deposit occurs within a fold and fault thickened portion of the Banded Iron Formation host rocks.

Current Ore Reserves, first released in September 2014, have a combined total for Water Tank Hill and St George of 335,000 tonnes @ 4.9 g/t for 53,000 ounces (refer ASX Release; 'Resources and Reserves Statement' 10/9/2015).

Activity for the financial year consisted of detailed mine design and evaluation, geotechnical, hydrology and environmental work for the DMP's Mining Proposal and Project Management Plan submissions. These documents are planned to be submitted for approval early in the 2017 financial year.

### **Milky Way Project**

The Milky Way project is located 3.6km from the processing plant at Mt Magnet.

The existing 67m deep, Milky Way pit was mined in 1999 to 2000 by Mt Magnet Gold (WMC) and produced 626,723t @ 1.64 g/t for 33,073 ounces of gold.

Gold mineralisation occurs as stockwork style of sericite-silica-pyrite veining and alteration within a thick altered felsic porphyry unit intruded into ultramafic flow sequences. Mineralisation forms high grade zones within a broader low grade stockwork. Higher grade gold mineralisation tends to occur along the eastern margin of the felsic (trending 015° to 030°), adjacent to the ultramafic contact along the trace of the vertical dipping Milky Way Fault, oblique to the overall dip of the porphyry at around 65° to 75°. Within the HW ultramafic a number of narrow felsic units are intercalated and are frequently mineralised.

Following exploration success during the financial year Ramelius announced a maiden Mineral Resource in May 2016. Initial scoping work suggested a viable open pit operation and work was commenced to evaluate the potential for open pit mining comprising pit optimisation, pit design, geotechnical investigation, metallurgical testwork and assessment of statutory approval requirements.



Primary Vent Fan at the Vivien Underground Gold Mine



# REVIEW of Operations

MINERAL RESOURCES AS AT 30 JUNE 2016 - INCLUSIVE OF RESERVES												
Deposit	Measured			Indicated			Inferred			Total Resource		
	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz
Galaxy	780	1.5	37,000	5,531	1.9	329,000	4,040	1.2	160,000	10,351	1.6	526,000
Morning Star				1,765	1.8	103,000	4	1.4	-	1,770	1.8	103,000
<b>Total major deposits</b>	<b>780</b>	<b>1.5</b>	<b>37,000</b>	<b>7,296</b>	<b>1.8</b>	<b>432,000</b>	<b>4,044</b>	<b>1.2</b>	<b>160,000</b>	<b>12,121</b>	<b>1.6</b>	<b>629,000</b>
Bartus Group	49	2.2	4,000	115	2.1	8,000	238	1.6	12,000	402	1.8	24,000
Blackmans				334	2.5	27,000	134	2.4	10,000	468	2.5	37,000
Boomer				1,194	1.8	68,000	786	1.0	26,000	1,980	1.5	94,000
Britannia Well				179	2.0	12,000				179	2.0	12,000
Bullocks				202	3.3	21,000	40	2.5	3,000	242	3.2	25,000
Eastern Jaspilite	146	2.2	10,000	121	2.8	11,000	134	2.5	11,000	401	2.4	32,000
Eclipse				167	2.2	12,000	41	2.1	3,000	208	2.1	14,000
Golden Stream				154	2.9	14,000	7	1.7	-	160	2.8	15,000
Hill 60							309	4.6	46,000	309	4.6	46,000
Lone Pine	199	2.5	16,000	277	1.7	15,000	147	1.7	8,000	623	1.9	38,000
Milky Way				2,660	1.3	114,000	1,258	1.2	50,000	3,918	1.3	164,000
O'Meara Group				231	2.5	18,000	151	1.5	7,000	383	2.1	26,000
Shannon	94	2.5	8,000	35	2.5	3,000	42	2.6	3,000	170	2.5	14,000
Spearmont - Galtee				25	2.9	2,000	207	4.3	28,000	232	4.1	31,000
Stellar	160	2.1	11,000	87	1.9	5,000	59	1.8	3,000	306	2.0	19,000
Welcome - Baxter	222	1.6	11,000	276	1.6	15,000	198	1.8	11,000	696	1.7	37,000
<b>Total satellite deposits</b>	<b>869</b>	<b>2.1</b>	<b>60,000</b>	<b>6,056</b>	<b>1.8</b>	<b>345,000</b>	<b>3,751</b>	<b>1.8</b>	<b>221,000</b>	<b>10,676</b>	<b>1.8</b>	<b>626,000</b>
Hill 50 Deeps	279	5.5	49,000	932	7.0	209,000	396	6.4	81,000	1,607	6.6	339,000
Morning Star Deeps				195	4.2	26,000	334	5.0	53,000	528	4.7	79,000
Saturn UG							1,607	2.5	127,000	1,607	2.5	127,000
St George UG	110	4.9	17,000	149	4.2	20,000	42	4.0	5,000	302	4.4	42,000
Water Tank Hill UG				229	6.6	49,000	89	4.9	14,000	318	6.1	63,000
<b>Total UG deposits</b>	<b>390</b>	<b>5.3</b>	<b>66,000</b>	<b>1,504</b>	<b>6.3</b>	<b>304,000</b>	<b>2,468</b>	<b>3.5</b>	<b>280,000</b>	<b>4,362</b>	<b>4.6</b>	<b>650,000</b>
Mt Magnet Stockpiles	313	0.9	9,000	-	-	-	-	-	-	313	0.9	9,000
<b>Mt Magnet Total</b>	<b>2,352</b>	<b>2.3</b>	<b>172,000</b>	<b>14,857</b>	<b>2.3</b>	<b>1,081,000</b>	<b>10,262</b>	<b>2.0</b>	<b>661,000</b>	<b>27,472</b>	<b>2.2</b>	<b>1,914,000</b>
Western Queen South				104	3.6	12,000	81	3.4	9,000	185	3.5	21,000
Coogee				31	3.6	4,000	65	3.3	7,000	96	3.4	11,000
Vivien				485	8.8	137,000	306	4.4	43,000	791	7.1	180,000
Kathleen Valley				238	3.7	28,000	523	2.5	42,000	761	2.9	70,000
<b>Non Mt Magnet Total</b>				<b>857</b>	<b>6.6</b>	<b>181,000</b>	<b>976</b>	<b>3.2</b>	<b>101,000</b>	<b>1,833</b>	<b>4.8</b>	<b>282,000</b>
<b>Total Resources</b>	<b>2,352</b>	<b>2.3</b>	<b>172,000</b>	<b>15,714</b>	<b>2.5</b>	<b>1,262,000</b>	<b>11,238</b>	<b>2.1</b>	<b>762,000</b>	<b>29,305</b>	<b>2.3</b>	<b>2,196,000</b>

Note: Figures rounded to nearest 1000 tonnes, 0.1g/t and 1000 ounces. Rounding errors may occur.

**Table 2: 2016 Mineral Resource Statement**





ORE RESERVE STATEMENT AS AT 30 JUNE 2016									
	Proven			Probable			Total Reserve		
	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz
<b>Galaxy Pits</b>									
Titan	667	1.4	30,000	483	1.4	21,000	1,150	1.4	51,000
Perseverance				162	2.4	12,000	162	2.4	12,000
Brown Hill				109	2.6	9,000	109	2.6	9,000
<b>Morning Star Cutback</b>									
Morning Star				478	2.8	43,000	478	2.8	43,000
<b>Satellite Pits</b>									
Milky Way				1,875	1.3	78,000	1,875	1.3	78,000
Boomer				132	2.9	12,000	132	2.9	12,000
Lone Pine				258	1.8	15,000	258	1.8	15,000
O'Meara				46	3.4	5,000	46	3.4	5,000
Golden Stream				95	3.0	9,000	95	3.0	9,000
<b>Underground</b>									
Water Tank Hill				176	6.5	37,000	176	6.5	37,000
St George	73	3.6	8,000	86	3.0	8,000	159	3.3	16,000
<b>Stockpiles</b>	313	0.9	9,000				313	0.9	9,000
<b>Mt Magnet Total</b>	1,053	1.4	47,000	3,900	2.0	249,000	4,953	1.9	296,000
<b>Vivien Underground</b>				382	8.0	98,000	382	8.0	98,000
<b>Kathleen Valley</b>	68	3.1	7,000	28	4.5	4,000	95	3.5	11,000
<b>Total Reserves</b>	<b>1,121</b>	<b>1.5</b>	<b>54,000</b>	<b>4,309</b>	<b>2.5</b>	<b>351,000</b>	<b>5,430</b>	<b>2.3</b>	<b>405,000</b>

Note: Figures rounded to nearest 1,000 tonnes, 0.1 g/t and 1,000 ounces. Rounding errors may occur.

**Table 3: 2016 Ore Reserve Statement**



Sunrise at the Vivien Gold Mine



# REVIEW of Operations

## EXPLORATION

During the 2016 financial year Ramelius explored a suite of gold exploration projects at various stages of advancement, as shown on Figure 10.

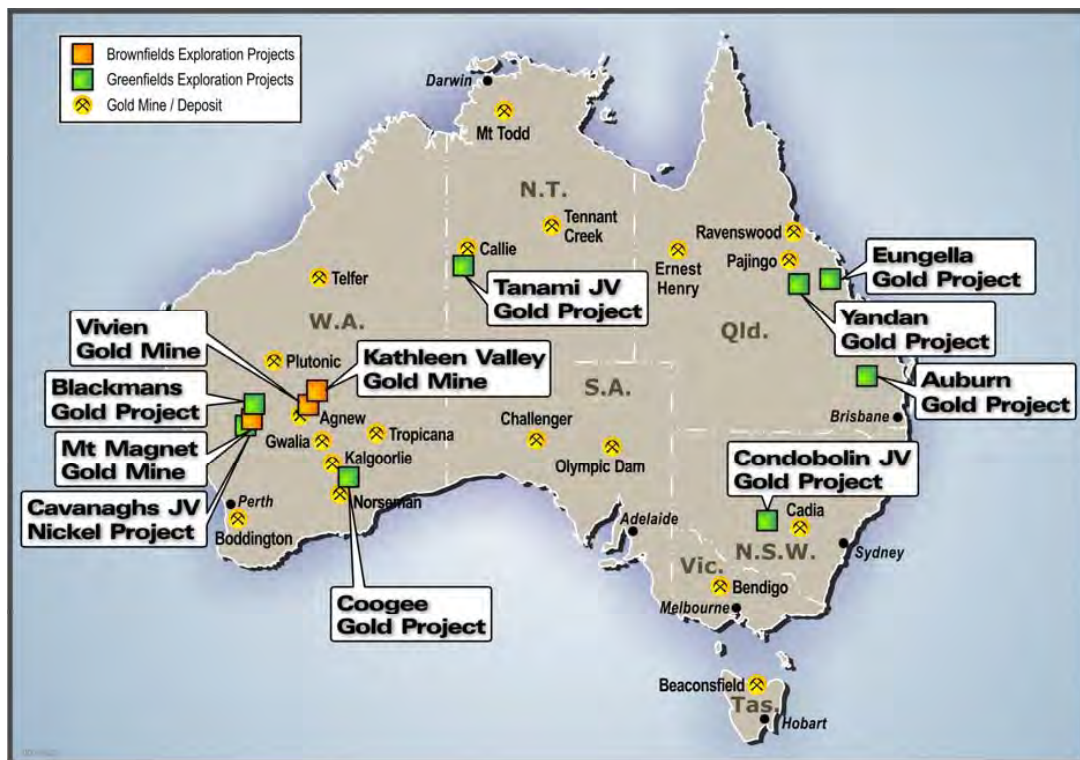


Figure 10: FY2016 Brownfields & Greenfields Exploration Projects

### Mt Magnet (WA) (Ramelius 100%)

Exploration activity at Mt Magnet during the year focused on the discovery and drill-out of the 241,000oz Milky Way resource and other porphyry hosted gold targets within the larger Boogardie Basin at Mt Magnet.

An aggregate of 25,480m of RC drilling (GXRC1327 – 1345 + 1347 – 1411 + 1421 – 1442 and GXRC0444 - 479) and one diamond drill hole (GXDD0046) for 201.5m was completed during the year.

### Milky Way – Infill Drilling

Milky Way represents an exciting new hypogene (bedrock hosted) resource for Ramelius as it demonstrates good potential for new deeper gold mineral deposits below extensively depleted and oxidised kaolin clays. The typical Western Australian supergene gold blanket is poorly developed and hence is limited in its application to predetermine the quantum potential of deeper fresh rock mineralisation throughout the Boogardie Basin. The gold mineralisation at Milky Way manifests in strong sericite-pyrite-silica altered felsic porphyry rocks on or near the sheared contacts with the basal ultramafic pile.

Following its discovery, infill drilling at Milky Way confirmed good continuity of mineralisation within the near surface hangingwall felsic porphyry units that was not detected in historical shallow drilling. Ramelius' drilling successfully returned high grade gold mineralisation including, **17m at 5.61 g/t Au from 73m**

(GXRC1400). This intersection is supported by **13m at 3.61 g/t Au from 50m** (GXRC1394), approximately 45m below (refer Figure 11).

Significant infill drilling intersections (using 0.5 g/t Au lower cut-off) within the Milky Way resource include:

- 6m at 11.64 g/t Au from 189 in GXRC1328, incl. 2m at 33.4 g/t Au
- 7m at 11.29 g/t Au from 232m in GXRC1336, incl. 5m at 15.37 g/t Au
- 89m at 13.9 g/t Au from 108m in GXRC1345, incl. 22m at 55.05 g/t Au
- 19m at 9.05 g/t Au from 104m in GXRC0452, incl. 2m at 66.88 g/t Au
- 17m at 7.75 g/t Au from 60m in GXRC0457, incl. 5m at 20.81 g/t Au
- 15m at 12.62 g/t Au from 39m in GXRC0459, incl. 2m at 87.32 g/t Au
- 15m at 6.90 g/t Au from 102m in GXRC0466, incl. 2m at 24.28 g/t Au
- 12m at 4.66 g/t Au from 126m in GXRC0467, incl. 4m at 11.58 g/t Au
- 16m at 3.85 g/t Au from 131m in GXRC0473, incl. 1m at 39.60 g/t Au
- 15m at 3.60 g/t Au from 163m in GXRC0476, incl. 1m at 36.60 g/t Au
- 3m at 21.68 g/t Au from 160m in GXRC1387, incl. 2m at 32.25 g/t Au
- 20m at 5.85 g/t Au from 173m in GXRC1399, incl. 1m at 83.10 g/t Au

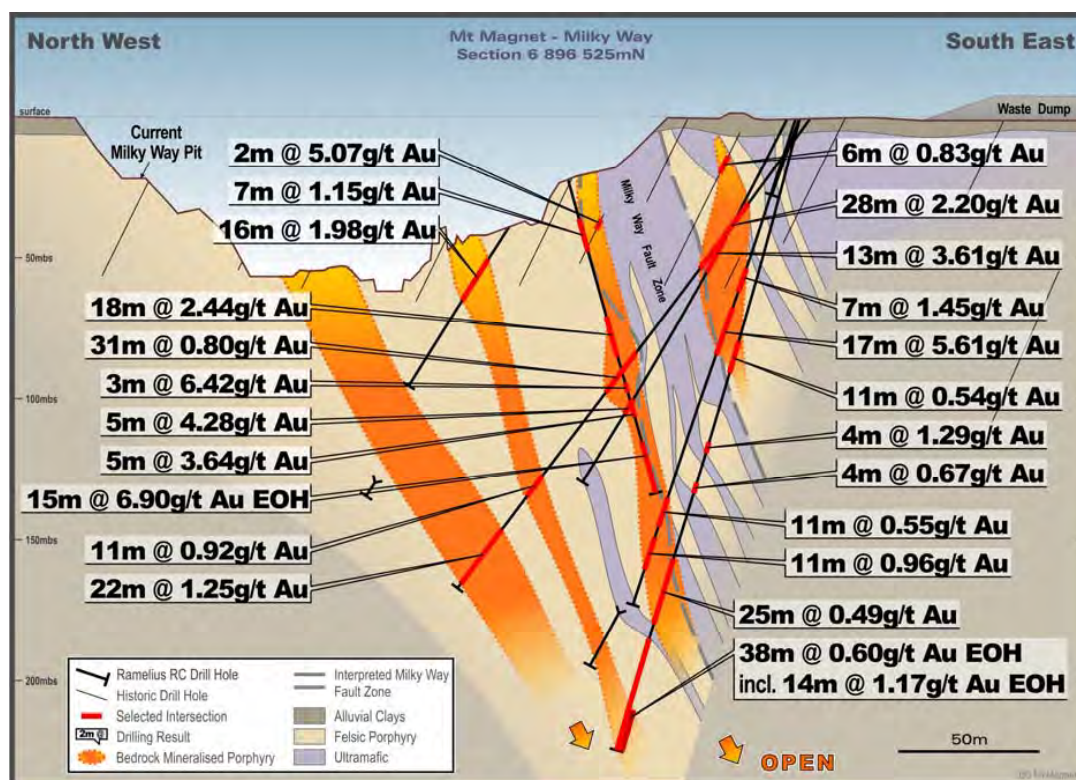


Figure 11: Milky Way cross section – 6896525mN

### Boogardie Basin – Step-out Drilling

Step-out exploration drilling targeted favourable litho-structural repeats of the Milky Way porphyry system at Stellar West, Brown Cow, O’Meara and Franks Tower (refer Figure 12).

The mineralisation intersected at Stellar West demonstrates good bedrock plunge continuity, plunging 20° to the east and parallel to the main mineralised ore shoot mined within the Stellar pit. Significant intersections returned during the year included:



# REVIEW of Operations

- 67m at 1.04 g/t Au from 126m in GXRC1347, incl. 32m at 1.62 g/t Au
- 48m at 1.03 g/t Au from 101m in GXRC1351, incl. 20m at 1.80 g/t Au
- 42m at 1.36 g/t Au from 46m in GXRC1363, incl. 7m at 7.36 g/t Au
- 18m at 2.65 g/t Au from 54m in GXRC1364, incl. 1m at 45.30 g/t Au
- 19m at 4.50 g/t Au from 65m in GXRC1373, incl. 1m at 18.95 g/t Au
- 14m at 3.96 g/t Au from 75m in GXRC1377, incl. 2m at 17.28 g/t Au
- 18m at 2.06 g/t Au from 47m in GXRC1426, incl. 7m at 3.00 g/t Au

As with Milky Way, the high grade gold mineralisation at Stellar West is associated with sheared felsic porphyry – ultramafic rock unit contacts.

Complete drill hole assay data for Milky Way and the broader Boogardie Basin environment is provided in Table 4.

Further step out drilling will be completed at Stellar West and other Boogardie Basin prospect during the 2017 financial year.

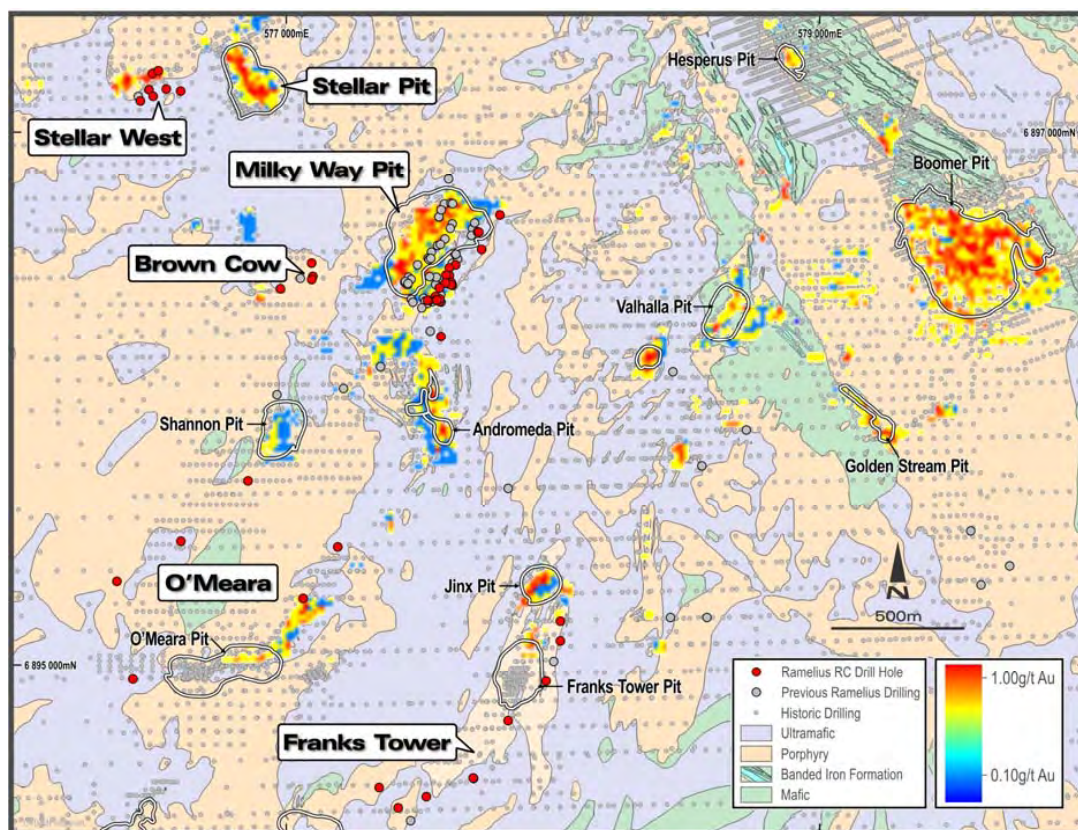


Figure 12: Location of the prospects proximal to Milky Way within the Boogardie Basin

## Blackmans Gold Project (WA) (Ramelius 100%)

A single 222m deep exploration RC hole was completed at Blackmans during the year. The RC hole was designed to test under the high grade Western Lode intersection of **10m at 15.76 g/t Au**. The drill hole could not extend the Western Lode intersection but did return encouraging gold mineralisation along the

Eastern Lode position, intersecting **5m at 4.70 g/t Au from 206m**, including **2m at 10.64 g/t Au from 209m**.

Complete drill hole assay data is provided in Table 5.

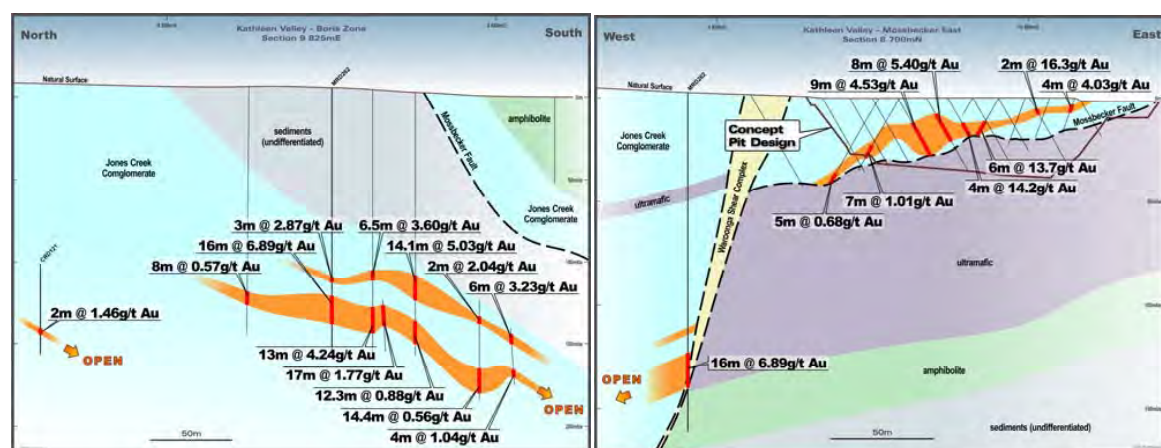
### Kathleen Valley Gold Project (WA) (Ramelius 100%)

The Kathleen Valley Project is situated along the Waroonga Shear which extends northwards from Gold Fields (Australia) +11 million ounce Agnew Gold Operations, 20km west of Leinster in Western Australia.

The Jones Creek Conglomerate unit within the Waroonga Shear represents the favourable host rock at both Agnew and Kathleen Valley; albeit facies appear more mafic/ultramafic dominated near Agnew and more felsic/granite dominated at Kathleen Valley.

A series of small RC drilling programmes (collectively 17 holes for 3,189m) were completed at Kathleen Valley during the year, targeting the Boris Zone (western downthrown extension to Mossbecker). Assay results were disappointing and failed to extend the known mineralisation depicted in Figure 13 below. Best result (>0.50 g/t Au) was 11m at 0.98 g/t Au from 210m in sulphidic granite breccia/conglomerate (analogous to Mossbecker) immediately below the overlying Mt Goode basalt. The deepest hole intersected what is interpreted as a deeper downthrown block of the granite breccia/conglomerate host rock, being entirely anomalous in gold mineralisation and returning 74m at 0.18 g/t Au from 210m. Subsequent follow-up drilling failed to enhance the grade and tonnage potential of the target area and no further exploration drilling was recommended.

Towards the end of FY2016, efforts were directed towards divesting the Kathleen Valley tenement land package to lithium explorer Liontown Resources Limited (ASX: LTR). A binding term sheet was signed between the companies and announced to the market subsequent to year end (see ASX: LTR Release dated 4 August, 2016). Under the terms of the Tenement Sale Agreement, Ramelius retains all gold rights to the Kathleen Valley tenement package.



**Figure 13:** Kathleen Valley Boris Zone looking east (LHS) and looking north (RHS) relative to the now mined Mossbecker pit



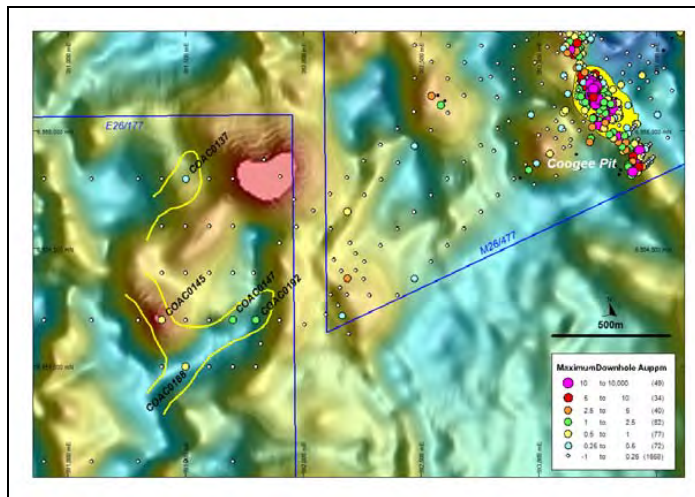
# REVIEW of Operations

## Coogee Gold Project (WA) (Ramelius 100%)

A reconnaissance programme of 69 vertical Aircore holes (COAC0136 – 204) was drilled for an aggregate of 1,760m over the Coogee Beach prospect during the year. Coogee Beach is located 2km southwest of Ramelius' mined Coogee pit on Lake Lefroy in Western Australia (refer Figure 14).

The drilling intersected a sequence of variably altered intermediate volcanoclastics interbedded with rhyolite porphyries below 19m of Tertiary lake sediment cover. Better drill results include **1m at 1.38 g/t Au from 27m** to end of hole, **3m at 1.07 g/t Au** and **2m at 0.74 g/t Au**. Deeper diamond drilling will test below the anomalous intersections once a suitable lake rig becomes available.

Significant drill hole assay data is provided in Table 6.

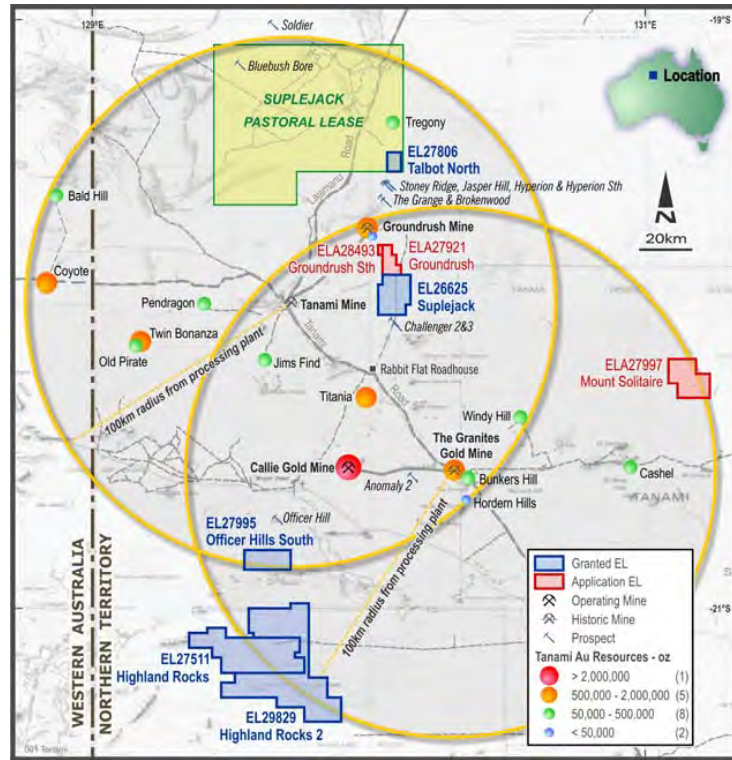


**Figure 14:** Coogee Beach (EL26/177) Aircore anomaly draped over a 1VD-RTP aeromagnetic image. Coogee Beach is 2km west of the now mined Coogee Pit

## Tanami JV (NT) (Ramelius 85%)

Ramelius holds 85% equity in the Tanami Joint Venture and continues to sole fund the exploration expenditure, free carrying Tychean Resources Limited (ASX:TYK) through to any decision to mine.

The package of joint venture tenements extends over 1,700km<sup>2</sup> and is located within 100km radius of Newmont's giant +20 million ounce Callie Gold mine (Figure 15). Three of the eight ELs await granting.



**Figure 15: Tanami JV project location**

During the year Ramelius completed additional reconnaissance RC drilling within the granted Suplejack EL (EL26625), drilling seven holes for an aggregate 1,356m (refer Figure 16). Six of the holes were angled and spaced 100m apart to provide important geological information along the sheared contacts of interpreted analogous Dead Bullock Formation rock units, within the plus 2km striking, plus 10ppb anomalous gold interface anomaly.

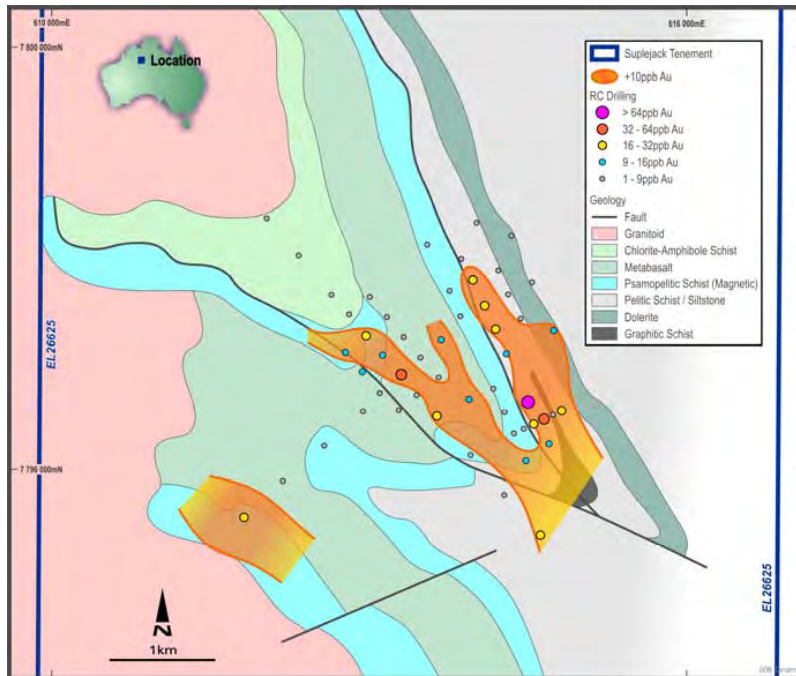
Encouragingly the drilling confirmed the southern extension of the gold interface anomaly. Low order gold anomalism (+10ppb Au) was returned where it intersected a graphitic schist unit. The graphitic schist unit also returned elevated portable XRF trace element determinations up to 0.18% Cu and 56ppm As, suggesting the unit may be a preferential host where its structurally thickened around the fold closure further south. Detectable gold anomalism (2-5ppb Au) was returned on or near the eastern dolerite/siltstone contact and near the western sheared pelite/siltstone contact, further attesting to the prospectivity of the larger Suplejack target area. Anomalous drill hole assay data is provided in Table 7.

Follow-up drilling is planned during FY2017.





# REVIEW of Operations

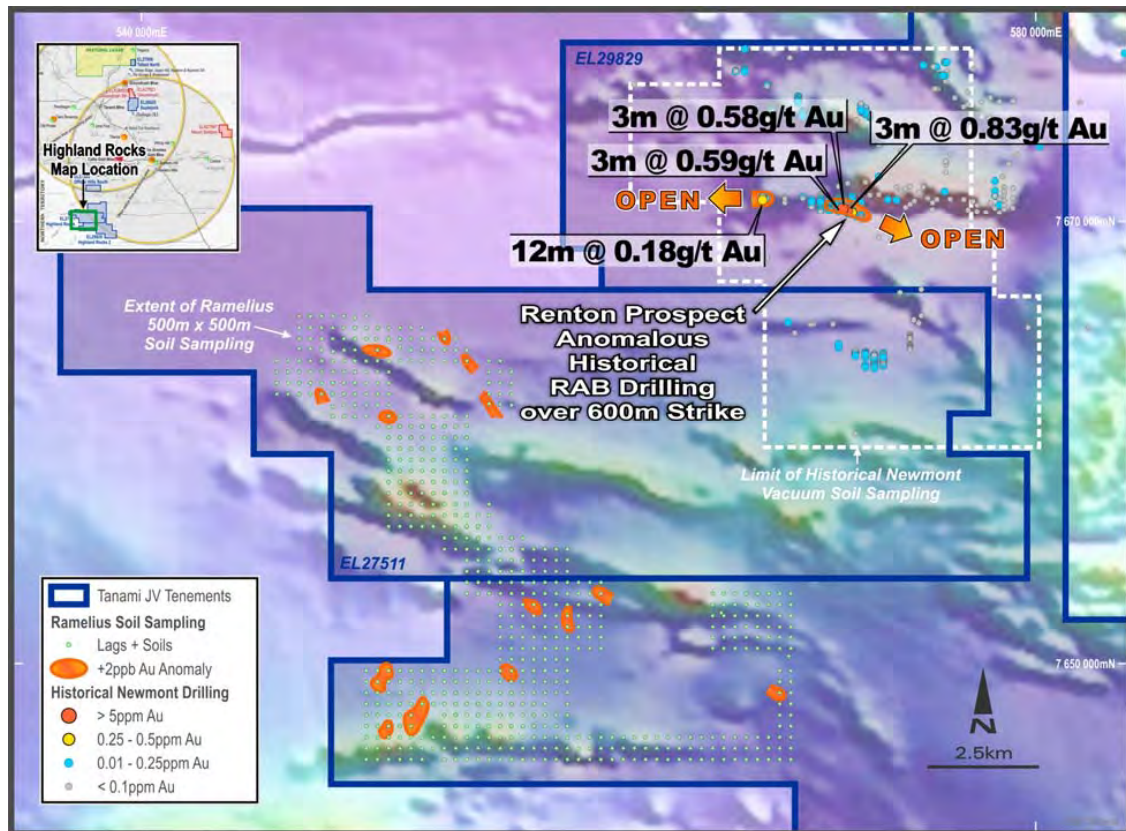


**Figure 16:** Suplejack (EL26625) showing gold anomalous Ramelius drill hole locations vectoring to an interpreted fold closure

The prospective Highland Rocks plus Officer Hills South Exploration Licences (ELs) 27995, 27511 and 29829 were granted at the end of the 2015 calendar year. Sacred Site Clearances were completed by the Central Land Council at the beginning of calendar year 2017, ahead of reconnaissance field work later in the year.

Reconnaissance (500m x 500m) surface soil, lag and shallow vacuum drill hole geochemical sampling was completed over the western half of the Highland Rocks ELs. While the vacuum drilling was largely ineffective because it struggled to penetrate through transported silcrete horizons, low order (2 – 5 ppb Au) surface soil and lag anomalies were returned from the sampling programme (refer Figure 17). Recognising the broad nature of the sampling grid, detailed regolith mapping and infill soil sampling will be required before any true assessment on the significance of the anomalies may be made.

Compilation of historical exploration data has highlighted a significant open ended RAB/Aircore drill hole anomaly located at Renton; situated within the northern portion of the Highland Rocks EL29829. Encouragingly the historical gold anomalous results extend over 600m strike and remain open with depth plus open to the west and east. Infill and strike extension drilling to determine the significance of the anomaly will be completed during the 2017 financial year.



**Figure 17:** Highland Rocks soil sampling and historical Newmont drilling results over the northern Renton Prospect

**Vivien Gold Project (WA)**  
(Ramelius 100%)

No surface gold exploration was undertaken over the Vivien leases during the year. The strategy has been to wait for the development of underground drill caddies to better target deeper mine extension exploration drilling from underground.

**Condobolin JV Project (NSW)**  
(Ramelius - withdrawn)

Ramelius followed up the FY2015 detailed 3D IP survey over the large low sulphidation epithermal vein field at Condobolin late in the financial year with three deeper RC holes (CDRC0001-0003) for an aggregate 639m. No significant results were returned and the Company subsequently withdrew from the farm-in.

**Cavanaghs Nickel JV Project (WA)**  
(Ramelius – withdrawn)

During the year Ramelius signed farm-in and joint venture agreement targeting massive nickel sulphide mineralisation within a large intrusive mafic sill complex located 10km west of the Mt Magnet township.



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Ramelius could earn up to 70% interest in the project from a private company by sole funding \$2 million in exploration expenditure within 4 years.

Ramelius drilled one angled RC hole (CVRC0001) into a strongly conductive EM anomaly and a second RC hole (CVRC0002) below anomalous nickel in soils for an aggregate 204m but failed to intersect any anomalous nickel sulphide (>0.1% Ni) mineralisation at depth. An 8m thick graphitic shale unit adequately explained the source of the conductive anomaly. No further work was planned and Ramelius withdrew from the farm-in later in the year.

## **Yandan, Eungella and Auburn Projects (QLD)** (Ramelius 100%)

Preliminary field investigations failed to enhance the prospectivity of the Eungella and Auburn leases. These projects were consequently surrendered subsequent to the end of FY2016. Mapping and sampling within the Yandan leases has defined deeper drill targets that are proposed to be tested during the 2017 financial year.

*The Information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Kevin Seymour (Exploration Results), Rob Hutchison (Mineral Resources) and Duncan Coutts (Ore Reserves).*

*Kevin Seymour, Rob Hutchison and Duncan Coutts are all Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they have undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Kevin Seymour, Rob Hutchison and Duncan Coutts are full-time employees of Ramelius Resources Limited and consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.*



**Table 4: Anomalous (>0.1 g/t Au) RC drilling data within Mount Magnet (Milky Way – Boogardie Basin) – WA**

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
GXRC1327 (Valhalla Pry)	579034	6896734	293/-58	442	204	22	61	39	0.13
						69	82	13	0.20
					Incl.	69	70	1	0.99
						90	98	8	0.10
GXRC1328	577725	6896650	268/-57	442	246	0	30	30	0.26
						66	80	14	0.28
						129	146	17	0.56
					Incl.	133	135	2	1.04
						152	159	7	1.99
					Incl.	154	159	5	2.74
					Incl.	154	155	1	7.73
						162	168	6	0.65
					Incl.	164	167	3	1.00
						175	181	6	0.83
						189	210	21	3.62
					Incl.	189	195	6	11.64
					Incl.	190	192	2	33.4
						204	206	2	1.29
	215	245	30	0.82					
	225	244	19	1.22					
	226	234	8	2.31					
	232	233	1	7.34					
GXRC1329 (Andromeda Pry)	577689	6895660	270/-56	442	246	52	57	5	0.85
					Incl.	55	56	1	3.24
						120	121	1	1.04
						231	244	13	0.11
GXRC1330 (Brown Hill BIF)	577669	6898672	337/-55	442	132			Hole	Abn
GXRC1331 (Brown Hill BIF)	577669	6898676	329/-59	442	360	37	40	3	1.15
						86	88	2	1.42
						96	120	24	0.23
						321	323	2	1.59
GXRC1332 (Golden Stream Pry)	579389	6895820	269/-60	442	252	100	123	23	0.27
					Incl.	119	120	1	1.21
						153	199	46	0.19
						209	233	24	0.19
GXRC1333	577703	6896621	290/-55	443	234	115	137	22	0.49
					Incl.	115	124	9	0.52
					Incl.	118	123	5	0.73
						129	137	8	0.70
					Incl.	131	136	5	1.01
						142	149	7	0.93
					Incl.	144	147	3	1.85
					Incl.	165	223	58	0.65
	198	214	16	1.16					
GXRC1334	577724	6896656	300/-55	442	186	76	135	59	0.82
					Incl.	84	100	16	1.43
					Incl.	84	87	3	6.11
					+	114	133	19	1.09
					Incl.	114	119	5	1.91
					+	122	132	10	1.00
					.	143	157	14	0.40
						190	194	4	0.47
	331	341	10	0.10					



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Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	
GXRC1335	577703	6896541	300/-56	441	246	126	133	7	0.88	
						140	147	7	1.31	
						164	176	12	0.12	
						186	191	5	0.22	
						199	205	6	0.69	
						214	246	32	0.30	
GXRC1336	577744	6896578	300/-57	441	270	118	140	22	0.42	
						Incl.	124	125	1	7.03
						Incl.	180	215	35	0.36
							181	186	5	0.75
							199	210	11	0.35
						Incl.	219	270	51	2.01
							232	239	7	11.29
						Incl.	232	237	5	15.37
						+	252	258	6	1.06
						Incl.	265	270	5	1.93
294	300	6	0.16							
GXRC1337	577697	6896616	289/-48	441	204	114	134	20	0.74	
						Incl.	128	133	5	1.10
						Incl.	140	186	46	0.49
							175	178	3	1.14
GXRC1338	577473	6896474	292/-54	421	150	34	94	60	0.53	
						Incl.	68	73	5	1.63
							118	126	8	0.13
						Incl.	132	138	6	0.24
GXRC1339	577572	6896688	251/-58	400	168	0	44	44	0.37	
						Incl.	2	5	3	1.27
GXRC1340	577545	6896404	295/-58	441	288	60	66	6	0.30	
						Incl.	73	93	20	0.35
							86	90	4	0.95
							123	188	65	0.43
						Incl.	138	140	2	1.80
							+	150	152	2
						Incl.	223	224	1	0.59
							232	233	1	0.74
244	263	19	0.12							
GXRC1341	577741	6896580	300/-63	441	294	115	135	20	0.28	
						Incl.	144	157	13	0.34
							175	186	11	1.65
							178	182	4	4.16
							205	214	9	0.28
							223	240	17	0.55
							244	283	39	0.18
GXRC1342	577617	6896480	300/-65	441	210	38	66	28	2.20	
						Incl.	45	47	2	13.43
							52	53	1	4.14
							57	59	2	1.49
							62	66	4	5.38
							105	136	31	0.80
							142	148	6	0.17
							159	170	11	0.92
							184	206	22	1.25
						Incl.	202	203	1	21.00

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
GXRC1343	577574	6896446	300/-55	441	252	44	61	17	1.53
					Incl.	149	161	12	3.05
						150	153	3	9.19
						165	172	7	0.84
						175	179	4	0.63
GXRC1344	577353	6896723	126/-50	443	276	86	87	1	2.52
GXRC1345	577520	6896362	300/-60	441	210	46	47	1	0.60
						47	52	5	0.22
						72	89	17	0.27
						97	100	3	0.19
						108	197	89	13.90
					Incl.	112	134	22	55.05
					Incl.	113	115	2	28.76
					+	120	129	9	126.6
					Incl.	120	121	1	809.0
					+	164	175	11	0.80
GXRC1347	577530	6896356	300/-61	442	200	56	60	4	0.79
					Incl.	89	99	10	0.67
						115	121	6	0.81
						117	118	1	4.21
						126	193	67	1.04
					Incl.	145	177	32	1.62
					Incl.	147	148	1	15.25
					+	171	172	1	8.09
					+	180	184	4	1.24
					+	187	192	5	0.94
GXRC1348	577508	6896339	300/-61	442	200	100	166	66	0.40
GXRC1349	577548	6896362	270/-60	442	240	22	36	14	0.63
						67	77	10	0.40
						102	114	12	0.27
						129	167	38	0.68
						171	214	43	0.81
GXRC1350	577468	6896372	328/-51	443	140	32	40	8	0.24
					Incl.	44	49	5	0.13
						55	129	74	0.82
						97	102	5	5.14
						100	101	1	21.90
					Incl.	132	140	8	0.89
GXRC1351	577514	6896375	300/-56	442	204	36	37	1	1.01
					Incl.	64	77	13	0.30
						88	90	2	0.51
						101	149	48	1.03
						126	146	20	1.80
GXRC1352	577579	6896387	300/-67	442	90	33	40	7	0.23
						43	69	26	0.48
						80	85	5	0.83
GXRC1353	577609	6896824	270/-60	444	206	118	119	1	1.01
GXRC1354	577832	6895662	270/-55	436	162	140	141	1	0.88
					104	106	2	2.21	
GXRC1355	578450	6896097	270/-55	438	192	123	141	18	0.16
					167	170	3	2.03	
GXRC1356	578725	6895880	270/-51	437	174	2	81	79	0.35
					Incl.	58	65	7	1.33
GXRC1357	578558	6895746	270/-60	437	132	24	52	28	0.30
					56	71	15	0.88	



# REVIEW of Operations

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
					Incl.	62	70	8	1.28
GXRC1358	578440	6895178	270/-60	435	168	119	135	16	0.21
GXRC1359	578577	6895178	270/-60	434	150	120	137	17	0.18
GXRC1360	579566	6895501	270/-55	436	102	1	2	1	0.52
					Incl.	26	91	65	0.26
						48	54	6	0.72
GXRC1361	579605	6895300	270/-60	413	100	29	62	33	0.29
					Incl.	36	38	2	1.31
					+	48	50	2	1.30
GXRC1362	579712	6895371	270/-60	436	100	29	47	18	0.23
GXRC1363	577053	6896450	270/-55	440	186	46	88	42	1.36
					Incl.	47	54	7	7.36
					Incl.	47	49	2	21.35
						112	144	32	0.28
GXRC1364	577540	6896251	300/-55	442	300	54	72	18	2.65
					Incl.	67	68	1	45.3
						101	111	10	0.15
						130	131	1	0.49
						144	169	25	0.13
						180	226	46	0.23
GXRC1365	577353	6896117	320/-55	441	198	64	78	14	0.51
					Incl.	72	75	3	1.50
GXRC1366	577214	6896035	320/-57	441	156				NSR
GXRC1367	576965	6896012	135/-55	439	200	103	124	21	0.19
GXRC1368	577703	6894574	313/-55	433	168	37	38	1	1.05
						47	150	103	0.25
					Incl.	77	80	3	0.83
GXRC1369	577466	6894415	315/-60	431	150	33	43	10	1.46
					Incl.	36	37	1	10.75
						67	115	48	0.17
						140	145	5	4.89
GXRC1370	578003	6895013	313/-55	435	150	12	27	15	0.11
						67	87	20	0.10
						126	133	7	0.23
					Incl.	126	127	1	1.11
GXRC1371	578805	6892905	123/-55	424	288	146	151	5	1.60
						250	253	3	1.00
GXRC1372	577580	6896360	270/-68	443	288	42	52	10	1.65
					Incl.	47	48	1	11.4
						62	63	1	0.51
						81	84	3	1.09
						144	145	1	0.91
						157	161	4	0.45
						180	266	86	0.56
					Incl.	181	182	1	0.51
					+	189	203	14	1.32
					+	207	208	1	0.81
					+	235	243	8	0.79
					+	251	252	1	0.99
					+	260	264	4	2.60
GXRC1373	576445	6897134	331/-60	445	195	14	16	2	1.37
						59	62	3	0.58
						65	84	19	4.50
					Incl.	75	76	1	18.95

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
						89	90	1	10.35
						97	98	1	0.55
						108	110	2	0.64
						115	117	2	1.25
						125	127	2	0.53
						131	132	1	1.27
						136	137	1	0.93
						141	143	2	0.76
						146	147	1	0.56
						154	155	1	13.65
						162	163	1	0.53
						167	168	1	2.33
						176	183	7	0.86
						193	194	1	3.42
Note: Exploration drill holes GXRC1374 onwards are reported using a 0.5 g/t Au lower cut-off									
GXRC1374	577801	6896688	275/-60	443	324	119	120	1	0.54
						262	263	1	0.69
GXRC1375	577575	6896362	265/-60	443	300	26	38	12	0.89
						57	58	1	0.62
						64	66	2	0.75
						79	90	11	2.56
						98	102	4	0.67
						131	135	4	0.97
						174	184	10	0.55
						192	193	1	0.95
						215	216	1	0.72
						233	236	3	0.81
						260	264	4	0.67
GXRC1376 (Stellar West)	576452	6897117	330/-68	445	186	13	16	3	0.68
						42	43	1	0.70
						120	121	1	0.86
						139	140	1	3.25
GXRC1377 (Stellar West)	576500	6897134	330/-58	446	150 Incl.	75	89	14	3.96
						75	77	2	17.28
						98	103	5	0.58
						116	117	1	0.50
						138	141	3	3.00
GXRC1378 (Stellar West)	576603	6897154	330/-62	446	168	85	86	1	4.30
						90	92	2	0.60
						98	99	1	0.60
						111	119	8	0.69
						132	133	1	0.79
						141	143	2	1.11
						158	167	9	1.02
GXRC1379 (Brown Cow)	577095	6896445	270/-55	441	168 Incl.	64	65	1	1.10
						88	92	4	9.64
						89	91	2	18.29
GXRC1380 (Brown Cow)	577099	6896457	090/-60	441	156	129	132	3	0.48
GXRC1381	577611	6896460	300/-75	443	329	28	29	1	2.16
						65	72	7	1.00
						96	110	14	1.22
						167	168	1	3.68
						189	190	1	0.51
						199	203	4	0.40
						222	223	1	0.54



# REVIEW of Operations

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
						226 243 295 313	231 247 296 319	5 4 1 6	0.60 0.68 1.18 1.39
GXRC1382	577618	6896434	270/-64	443	282	30 36 51 63 82 91 110 156 160 166 173 197 207 228 233 246 251 262 267	33 37 58 64 84 105 111 157 163 169 176 198 208 230 235 247 256 264 268	3 1 7 1 2 14 1 1 3 3 1 1 2 2 1 5 2 1	0.55 0.50 1.26 1.15 0.64 1.49 0.85 0.51 0.61 0.58 1.18 0.50 0.60 0.62 0.78 0.55 0.69 0.83 0.77
GXRC1383	577622	6896423	300/-67	443	90			Hole	Abn.
GXRC1384	577618	6896426	300/-68	443	300 Incl.	34 57 58 88 93 103 113 176 195 215 221 230 240 248 265	35 65 59 90 94 104 121 177 196 218 223 232 244 249 266	1 8 1 2 1 1 8 1 1 3 2 2 4 1 1	0.63 2.94 8.36 1.26 0.84 1.47 0.97 0.50 1.87 0.48 1.64 1.13 1.12 0.96 1.10
GXRC1385	577574	6896414	253/-60	442	210	34 54 65 79 162 166 171 179 191 205	50 59 68 81 163 167 175 180 200 206	16 5 3 2 1 1 4 1 9 1	0.61 1.62 0.63 1.33 0.62 2.16 0.67 0.54 0.72 0.53
GXRC1386	577536	6896366	273/-67	443	227	36 69 101 140 161 165 189	37 70 105 141 162 166 190	1 1 4 1 1 1 1	0.65 0.86 0.52 0.64 0.62 0.75 1.08

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
						202	203	1	0.87
GXRC1387	577530	6896367	280/-67	442	186	55	59	4	0.72
						90	94	4	0.54
						130	185	55	1.43
					Incl.	134	138	4	0.91
					+	154	155	1	0.61
					+	160	163	3	21.68
					Incl.	160	162	2	32.25
					+	166	167	1	0.50
GXRC1388	577560	6896382	290/-62	442	192	35	41	6	1.43
						81	82	1	0.80
						102	105	3	0.55
						112	113	1	1.53
						154	159	5	0.57
						176	192	16	1.66
GXRC1389	577575	6896372	287/-66	443	222	30	31	1	0.72
						36	37	1	0.96
						62	70	8	0.82
						97	98	1	0.87
						140	144	4	1.61
						150	153	3	0.71
						164	165	1	5.17
						174	190	16	1.03
						203	205	2	1.72
						209	210	1	1.59
						213	222	9	0.78
GXRC1390	577563	6896369	290/-50	443	228	31	33	2	1.71
						41	47	6	1.91
					Incl.	43	44	1	8.00
						60	63	3	0.91
						74	75	1	0.66
						105	106	1	0.52
						139	142	3	0.82
						145	147	2	1.14
						156	157	1	0.60
						165	166	1	0.88
						169	170	1	1.22
						174	200	26	1.26
					Incl.	175	176	1	8.41
						209	210	1	0.64
GXRC1391	577564	6896368	282/-72	442	192	30	33	3	1.14
						57	58	1	0.80
						61	84	23	0.88
						89	90	1	1.54
						93	105	12	0.73
						118	121	3	0.64
						130	136	6	0.55
						160	163	3	0.47
						167	168	1	0.74
						175	182	7	1.37
						185	189	4	0.42
GXRC1392	577580	6896230	270/-60	442	246	52	53	1	0.56
						57	61	4	0.75
						159	160	1	0.80
						189	190	1	3.14
						195	1960	1	0.86



# REVIEW of Operations

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
						207 214	208 220	1 6	0.67 1.33
GXRC1393	577635	6896500	296/-62	442	216	34 51 90 97 131 160 178 202 206	35 59 94 98 142 163 198 203 216	1 8 4 1 11 3 20 1 10	0.66 0.62 0.42 1.02 1.65 0.68 1.17 0.63 1.28
GXRC1394	577611	6896489	301/-63	442	150  Incl.  Incl.	35 45 50 59 114 118 132	41 46 63 60 119 119 133	6 1 13 1 5 1 1	2.28 0.65 3.61 30.0 3.64 9.00 0.62
GXRC1395	577599	6896462	291/-67	444	168	40 53 60 123 135 154 162	46 56 62 126 136 155 167	6 3 2 3 1 1 5	1.42 2.50 1.63 0.77 1.22 0.58 1.00
GXRC1396	577596	6896432	298/-56	443	210	16 41 50 57 113 120 129 134 149 160	17 47 54 60 114 121 130 135 157 181	1 6 4 3 1 1 1 1 8 21	11.7 1.15 1.71 1.80 0.60 0.55 0.66 0.75 1.11 0.91
GXRC1397	577717	6896625	288/-54	444	205	0 171	20 204	20 33	0.91 0.98
GXRC1398	577701	6896629	294/-55	444	205  Incl.	16 60 113 142 157 174 184 185	17 61 117 147 171 175 189 186	1 1 4 5 14 1 5 1	0.62 0.79 0.60 1.37 1.34 1.72 3.39 11.6
GXRC1399	577715	6896653	294/-61	444	210  Incl.  Incl.	0 61 120 137 152 156 158 173 174 203	17 62 121 142 153 163 159 193 175 204	17 1 1 5 1 7 1 20 1 1	0.57 1.30 1.29 0.93 0.94 4.79 21.70 5.85 83.10 0.72
GXRC1400	577615	6896489	300/-71	443	223	40	46	6	2.50

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
					Incl.	58 73 85 109 142 159 195 206 213	65 90 89 110 153 170 201 207 214	7 17 4 1 11 11 6 1 1	1.45 5.61 21.50 3.99 0.55 0.96 0.76 0.56 0.67
GXRC1401	577733	6896558	295/-49	443	234	146 170 176 187 199 225 229	147 171 179 188 200 226 230	1 1 3 1 1 1 1	0.54 0.50 0.48 0.95 0.69 0.61 0.66
GXRC1402	577722	6896623	284/-62	444	246	11 38 140 199 215	28 42 157 210 246	17 4 17 11 31	0.75 0.28 0.73 1.21 0.58
GXRC1403	577618	6896459	304/-68	443	217	70 90 102 161 173 205 209	73 91 104 167 177 206 210	3 1 2 6 4 1 1	2.16 3.75 0.74 2.39 0.80 1.23 1.86
GXRC1404	577615	6896486	294/-75	443	235	43 87 123 154 169 197 221	44 98 127 158 194 235 235	1 11 4 4 25 38 14	1.22 0.54 1.29 0.67 0.49 0.60 1.17
GXRC1405	577614	6896461	295/-58	443	204	38 48 61 132 137 149 160 177 190 196 203	41 51 75 134 138 154 168 182 191 197 204	3 3 14 2 1 5 8 5 1 1 1	0.55 1.20 0.96 1.54 0.61 0.82 1.69 0.56 0.86 2.33 0.88
GXRC1406	577612	6896481	290/-70	443	190 Incl.	49 49 58 64 74 148	52 50 61 66 83 177	3 1 3 2 9 29	5.36 11.10 0.85 2.15 0.97 0.57
GXRC1407	577606	6896405	298/-57	442	210	39 137	91 165	52 28	0.71 0.33
GXRC1408	577645	6896526	294/-57	443	168	35 110	57 167	22 57	0.69 0.72

# REVIEW of Operations

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
GXRC1409 (O'Meara)	577206	6895421	270/-55	438	179				NSR
GXRC1410 (Andromeda)	577641	6895997	270/-55	440	180	41	44	3	3.44
GXRC1411 (Franks Tower)	577257	6894098	315/-55	430	181				NSR
GXRC1421 (Franks Tower)	577432	6894442	315/-60	431	154				NSR
GXRC1422 (Franks Tower)	577549	6894471	315/-60	431	175	30	32	2	2.08
GXRC1423 (Franks Tower)	577358	6894520	315/-60	432	153 Incl.	104 105	109 106	5 1	3.36 12.35
GXRC1424 (Franks Tower)	577846	6894770	315/-55	433	241	92	125	33	0.70
GXRC1425 (Stellar West)	576551	6897156	330/-65	446	150	84 96 104 110 120 132	90 98 106 117 124 139	6 2 2 7 4 7	1.02 1.09 0.70 0.61 1.00 0.69
GXRC1426 (Stellar West)	576485	6897158	330/-55	445	120 Incl. +	47 47 61 68 75 85 93	65 54 64 71 76 88 94	18 7 3 3 1 3 1	2.06 3.00 4.92 2.90 0.52 0.95 0.58
GXRC1427 (Stellar West)	576497	6897219	240/-55	446	180	29 34 41 65 103 123 163 178	30 35 52 66 108 151 167 180	1 1 11 1 5 28 4 2	0.58 0.53 0.69 0.54 0.49 1.07 0.66 0.59
GXRC1428 (Stellar West)	576520	6897229	270/-54	446	198	25 43 70 85 113 120 134 142 153 183 197	35 45 76 86 116 127 138 143 168 184 198	10 2 6 1 3 7 4 1 15 1 1	0.88 0.81 0.77 0.59 0.64 0.66 0.66 0.50 0.81 0.61 1.21
GXRC1429 (O'Meara)	577098	6895087	330/-61	435	222	114	118	4	1.16
GXRC1430 (O'Meara)	577129	6895229	330/-60	435	170				NSR



Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
GXRC1431 (O'Meara)	577218	6895401	270/-55	438	72			Hole	Abn
GXRC1432 (O'Meara)	576359	6895297	090/-50	433	200	21	47	26	0.62
GXRC1433 (O'Meara)	576419	6894922	360/-55	431	144				NSR
GXRC1434 (O'Meara)	576596	6895450	270/-55	434	156				NSR
GXRC1435 (O'Meara)	576847	6895690	270/-60	436	147				NSR
GXRC1436	577560	6896413	293/-65	442	198 Incl.	37 128 165	141 133 198 EOH	104 5 33	0.81 5.24 1.26
GXRC1437	577605	6896438	292/-65	442	210	26 56	42 88	16 32	0.74 1.06
GXRC1438 (Andromeda)	577538	6896110	270/-55	441	180				NSR
GXRC1439 (Andromeda)	577502	6895962	270/-55	433	150	16	21	5	1.68
GXRC1440 (Franks Tower)	577973	6894915	315/-50	435	217				NSR
GXRC1441 (Franks Tower)	578039	6895077	315/-60	435	169				NSR
GXRC1442 (Franks Tower)	578013	6895157	315/-60	436	163				NSR
Note: GXRC0400 series infill Resource Development holes are reported using a 0.5g/t Au lower cut-off									
GXRC0444	577564	6896424	300/-51	442	138	43 69 85 95 111 124 137	64 75 92 96 112 127 138	21 6 7 1 1 3 1	1.07 0.52 0.54 1.04 1.40 0.72 0.72
GXRC0445	577560	6896427	120/-60	442	100 Incl. + Incl.	34 35 40 49 51	41 37 41 87 79	7 2 1 38 28	0.91 2.61 0.55 1.31 1.73
GXRC0446	577572	6896680	180/-51	391	126 Incl.	0 0 37 46 52 72 78	18 6 41 49 53 74 85	18 6 4 3 1 2 7	0.66 1.40 0.66 2.35 0.59 0.70 0.60
GXRC0447	577592	6896730	139/-52	394	54	57 98 129	62 113 140	5 15 11	1.08 2.06 1.38
GXRC0448	577458	6896454	303/-74	422	120	70	72	2	1.02
GXRC0449	577468	6896446	315/-82	422	126	38	40	2	0.55

# REVIEW of Operations

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
						47	49	2	0.58
						52	53	1	0.67
						61	66	5	0.56
						69	74	5	1.16
						80	92	12	0.86
						98	100	2	1.00
						104	105	1	0.63
						109	111	2	1.05
						116	124	8	0.98
GXRC0450	577444	6896435	241/-72	423	90	10	11	1	0.86
						17	18	1	0.58
						28	36	8	0.47
						50	53	3	0.52
						65	72	7	2.89
						76	77	1	0.91
						80	84	4	0.98
GXRC0451	577446	6896438	293/-79	422	126	2	3	1	0.59
						13	16	3	3.34
						27	28	1	0.56
					Incl.	34	43	9	0.78
						42	43	1	0.96
						46	53	7	0.98
						62	63	1	0.57
						78	79	1	0.77
						93	96	3	0.64
						99	104	5	1.21
						112	113	1	0.82
						122	123	1	4.80
GXRC0452	577455	6896426	169/-68	423	132	1	2	1	1.09
						10	11	1	0.84
						49	50	1	0.63
						67	70	3	0.49
						73	75	2	0.70
						79	84	5	0.64
						93	94	1	0.95
						104	123	19	9.05
					Incl.	107	109	2	66.88
						131	132	1	1.54
GXRC0453	577456	6896431	288/-85	423	133	6	7	1	0.91
						10	11	1	1.08
						34	47	13	0.62
						51	66	15	0.82
						70	71	1	1.40
						74	75	1	1.89
						84	85	1	0.71
						89	95	6	0.78
						99	116	17	1.75
						119	126	7	3.90
					Incl.	123	125	2	10.98
GXRC0454	577572	6896681	120/-52	391	98	5	9	4	1.07
						39	43	4	1.52
						55	57	2	0.88
						68	69	1	0.54
GXRC0455	577580	6896707	123/-52	393	80	1	9	8	1.05
						13	14	1	2.39
						52	57	5	1.22

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
						62 70	66 72	4 2	1.56 0.58
GXRC0456	577618	6896732	149/-52	395	60 Incl. +	3 3 8 15 23 31 37 43	9 5 9 19 25 33 40 59	6 2 1 4 2 2 3 16	7.05 15.85 8.88 0.48 0.72 0.64 0.90 1.10
GXRC0457	577622	6896654	261/-50	404	132  Incl. +	10 16 21 40 49 60 60 72 82 86	12 18 23 41 54 77 65 73 83 93	2 2 2 1 5 17 5 1 1 7	0.67 0.77 1.04 0.52 0.95 7.75 20.81 17.60 0.70 1.28
GXTC0458	577614	6896638	241/-66	406	110	13 21 27 42 53 82 90 99 109	16 23 28 43 77 83 93 102 110	3 2 1 1 24 1 3 3 1	1.30 0.87 1.01 0.70 1.05 2.76 0.63 0.51 0.97
GXRC0459	577595	6896598	270/-57	412	132  Incl. Incl.	18 35 39 44 44 60 82 101 108 118 128	25 36 54 46 45 68 83 105 110 121 129	7 1 15 2 1 8 1 4 2 3 1	1.17 0.65 12.62 87.32 158.0 0.67 0.54 0.76 0.73 0.71 0.54
GXRC0460	577567	6896573	268/-53	416	135	8 21 49 69 87 101 127	16 22 53 70 88 104 135	8 1 4 1 1 3 8	1.09 0.66 0.88 0.62 0.90 1.12 0.49
GXRC0461	577544	6896548	271/-54	420	140 Incl.	36 40 74 80 90 99 112 125	52 41 75 81 95 106 114 128	16 1 1 1 5 7 2 3	1.98 13.5 0.65 0.86 1.38 0.59 2.41 0.78
GXRC0462	577578	6896577	234/-79	415	114	0	1	1	0.61



# REVIEW of Operations

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
						14 22 65 75 104	17 32 66 80 105	3 10 1 5 1	2.62 0.87 0.86 0.51 0.70
GXRC0463	577532	6896526	270/-55	421	141	7 23 37 44 60 77 91 101	8 29 38 45 61 86 95 107	1 6 1 1 1 9 4 6	2.56 0.63 3.57 13.82 0.57 0.73 2.42 1.03
GXRC0464	577536	6896520	200/-66	421	110 Incl.	29 29 40 58 95 109	36 30 52 83 104 110	7 1 12 25 9 1	1.86 10.47 0.71 1.52 1.48 1.94
GXRC0465	577492	6896501	202/-59	422	135	18 25 38 56 60 66 71 118	23 27 52 57 62 67 79 126	5 2 14 1 2 1 8 8	1.08 1.37 1.34 1.41 11.71 4.25 1.14 0.61
GXRC0466	577542	6896525	116/-74	421	117  Incl. +  Incl.  Incl.	6 17 35 53 63 70 76 83 84 102 110	7 24 36 71 64 71 79 88 85 117 112	1 7 1 18 1 1 3 5 1 15 2	2.61 1.15 0.62 2.44 15.35 17.30 6.42 4.28 17.50 6.90 24.28
GXRC0467	577563	6896454	300/-62	443	138	38 58 75 84 89 98 126 132	39 59 80 85 93 102 138 136	1 1 5 1 4 4 12 4	0.66 1.33 0.66 0.53 0.57 0.82 4.66 11.58
GXRC0468	577606	6896429	300/-61	443	90	27 34 46 56 71	28 42 49 58 83	1 8 3 2 12	8.77 1.79 0.87 0.59 1.05
GXRC0469	577602	6896461	300/-62	443	90	23 35 40 47 54	27 37 42 48 62	4 2 2 1 8	1.37 0.88 4.64 10.25 1.38

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	
GXRC0470	577622	6896506	300/-60	443	90	31	32	1	0.58	
						36	37	1	0.80	
						41	59	18	1.57	
						Incl.	41	42	1	10.35
						+	42	44	2	0.96
						+	52	57	5	0.75
						67	68	1	0.51	
						72	74	2	0.57	
						77	78	1	0.61	
						118	120	2	2.37	
GXRC0471	577642	6896524	300/-60	443	90	42	44	2	0.96	
						52	57	5	0.75	
						67	68	1	0.51	
						72	74	2	0.57	
						77	78	1	0.61	
GXRC0472	577698	6896636	300/-50	444	150	Incl.	3	8	5	2.75
						5	6	1	9.24	
						16	17	1	0.50	
						38	39	1	0.52	
						53	54	1	0.54	
						60	62	2	0.53	
						88	90	2	0.87	
						93	102	9	0.70	
						105	110	5	2.07	
						115	121	6	1.66	
146	147	1	0.92							
GXRC0473	577706	6896658	300/-50	444	150	1	5	4	0.55	
						32	33	1	0.95	
						89	108	19	0.98	
						116	125	9	0.95	
						131	147	16	3.85	
						Incl.	141	142	1	39.60
GXRC0474	577694	6896611	282/-52	444	216	1	5	4	0.64	
						66	67	1	0.88	
						85	90	5	0.75	
						145	146	1	0.69	
						166	167	1	0.52	
						172	173	1	0.70	
						179	184	5	0.56	
GXRC0475	577634	6896539	290/-55	443	216	Incl.	32	43	11	1.26
						42	43	1	9.64	
						47	49	2	1.28	
						55	58	3	0.80	
						94	119	25	1.87	
						Incl.	107	108	1	28.10
						124	125	1	1.53	
						146	152	6	1.04	
						156	162	6	0.89	
						174	177	3	1.91	
						189	193	4	0.92	
						197	198	1	1.99	
209	215	6	0.55							
GXRC0476	577636	6896540	315/-56	443	198	86	90	4	1.32	
						120	121	1	0.58	
						129	137	8	2.22	
						142	148	6	1.21	

# REVIEW of Operations

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
					Incl.	152 163 164 185 195	157 178 165 192 198	5 15 1 7 3	2.08 3.60 36.60 0.99 1.29
GXRC0477	577537	6896456	298/-55	443	180	37 45 57 86 98 118 129	42 46 62 87 113 120 140	5 1 5 1 15 2 11	1.04 2.75 1.08 0.75 2.06 3.99 1.38
GXRC0478	577474	6896360	302/-55	443	120	32 36 40 45 51 58 64 70	33 37 42 46 53 61 66 78	1 1 2 1 2 3 2 8	3.10 0.74 0.80 0.66 1.00 1.12 0.61 0.49
GXRC0479	577624	6896731	135/-50	395	80	16 25 44 52	18 26 45 55	2 1 1 3	1.49 4.56 1.17 4.29
GXDD0046	577520	6896364	300/-57	443	201.5 Incl. + + + + + + + +	84.50 110.45 111.45 116.45 117.45 128.45 135.45 143.45 150.45 155.45 164.60 172.65 190.20	85.50 188.50 112.45 122.60 117.75 130.45 139.45 144.45 151.45 159.60 168.65 178.55 198.10	1 78.05 1 6.15 0.30 2 4 1 1 4.15 4.05 5.90 7.90	0.52 0.62 0.52 1.88 29.2 0.66 0.67 3.60 1.29 1.53 0.95 1.34 0.72

Holes from Milky Way and environments unless otherwise described. Reported significant gold assay intersections (using a 0.5 g/t Au lower cut) are reported using 1m downhole intervals at plus 0.5 g/t gold, with a maximum of 2m internal dilution. Gold determination was by Fire Assay using a 50gm charge with AAS finishes and a lower limit of detection of 0.01 ppm Au. NSR denotes no significant results. True widths within the high grade shears are 25-50% of the reported downhole intersections while the broader porphyry intersections are estimated to be 85% of the reported downhole intersections. Coordinates are MGA94-Z50. Abn denotes the hold was abandoned.

**Table 5: Anomalous (>0.5 g/t Au) RC drilling data within Mount Magnet (Blackmans) – WA**

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
BMRC0055	582718	6925083	143/-59	440	222 Incl.	206 209	211 211	5 2	4.70 10.64

Reported gold assay intersections (using a 0.5 g/t Au lower cut) are reported using 1m downhole intervals at plus 0.5 g/t Au with up to 2m of internal dilution. Gold determination was by Fire Assay, using a 50gm charge with ICP-MS finishes and a lower limit of detection of 0.01 g/t Au. NSR denotes no significant results. True widths are estimated to be 65% of downhole intersections. Coordinates are MGA94-Z50.



**Table 6: Significant (>0.1 g/t Au) Aircore drilling results within the Coogee Beach Prospect - Coogee Project – Kambalda WA**

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
COAC0137	391500	6554800	Vert.	400	48	47	48	1	0.27
COAC0145	391400	6554200	Vert.	400	30	28	29	1	0.69
COAC0147	391700	6554200	Vert.	400	28 Incl.	22 27	28 28	6 1	0.30 1.38
COAC0188	391500	6554000	Vert.	400	28 Incl.	22 22	28 24	6 2	0.27 0.74
COAC0192	391800	6554200	Vert.	400	39 Incl.	32 32	39 35	7 3	0.50 1.07

Reported significant gold assay intersections (using a 0.10 g/t Au lower cut) are reported using 1m downhole intervals at plus 0.10 g/t gold, with up to 2m internal dilution. Gold determination was by Fire Assay using a 50gm charge with AAS finishes and a lower limit of detection of 0.01 ppm Au. Vert. denotes vertical drill holes. NSR denotes no significant results. True widths are unknown. Coordinates are MGA94-Z51.

**Table 7: Anomalous (>10 ppb Au) Interface RC drilling data within the Tanami JV - Suplejack – NT**

Hole Id	Easting	Northing	Az/Dip	RL	F/Depth (m)	From (m)	To (m)	Interval (m)	ppb Au
SJRC0048	614843	7796520	066/-60	367	192	91	92	1	29*
						120	121	1	27
SJRC0049	614752	7796476	057/-60	367	204	116	118	2	36
						139	140	1	15
SJRC0050	614659	7796440	058/-60	367	228	80	81	1	48*
						149	150	1	15
						159	160	1	31
						170	174	4	14.3
						181	183	2	10
						191	193	2	12
						198	201	3	13.3
						207	210	3	12.7
213	219	6	10.3						
SJRC0051	614563	7796390	058/-60	367	198	88	90	2	17*
						94	95	1	12
						104	105	1	36
						166	169	3	17.3
						171	172	1	15
SJRC0052	614480	7796352	058/-60	367	192				NSR
SJRC0053	614382	7796316	058/-60	367	222	193	194	1	11
SJRC0054	614712	7796184	360/-90	367	120	80	81	1	11
						82	83	1	12

Reported interface gold assay intersections marked by an \*. Reported using a 10ppb Au lower cut using 1m downhole intervals at plus 10 ppb Au. Gold determination was by Fire Assay, using a 40gm charge with ICP-MS finishes and a lower limit of detection of 1 ppb Au. NSR denotes no significant results. True widths are 100% of downhole intersections along the sub-horizontal unconformity. Coordinates are MGA94-Z52.

# GLOSSARY of Terms

<b>ADSORPTION:</b>	The attraction of molecules (of gold) in solution to the surface of solid bodies (carbon).
<b>AEROMAGNETICS:</b>	A geophysical technique measuring changes in the earth's magnetic field from an airborne craft.
<b>AIRCORE:</b>	A method of rotary drilling whereby rock chips are recovered by air flow returning inside the drill rods rather than outside, thereby providing usually reliable samples.
<b>ANOMALOUS:</b>	A departure from the expected norm. In mineral exploration this term is generally applied to either geochemical or geophysical values higher or lower than the norm.
<b>ARCHAean:</b>	The oldest rocks of the Earth's crust – older than 2,400 million years.
<b>AURIFEROUS:</b>	Gold bearing material.
<b>AUGER:</b>	A screw-like boring or drilling tool for use in clay or soft sediments.
<b>AS:</b>	Arsenic.
<b>ASX:</b>	The Australian Securities Exchange Limited (ACN 008 629 691).
<b>AU:</b>	Gold.
<b>AZ:</b>	Azimuth, a surveying term, the angle of horizontal difference, measured clockwise, of a bearing from a standard direction, as from north.
<b>BASE METAL:</b>	Non precious metal, usually referring to copper, zinc and lead.
<b>BCM:</b>	Bank Cubic Metre. Usually refers to the volume of waste measured in situ.
<b>BERM:</b>	A horizontal bench left in the wall of an open pit to provide stability to the wall.
<b>BIF:</b>	Banded Iron Formation.
<b>BIOTITE:</b>	A mineral of the mica group widely distributed in a variety of rock types.
<b>BRECCIA:</b>	Poorly sorted cemented angular rock fragments.
<b>CALCRETE:</b>	Soil and superficial material cemented by calcium carbonate.
<b>CARBONATE:</b>	A common mineral type consisting of carbonates of calcium, iron and/or magnesium.
<b>CHLORITE:</b>	A representative of a group of micaceous greenish minerals which are common in low grade schists and is also is a common mineral associated with hydrothermal ore deposits.
<b>CIL CIRCUIT:</b>	That part of the gold treatment plant where gold is dissolved from the pulverised rock and subsequently adsorbed onto carbon particles from which the gold is ultimately recovered.
<b>COMPANY:</b>	Ramelius Resources Limited (ACN 001 717 540)
<b>CONGLOMERATE:</b>	Rock consisting of rounded or sub-rounded fragments
<b>COSTEAN:</b>	A trench dug through soil to expose the bedrock.
<b>CU:</b>	Copper.
<b>CUT:</b>	A term used when referring to average assays where the grade of a particularly high-grade interval is reduced to a lesser value.
<b>DEAD BULLOCK FORMATION:</b>	Tanami Goldfield stratigraphically significant formation comprised of Blake Beds interbedded siltstones and carbonaceous siltstones, cherts and Callie laminated sedimentary beds/schists overlain by the Davidson Beds including the Orac cherts and schist overlain by the Coora Dolerite, in turn overlain by the Schist Hill Formation (BIF).
<b>DISSEMINATED:</b>	Usually referring to minerals of economic interest scattered or diffused through-out the host rock.
<b>DIP:</b>	The angle at which rock stratum or structure is inclined from the horizontal.
<b>DYKE:</b>	Tabular igneous intrusive cutting the bedding or planar features in the country rock.
<b>EL:</b>	Exploration Licence.
<b>ELA:</b>	Exploration Licence Application.
<b>EM:</b>	Electromagnetic, a geophysical technique used to detect conductive material in the earth.
<b>EOH:</b>	End of Hole.
<b>EPM:</b>	Exploration Permit for Minerals, Queensland State equivalent to an EL
<b>EPMA:</b>	Exploration Permit for Minerals Application

<b>EPITHERMAL:</b>	High level (shallow depths – less than 1km deep), low temperature (< 300deg C) hydrothermal (gold) mineralising processes formed in magmatic arc environments (including rifts). Distinguished as low or high sulphidation systems.
<b>FAULT:</b>	A fracture in rocks along which rocks on one side have been moved relative to the rocks on the other.
<b>F.C.I:</b>	Free carried interest.
<b>FELSIC:</b>	Light coloured rock containing an abundance of any of the following: - feldspars, felspathoids and silica.
<b>FERRUGINOUS:</b>	Containing iron.
<b>FLITCH:</b>	A Mining Term for the different levels in an open pit.
<b>GEOCHEMICAL EXPLORATION:</b>	Used in this report to describe a prospecting technique, which measures the content of certain metals in soils and rocks and defines anomalies for further testing.
<b>GEOPHYSICAL EXPLORATION:</b>	The exploration of an area in which physical properties (e.g. Resistivity, gravity, conductivity and magnetic properties) unique to the rocks in the area quantitatively measured by one or more geophysical methods.
<b>G/CC:</b>	Grams per cubic centimetre.
<b>G.I.C:</b>	Gold in circuit.
<b>G/T:</b>	Grams per tonne, equivalent to parts per million (ppm).
<b>GOSSAN:</b>	The oxidised, near surface part of underlying primary sulphide minerals.
<b>GROSS GOLD ROYALTY:</b>	A royalty payment based on the total amount of product (gold) produced.
<b>GRADE:</b>	g/t – grams per tonne, ppb – part per billion, ppm – parts per million.
<b>GRANITE:</b>	A coarse grained igneous rock consisting of quartz, feldspar and biotite/muscovite plus accessory minerals
<b>GRATICULAR BLOCK:</b>	With respect to Exploration Licences, that area of land contained within one minute of Latitude and one minute of Longitude.
<b>GRAVITY CIRCUIT:</b>	Part of the Gold Treatment Plant where gold particles are accumulated by virtue of their density.
<b>GSWA:</b>	The Geological Survey of Western Australia.
<b>HA:</b>	Hectare.
<b>HG:</b>	Mercury.
<b>HYPOGENE:</b>	Term used to describe the formation of mineral deposits originating by ascending fluids, below any near surface supergene enrichment.
<b>INTERFACE:</b>	Low level geochemical sampling medium located at the base of transported overburden and the top of the prospective host rock lithologies.
<b>IP:</b>	Induced Polarisation, electrical, ground geophysical exploration technique.
<b>3-D IP:</b>	Three dimensional IP survey, designed to detect trends oblique to the IP survey grid, of conventional 2-D surveys grids established orthogonal to the targeted trends.
<b>IRG:</b>	Intrusive related gold mineralised system, associated with vertically zoned (gold and base metals), skarned, veined or disseminated, often brecciated within or along margins of middle to high level magmatic intrusive rocks, being fractionated felsic/granitic plutons
<b>JORC:</b>	The Australasian Code for Reporting of Mineral Resources and Ore Reserves.
<b>KM:</b>	Kilometre.
<b>KOMATIITE:</b>	An ultramafic rock with high magnesium content extruded from a volcano.
<b>LAG:</b>	A residual deposit remaining after finer particles have been blown away by wind.
<b>LATERITE:</b>	Highly weathered residual material rich in secondary oxides or iron and/or aluminium.
<b>LEACHWELL:</b>	An analytical method.
<b>LODE DEPOSIT:</b>	A vein or other tabular mineral deposit with distinct boundaries.
<b>LOW SULPHIDATION:</b>	Developed from near neutral pH circulating geothermal fluids at shallow levels in a rift (gold-silver+adularia rich mineralised veins) or an arc environment (quartz-sulphides-gold and affinities with magmatic source rocks).
<b>LTI:</b>	Loss Time Injury.



# GLOSSARY of Terms

<b>MASSIVE:</b>	Large in mass, having no stratification. Homogeneous structure.
<b>MINERALISED:</b>	Rock impregnated with minerals of economic importance.
<b>M TONNES:</b>	Million tonnes.
<b>M:</b>	Metre.
<b>MTPA:</b>	Million tonnes per annum.
<b>ML:</b>	Mining Lease.
<b>MLA:</b>	Mining Lease Application.
<b>NATIVE TITLE:</b>	Native Title is the recognition in Australian law of Indigenous Australian's rights and interests in land and waters according to their own traditional laws and customs. In June 1992, the High Court of Australia, in the case of <i>Mabo v Queensland (1992)</i> 175 Commonwealth Law Reports 1, overturned the idea that the Australian continent belonged to no one at the time of European's arrival. It recognised for the first time that indigenous Australians may continue to hold native title. Indigenous Australians may now make native title claimant applications seeking recognition under Australian law of their native title rights.
<b>NATIVE TITLE TRIBUNAL:</b>	The Native Title Tribunal set up under the Native Title Act 1993.
<b>Ni:</b>	Nickel.
<b>OPEN PIT:</b>	A mine excavation produced by quarrying or other surface earth-moving equipment.
<b>ORE GRADE:</b>	The grade of material that can be (or has been) mined and treated for an economic return.
<b>OVERCALL:</b>	Refers to more metal (gold) being recovered than anticipated.
<b>OXIDISED:</b>	Near surface decomposition by exposure to the atmosphere and groundwater, compare to weathering.
<b>OZ:</b>	Troy ounces = 31.103477 grams.
<b>PALAEO:</b>	Ancient or past times
<b>PB:</b>	Lead.
<b>PEDOGENIC:</b>	The development of soil.
<b>PENTLANDITE:</b>	An important ore of nickel (FeNi) <sub>9</sub> S <sub>8</sub>
<b>PETROLOGICAL:</b>	Pertains to a study of the origin, distribution, structure and history of rocks.
<b>PERCUSSION DRILLING:</b>	Method of drilling where rock is broken by the hammering action of a bit and the cuttings are carried to the surface by pressurised air returning outside the drill pipe.
<b>PD:</b>	Palladium.
<b>PL:</b>	Prospecting Licence.
<b>PLA:</b>	Prospecting Licence Application.
<b>PLUNGE</b>	Being the angle between the axis and the horizontal line lying in a common vertical plane.
<b>PORPHYRY:</b>	A felsic or sub volcanic rock with larger crystals set in a fine groundmass.
<b>PPB:</b>	Parts per billion.
<b>PRIMARY GOLD:</b>	Gold mineralisation that has not been subject to weathering processes, as opposed to Secondary Gold.
<b>PROTEROZOIC:</b>	The Precambrian era after Archaean.
<b>PT:</b>	Platinum.
<b>PYRITE:</b>	A common, pale bronze iron sulphide mineral.
<b>PYRRHOTITE:</b>	An iron sulphide mineral.
<b>QUARTZ:</b>	Mineral species composed of crystalline silica.
<b>RAB DRILLING:</b>	Rotary Air Blast Drilling: Method of drilling in which the cuttings from the bit are carried to the surface by pressurised air returning outside the drill pipe. Most "RAB" drills are very mobile and designed for shallow, low-cost drilling of relatively soft rocks.
<b>RC DRILLING:</b>	Reverse Circulation Drilling: A method of drilling whereby rock chips are recovered by air flow returning inside the drill rods rather than outside, thereby providing usually reliable samples.
<b>REIDEL FAULT:</b>	A slip surface that develops during the early stage of shearing.

<b>REGOLITH:</b>	A layer of fragmented and unconsolidated material that overlies or covers basement.
<b>RESERVE:</b>	The mineable part of a resource to which a tonnage and grade has been assigned according to the JORC code.
<b>RESOURCE:</b>	Mineralisation to which a tonnage and grade has been assigned according to the JORC code.
<b>RHYOLITE:</b>	Fine grained glassy acid (felsic) volcanic rock.
<b>ROCK CHIP SAMPLE:</b>	A series of rock chips or fragments taken at regular intervals across a rock exposure.
<b>SB:</b>	Antimony.
<b>SECONDARY GOLD:</b>	Gold mineralisation that has been subject to and usually enriched by weathering processes.
<b>SEDIMENTARY ROCKS:</b>	Rocks formed by deposition of particles carried by air, water or ice.
<b>SERICITE</b>	Mica (layered lattice) mineral of the muscovite group typically found as a hydrothermal alteration mineral in gold deposits.
<b>SHEAR ZONE:</b>	A generally linear zone of stress along which deformation has occurred by translation of one part of a rock body relative to another part.
<b>SILICIFIED/SILICA:</b>	Alteration of a rock by introduction of silica.
<b>STRATIGRAPHY:</b>	The study of formation, composition and correlation of sedimentary rocks.
<b>STRIKE:</b>	The direction of bearing of a bed or layer of rock in the horizontal plane.
<b>SULPHIDES:</b>	Minerals consisting of a chemical combination of sulphur with a metal.
<b>SUPERGENE:</b>	Processes involving percolating groundwater including solution, hydration, oxidation and typically enrichment of immobile/insoluble metals or ions.
<b>T:</b>	Tonnes.
<b>TEM:</b>	Transient Electromagnetic, a geophysical technique used to detect conductive material in the earth.
<b>TOLL TREATMENT:</b>	The treatment of ores where payment is made to the operator of the treatment plant according to the amount of material being treated.
<b>TONNE:</b>	32,125 Troy ounces.
<b>TREMOLITE:</b>	A pale coloured amphibole mineral.
<b>ULTRAMAFIC:</b>	An igneous rock comprised chiefly of mafic minerals.
<b>UNCUT:</b>	A term used when referring to average assays where the grade of a particularly high-grade interval is not reduced to a lesser value.
<b>VACUUM DRILLING:</b>	A method of rotary drilling where the drill cuttings are recovered inside the drill rods by a vacuum system.



Perseverance Open Pit Cut-back looking East

# NATIVE TITLE *Statement*

Exploration and mining areas held by the Company may be subject to issues associated with Native Title. Whilst it is not appropriate to comment in any detail upon specific negotiations with Native title parties, the directors of Ramelius believe it is important to state the Company's policy and approach to Native Title and dealings with indigenous communities.

The directors believe that the following native title policy statement summarises the Company's desire to develop a spirit of cooperation in its dealings with indigenous people, create goodwill, mutual awareness and understanding and most importantly, respect and commitment.

## **Recognition and Respect**

Ramelius recognises Aboriginal regard for land and respects their culture, traditions and cultural sites.

## **Understanding and Trust**

Ramelius listens to Aboriginal community representatives in order to understand their views and beliefs. Recognising that communities may not be fully appreciative of how the Company's business and industry operates, Ramelius works towards increasing their understanding, respect and trust and to promote the Company's obligations and economic constraints amongst indigenous communities.

Ramelius ensures that its employees and contractors approach the Company's activities at local sites with respect and a clear understanding of important issues and priorities.

## **Communication and Commitment**

Ramelius adopts practical measures to develop trust. Acknowledging that community leaders and representatives have an obligation to consult its people in order to determine their opinions and wishes and that this may often not be achieved as quickly as is desired, Ramelius uses its best endeavours to expedite the process and ensure that its commercial interests are not adversely impacted.

The Company also uses its best endeavours to ensure reasonable rights of consultation and continued access to land are facilitated and the integrity of land is preserved.

The Company is committed to taking appropriate steps to identify and reduce the effects of any unforeseen impacts from its activities.



Native vegetation at the Coogee Gold Project near Lake LeFroy in Western Australia





The High Grade Gold Vein at the Vivien Underground Mine showing extensive Sulphides



Vivien Underground Portal Area



RC Drilling at Milky Way

# SUSTAINABILITY *Statement*

The Ramelius Board of Directors maintains oversight of sustainability issues. Sustainability embraces how Ramelius conducts business and includes workforce occupational health and safety, social responsibility to the general community, minimising business operational impact on the environment and protecting the Company's reputation as a gold producer in Australia.

The following is a summary of how Ramelius deals with sustainability.

## **Workforce health and safety**

Ramelius is committed to providing a healthy and safe environment for all employees and contractors. This is achieved as follows.

- Creating a culture that promotes health and safety in the best interests of all workforce participants.
- Regular site safety meetings which encourage identification of issues and continual improvement.
- Strict mine site entry procedures and requirements including enforcement of a drug and alcohol policy and testing of site personnel.
- Incident investigations and reporting to the Board.
- Documented and regular review of emergency procedures and processes.
- Ongoing staff training.
- Risk management.

## **Social responsibility**

Ramelius endeavours to build and maintain a sustainable and diverse workforce focused on high performance. The Company publically reports to shareholders and investors to ensure they are informed on corporate governance issues and the entity's approach to sustainability matters. The Company's efforts in regards to social responsibility include the following.

- Maintaining and reviewing the Company's diversity policy which encourages a workforce comprised of individuals with diverse backgrounds, experiences, values and skills.
- Encouraging staff training and ongoing professional development.
- Acknowledgement of native title which promotes indigenous regard for land and respect of their culture, traditions and cultural sites.
- Engagement of shareholders and investors through presentations, roadshows and information booths at various industry conferences.
- Encouraging full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals; providing security holders with an on-line voting facility to enable voting through a secure website or mobile device and providing the option to receive and send communications electronically.
- Identification and ongoing management of economic and other business related risks including the maintenance of a risk register.
- Community support through sponsorships and donations

## **Environmental protection**

The Company has policies and procedures in place which aim to protect the environment. Ramelius seeks to comply with legislative requirements and to promote a high regard for the environment in conducting its business. Key areas on which Ramelius focuses to address this important sustainability issue are summarised below.

- Environmental incidence documentation and reporting.
- Addressing biodiversity issues as part of the Company's planning for and conduct of exploration and mining activities including flora and fauna studies, native vegetation recording and disturbed land restoration.
- Conducting environmental impact studies and preparing reports thereon including rehabilitation measures for government assessment as part of the process in seeking approval for proposed mining activities.
- Undertaking appropriate waste product management activities including mine site sewage, tailings and other hazardous materials, dust and general waste.
- Landfill rehabilitation and conducting ongoing restoration wherever possible.
- Maintaining a focus on the efficient use of resources including water and power.
- Implementing water and other resource recycling measures.
- Facilitating environmental pollution audits and reporting.



# DIVERSITY *Statement*

Ramelius acknowledges that benefits flow from a workforce comprised of individuals with diverse backgrounds, experiences, values and skills. The Company encourages recruitment based on qualifications, skills, abilities and merit to ensure workforce vacancies are filled with the most suitable employees available. Ramelius also encourages personal development and training of employees to achieve their full potential for the mutual benefit of Ramelius and employees.

## Workplace Gender Profile

During the year the Company updated its workplace gender profile as follows.

WORKPLACE PROFILE									
	Women		Men		Casual		Total Staff	%	
	Full time	Part time	Full time	Part time	Women	Men		Women	Men
Board*			4				4		100.0
Senior Executives/KMP's			4				4		100.0
Managers	1		11			1	13	7.7	92.3
Professional Staff	3	1	15			3	22	18.2	81.8
Technical Staff	2		30		1	2	35	8.6	91.4
Community & Personal Service Staff	1		1		1		3	66.7	33.3
Clerical & Administrative Staff	5	2			2		9	100.0	
Machinery Operators and Drivers	1		19			3	23	4.3	95.7
Other	1		2			1	4	25.0	75.0
<b>Total</b>	<b>14</b>	<b>3</b>	<b>86</b>		<b>4</b>	<b>10</b>	<b>117</b>	<b>17.9</b>	<b>82.1</b>

\* Board includes Managing Director



Alison Jones at the Mt Magnet Gold Project.



# CORPORATE GOVERNANCE *Statement*

The Board of Directors is responsible for the overall Corporate Governance of the Company including strategic direction, management goal setting and monitoring, internal control, risk management and financial reporting. In discharging this responsibility, the Board seeks to take into account the interests of all key stakeholders of the Company, including shareholders, employees, customers and the broader community.

Ramelius Resources Limited is committed to conducting its business with high standards of ethics and corporate governance in the best interests of all stakeholders.

The 2016 Corporate Governance Statement of Ramelius Resources Limited has been lodged with the Australian Securities Exchange Limited and is publically available from the investors section of the Company's website at [www.rameliusresources.com.au](http://www.rameliusresources.com.au)



The Board of Directors and Company Secretary at the Vivien Gold Mine



RAMELIUS RESOURCES LIMITED  
*2016 Annual Financial Report*



# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

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Your directors present their report on the consolidated entity consisting of Ramelius Resources Limited and the entities it controlled at the end of, or during, the year ended 30 June 2016. Throughout the report, the consolidated entity is referred to as the group.

#### DIRECTORS

The directors of Ramelius Resources Limited (Ramelius or Company) at any time during the financial year and until the date of this report are set out below.

Details of directors' qualifications, experience and special responsibilities are as follows:

**Robert Michael Kennedy** *KSJ, ASAIT, Grad. Dip (Systems Analysis), Dip Financial Planning, Dip Financial Services, FCA, AGIA, Life member AIM, FAICD, FTI*

Independent Non-Executive Chairman

#### **Experience and expertise**

Mr Kennedy, a Chartered Accountant, has been non-executive chairman of Ramelius Resources Limited since 2003<sup>1</sup>. Mr Kennedy brings to the Board his expertise and extensive experience as chairman and non-executive director of a range of listed public companies in the resources sector.

Apart from his attendance at Board and Committee meetings, Mr Kennedy leads the development of strategies for the development and future growth of the Company. Mr Kennedy also leads the Board's external engagement of the Company meeting with Government, investors and is engaged with the media. He is a regular attendee of Audit Committee functions of the major accounting firms. He conducts the review of the Board including the Managing Director in his executive role.

#### **Independence**

Whilst Mr Kennedy has been appointed to a number of Resource Industry Boards, due to his extensive knowledge of the industry and the companies all operating domestically, the time required across these companies in no way impedes on his dedication to his role as Chairman of the Board. In taking all of these issues into account, the Board (excluding Mr Kennedy), were unanimous in declaring Mr Kennedy as independent.

#### **Other current directorships**

Mr Kennedy is a director of ASX listed companies Flinders Mines Limited (since 2001), Maximus Resources Limited (since 2004), Monax Mining Limited (since 2004) and Tychean Resources Limited (since 2006).

#### **Former directorships in the last 3 years**

Formerly he was a director of Crestal Petroleum Limited (formerly Tellus Resources Limited) (from 2013 to 2015) and Marmota Energy Limited (from 2006 to 2015).

#### **Special responsibilities**

Chairman of the Board.

Member of the Audit and Risk Committee and Nomination and Remuneration Committee.

<sup>1</sup> From 1995 to the date of listing, Mr Kennedy was a director of the entity which was a dormant proprietary company.

**Mr Mark William Zeptner** *BEng (Hons) Mining, MAusIMM, MAICD*

Managing Director

#### **Experience and expertise**

Mr Zeptner joined Ramelius Resources Limited on 1 March 2012 as the Chief Operating Officer, was appointed the Chief Executive Officer on 11 June 2014 and Managing Director effective 1 July 2015. He has more than 20 years' experience in senior operational and management positions with WMC and Gold Fields Limited at their major gold and nickel assets in Australia and offshore.

#### **Other current directorships**

None.

#### **Former directorships in the last 3 years**

None.

#### **Special responsibilities**

Chief Executive Officer.

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# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

### **Michael Andrew Bohm** *B.AppSc (Mining Eng.), MAusIMM, MAICD*

Non-Executive Director

#### **Experience and expertise**

Mr Bohm joined Ramelius Resources Limited as a non-executive director on 29 November 2012. He is an experienced mining professional with extensive corporate and operational management experience in the minerals industry in Australia, South East Asia, Africa, Chile, Canada and Europe. He is a graduate of the WA School of Mines and has worked as a mining engineer, mine manager, study manager, project manager, project director and Managing Director. He has been directly involved in a number of project developments in the gold, base metals and diamond sectors in both open pit and underground mining environments.

#### **Other current directorships**

Mr Bohm is a director of ASX-TSX listed company, Perseus Mining Limited (since 2009) and ASX listed Tawana Resources NL (since 2015).

#### **Former directorships in the last 3 years**

Mr Bohm was a former director of Herencia Resources plc (2006 to 2013) listed on the Alternative Investment Market of the London Stock Exchange.

#### **Special responsibilities**

Chairman of the Nomination and Remuneration Committee and member of the Audit and Risk Committee.

### **Kevin James Lines** *BSc (Geology), MAusIMM, MAICD*

Non-Executive Director

#### **Experience and expertise**

Mr Lines joined Ramelius Resources Limited as a non-executive director on 9 April 2008. He has over 35 years of experience in mineral exploration and mining for gold, copper, lead, zinc and tin. He has held senior geological management positions with Newmont Australia Limited, Normandy Mining Limited and the CRA group of companies. He was the foundation Chief Geologist at Kalgoorlie Consolidated Gold Mines where he led the team that developed the ore-body models and geological systems for the Super-Pit Operations in Kalgoorlie and managed the Eastern Australian Exploration Division of Newmont Australia Limited that included responsibility for the expansive tenement holdings of the Tanami region. The contribution of Mr Lines to the Board is his extensive experience in the assessment and evaluation of exploration projects and development of properties and mining operations overseas.

#### **Other current directorships**

None.

#### **Former directorships in the last 3 years**

None.

#### **Special responsibilities**

Chairman of the Audit and Risk Committee and the Due Diligence Committee and member of the Nomination and Remuneration Committee.

## DIRECTORS' MEETINGS

The number of directors' meetings (including meetings of Committees of directors) and number of meetings attended by each of the directors of Ramelius during the financial year are:

Director	Board of directors		Audit and risk committee		Nomination and remuneration committee		Due diligence committee	
	A	B	A	C	A	C	A	C
	Mr Robert Michael Kennedy	16	16	5	5	6	6	-
Mr Mark William Zeptner	16	16	-	-	-	-	-	-
Mr Kevin James Lines	16	16	5	5	6	6	-	-
Mr Michael Andrew Bohm	16	16	5	5	6	6	-	-

A Number of meetings attended

B Number of meetings held whilst a director

C Number of meetings held whilst a member

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

#### DIRECTORS' INTERESTS

At the date of this report, the interest of each director in shares and options of Ramelius Resources Limited are:

Director	Number of ordinary shares	Nature of interest	Options over ordinary shares <sup>1</sup>	Nature of interest
Mr R M Kennedy	10,350,789	Indirect	-	n/a
Mr M W Zeptner	2,037,500	Direct and Indirect	3,000,000	Direct and Indirect
Mr K J Lines	1,000,000	Indirect	-	n/a
Mr M A Bohm	1,037,000	Direct and indirect	-	n/a

<sup>1</sup> Represents options granted as share based remuneration and that have vested.

#### COMPANY SECRETARY

**Domenico Antonio Francese** *BEC., FCA, FFin, AGIA, ACIS*

##### *Experience and expertise*

Appointed Company Secretary on 21 September 2001. Mr Francese is a Chartered Accountant with an audit and investigations background and more than 12 years experience in a regulatory and supervisory role with the ASX.

#### PRINCIPAL ACTIVITIES

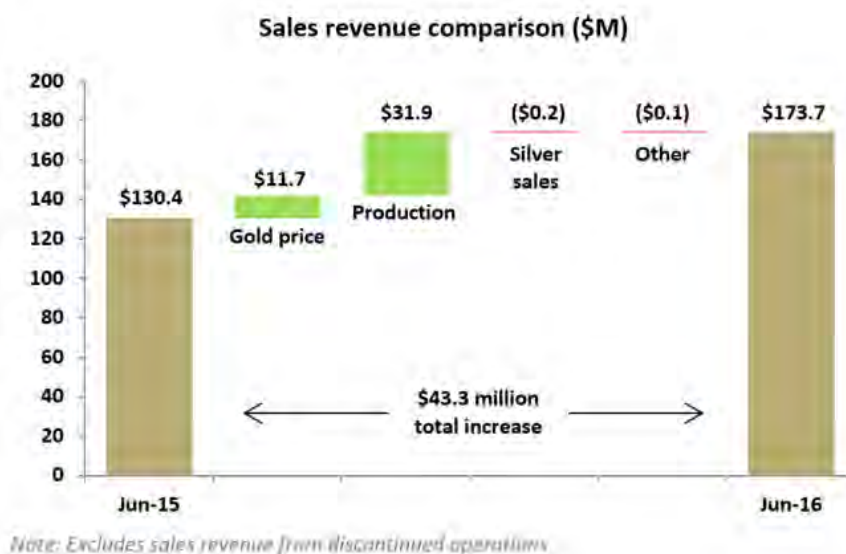
The principal activities of the group during the year included exploration, mine development, mine operations, the sale of gold and milling services. There were no significant changes in those activities during the year.

#### OPERATING AND FINANCIAL REVIEW

##### FINANCIAL REVIEW

Sales revenue for the year ended 30 June 2016 increased by 33% to \$173.7 million compared to \$130.4 million reported in the previous corresponding period for the continuing operation, mainly due to:

- greater gold production sold, up 23% to 108,711 ounces compared to 88,706 ounces sold
- greater average realised gold prices of A\$1,596/oz, up 9% from the previous corresponding period
- offset in part by lower silver sales, down 49% from \$0.47 million to \$0.24 million



# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

### Gross profit (loss) from continuing operations

Gross profit for the year ended 30 June 2016 was \$32.9 million, up from the previous corresponding period gross profit of \$27.8 million, as follows.

Gross profit (loss)		Jun-16	Jun-15	Movement
Sales revenue	\$M	173.7	130.4	43.3
Cash cost of production	\$M	(102.7)	(71.4)	(31.3)
<b>Gross margin excluding "non-cash" items</b>	<b>\$M</b>	<b>71.0</b>	<b>59.0</b>	<b>12.0</b>
Amortisation and depreciation	\$M	(49.9)	(23.3)	(26.6)
Inventory movements and write-downs	\$M	11.8	(7.9)	19.7
<b>Gross profit (loss)</b>	<b>\$M</b>	<b>32.9</b>	<b>27.8</b>	<b>5.1</b>

### Profit (loss)

A profit after income tax was recorded for the year ended 30 June 2016 of \$27.5 million, compared to a profit of \$16.1 million in the previous corresponding period primarily due to an increase in the average realised gold price and greater production ounces sold.

## OPERATIONS REVIEW

### Mining Operations

#### Mt Magnet mine

Mining at Mt Magnet continued at the Perseverance (Percy) open pit throughout the year with completion of both Galaxy open pits (Saturn and Mars) in the first half of the 2016 financial year. Mining of the Titan open pit commenced in June 2016 and will ensure an overlap with the Perseverance open pit which is due to be completed in the 2017 financial year.

#### Kathleen Valley mine

Mining activity continued at Kathleen Valley and initially focussed on the Mossbecker and Yellow Aster Deeps open pits followed by mining of Nils Desperandum and Yellow Aster North open pits. Ore haulage to the Checker processing facility commenced in August 2015 and Kathleen Valley ore was blended with Mt Magnet ore.

#### Vivien mine

Mining activity at Vivien continued and initially focused on preliminary surface works, site set up and underground development. Ore haulage to the Checker processing facility commenced in February 2016 and was blended with both Kathleen Valley and Mt Magnet ore.

### Milling Operations

Milling operations at the Checker processing facility at Mt Magnet resulted in robust annual production which exceeded expectations during the financial year. The Burbanks processing facility remained in care and maintenance through the 2016 financial year.

Total group fine gold production increased by 28% to 110,839 ounces in the financial year compared to 86,653 ounces in the previous corresponding period.

Production	Jun-16		Jun-15	
	Dry tonnes mined (high grade)	Fine gold production (oz)	Dry tonnes mined (high grade)	Fine gold production (oz)
Mt Magnet Segment	1,274,876	110,839	1,287,672	81,683
Burbanks Segment	-	-	-	4,970
<b>Total production</b>	<b>1,274,876</b>	<b>110,839</b>	<b>1,287,672</b>	<b>86,653</b>



# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

Group All-In Sustaining Cost (AISC) averaged A\$1,157 per ounce for the financial year which was below the average realised gold price of A\$1,596 per ounce over the same period.



Source: ASX Quarterly Reports

#### Development Projects

##### *Blackmans (WA)*

The Blackmans gold project is located 30km north of Mt Magnet, in Western Australia. An Ore Reserve was released in December 2015, and the project was advanced with granting of the Mining Proposal and Mine Closure Plan Approval in April 2016. Remaining statutory approvals are being sought to ensure project advancement.

##### *Water Tank Hill (WA)*

The Water Tank Hill project lies 1.5km west of Mt Magnet, in Western Australia. The deposit is also located 300m west of the St George deposit which was mined by open pit and then underground methods between 2004 and 2007. During the year a detailed mine design and evaluation as well as geotechnical, hydrology and environmental work commenced for the statutory Mining Proposal and Project Management Plan approvals process.

#### Exploration

##### *Milky Way (WA)*

The Milky Way gold project is located 3.6km southwest of the processing plant at Mt Magnet, Western Australia. Encouraging results were returned from a reconnaissance drilling programme which resulted in further RC and resource development infill drilling. A maiden Mineral Resource was released in May 2016 and a more detailed evaluation has commenced including pit optimisation, metallurgical test work and assessment of statutory approvals.

##### *Boogardie Basin (WA)*

The Company is targeting repetitions of the felsic porphyry related gold mineralisation discovered at Milky Way and elsewhere throughout the broader Boogardie Basin environment. Early encouragement has been observed at the Brown Cow and Stellar West prospects. The mineralised intersections returned to date are highly encouraging as they continue to demonstrate potential for a larger tonnage mineralised porphyry deposits within the broader Mt Magnet gold camp.



# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

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### *Tanami Joint Venture Gold Project (NT) - Ramelius earning 85%*

Ramelius met its earn in expenditure commitment and acquired 85% interest in the Tanami Joint Venture. Tychean Resources Limited (ASX: TYK) retains a free carried 15% interest in the Joint Venture through to any decision to mine.

Ramelius continued its interface drilling programme within the granted Suplejack tenement (EL26625) during the first half of the 2016 financial year. The drill holes encouragingly confirmed the southern extension of the gold interface anomaly (at plus 10ppb Au) and remains open to the south.

Three Exploration Licences (ELs) 27995, 27511 and 29829 (Highland Rocks) were granted in December 2015 and work during the second half of financial year 2016 progressed on submitting a Mine Management Plan to the Northern Territory Department of Mines and Energy and liaising with the Central Land Council.

Sacred Site Clearances were completed by the Central Land Council over the key Highland Rocks tenements during March 2016, allowing the company to complete reconnaissance regolith mapping and soil sampling over the western half of the Highland Rocks ELs. Encouraging low order gold in soils and lags was returned from the broad spaced (500m grid) sampling, such that selected infill sampling and mapping will be undertaken throughout the anomalous areas.

### *Condobolin JV (NSW) with Clancy Exploration Limited - Ramelius earning 80%*

No significant gold results were returned from a small RC drilling programme designed to test a series of chargeable induced polarization anomalies and as such, Ramelius has withdrawn from the joint venture.

### *Tomalla Option (NSW) with a private individual - Option to acquire 80%*

Diamond drilling failed to intersect any significant mineralisation. No further exploration was planned and the property has been returned to the vendor.

### *Cavanaghs JV (WA) with an unlisted entity - Ramelius earning 70%*

No significant nickel or copper sulphide mineralisation was returned from a second RC hole drilled into the Cavanaghs differentiated mafic sill complex, as such, Ramelius has withdrawn from the joint venture.

### *Coogee (WA)*

A reconnaissance programme of 69 vertical aircore holes was drilled over the Coogee Beach prospect area in 2016. The drilling intersected a sequence of variably altered intermediate volcanoclastics. Deeper RC drilling will test below the anomalous intersections once a suitable lake rig becomes available.

## **Corporate**

Mr Mark Zeptner was appointed Managing Director effective 1 July 2015.

The roles of Company Secretary and Chief Financial Officer were separated into two positions. Mr Dom Francese continues as Company Secretary and Mr Simon Iacopetta was appointed Chief Financial Officer effective 1 November 2015.

Mr Duncan Coutts was appointed as Chief Operating Officer effective 12 February 2016.

Ramelius held forward gold sales contracts at 30 June 2016 totalling 105,846 ounces of gold at an average price A\$1,601 per ounce.

The A\$10M financing facility secured with the Commonwealth Bank of Australia (CBA) in June 2015 remains undrawn.

## **DIVIDENDS**

Ramelius has not paid, declared or recommended a dividend in the current or preceding year.

## **STATE OF AFFAIRS**

There were no significant changes in the state of affairs of the group that occurred during the financial year not otherwise disclosed in this report or the consolidated financial statements.

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

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#### SUBSEQUENT EVENTS

The following events occurred since 30 June 2016.

Ramelius raised \$25,000,000 from the issuance of 50,000,000 shares at \$0.50 per share to various institutional investors.

A binding Share Sale Agreement was signed by Ramelius and Maximus Resources Limited (MXR) for the purchase of the Burbanks Processing Facility for \$2,500,000 which includes staged payments over a 24 month period.

Apart from the above, no matters or circumstances have arisen since 30 June 2016 that have significantly affected, or may significantly affect:

- (a) The group's operations in future financial years,
- (b) The results of operations in future financial years, or
- (c) The group's state of affairs in future financial years.

#### FUTURE DEVELOPMENTS

In the 2017 financial year, Ramelius will continue its mining and gold production activities at Mt Magnet by transitioning from the Perseverance pit to the Titan pit. Mining activities will continue at the Vivien Gold Mine and mining at the Kathleen Valley Gold Mine is expected to be completed in the first half of the 2017 financial year. Exploration activities are mainly expected to be carried out at Mt Magnet and Vivien where further drilling is planned, and on the greenfields opportunity in the Tanami region in the Northern Territory.

#### ENVIRONMENTAL REGULATIONS AND PERFORMANCE

##### Regulations

The operations of the group in Australia are subject to environmental regulations under both Commonwealth and State legislation. In the mining industry many activities are regulated by environmental laws as they may have the potential to cause harm and/or otherwise impact upon the environment. Therefore the group conducts its operations under the necessary State Licences and Works Approvals to carry out associated mining activities and operate a processing plant, to process mined resources. The group's licences and works approvals are such that they are subject to audits both internally and externally by the various regulatory authorities. These industry audits provide the group with valuable information in regard to environmental performance and opportunities to further improve systems and processes, which ultimately assist the business in minimising environmental risk.

##### Reporting

Due to the various licences and works approvals the group holds, annual environmental reporting (for a 12 month period) is a licence and works approval condition. The group did not experience any reportable environmental incidents for the reporting year 2015-2016. Regulatory agencies requiring annual environmental reports are outlined below but are not limited to the following:

- Department of Environment and Regulation (DER);
- Department of Mines and Petroleum (DMP);
- Tenement Condition Report;
- Native Vegetation Clearing Report;
- Mining Rehabilitation Fund (MRF) Levy;
- Department of Water (DoW);
- National Pollution Inventory (NPI); and
- National Greenhouse and Energy Reporting (NGERS).

##### Sustainability

The group is committed to environmental performance and sustainability and works closely with the regulatory authorities to achieve this. Where the business can, continuous improvement processes are implemented to improve the operation and environmental performance. The group seeks to build relationships with all stakeholders to ensure that their views and concerns are taken into account in regard to decisions made about the operations, to achieve mutually beneficial outcomes. This includes current operations, future planning and post closure activities.



# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

### SHARES UNDER RIGHT

There were no unissued ordinary shares of Ramelius under right at the date of this report.

### SHARES UNDER OPTION

Unissued ordinary shares of Ramelius under option at the date of this report are as follows:

Date options granted/issued	Vesting date	Expiry date	Exercise price	Number under option
16 April 2014*	11 June 2015	11 June 2017	0.249	1,500,000
16 April 2014*	11 June 2016	11 June 2018	0.299	1,500,000
26 November 2015*	11 June 2017	11 June 2019	0.200	1,500,000
26 November 2015*	11 June 2018	11 June 2020	0.200	1,500,000

\* Included in these options were granted as remuneration to selected key management personnel during the year. Details of options granted to key management personnel are disclosed in the Remuneration Report.

The share option does not entitle the holder to participate in any other share issues of the company or any other entity. There were no other unissued ordinary shares of Ramelius under option at the date of this report.

### SHARES ISSUED ON THE EXERCISE OF RIGHTS

The following ordinary shares of Ramelius were issued during the financial year ended 30 June 2016 as a result of the exercise of rights due to the satisfaction of vesting conditions. No amounts are unpaid on any of the shares.

Effective date share rights granted	Expiry date	Issue price of rights	Number of ordinary shares issued
15 April 2013	15 April 2016	Nil	70,000

### SHARES ISSUED ON THE EXERCISE OF OPTIONS

The following ordinary shares of Ramelius were issued during the financial year ended 30 June 2016 as a result of the exercise of options. No amounts are unpaid on any of the shares.

Effective date share option granted	Expiry date	Exercise price of options	Number of ordinary shares issued
1 August 2014	1 August 2015	0.120	4,446,279
16 April 2014	11 June 2016	0.199	1,500,000

### INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

#### Indemnification

Ramelius is required to indemnify its directors and officers against any liabilities incurred by the directors and officers that may arise from their position as directors and officers of Ramelius and its controlled entities. No costs were incurred during the year pursuant to this indemnity.

Ramelius has entered into deeds of indemnity with each director whereby, to the extent permitted by the Corporations Act 2001, Ramelius agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

#### Insurance premiums

Since the end of the previous year Ramelius has paid insurance premiums in respect of directors' and officers' liability and legal expenses insurance contracts. The terms of the policies prohibit disclosure of details of the amount of the insurance cover, the nature thereof and the premium paid.

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

#### PROCEEDINGS ON BEHALF OF RAMELIUS

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of Ramelius or to intervene in any proceedings to which Ramelius is a party, for the purpose of taking responsibility on behalf of Ramelius for all or part of those proceedings. There were no such proceedings brought or interventions on behalf of Ramelius with leave from the Court under section 237 of the Corporations Act 2001.

#### NON-AUDIT SERVICES

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or the group are important.

Details of the amounts paid or payable to the auditor (Grant Thornton) for audit and non-audit services provided during the year are set out below.

The Board of directors has considered the position, and in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor;
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2016	2015
	\$	\$
Non-assurance services		
Tax advice and compliance services	7,000	-
Gender survey assistance	580	-
<b>Total</b>	<b>7,580</b>	<b>-</b>

#### AUDITOR INDEPENDENCE

A copy of the auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 follows the Directors Report.

# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

### REMUNERATION REPORT

The directors are pleased to present your company's remuneration report which sets out remuneration information for the non-executive directors, executive directors and other key management personnel of Ramelius. This remuneration report forms part of the directors' report. It outlines the overall remuneration strategy, framework and practices adopted by Ramelius and its controlled entities for the period 1 July 2015 to 30 June 2016. The remuneration report has been prepared in accordance with Section 300A of the Corporations Act 2001 and its regulations and is designated as audited.

In accordance with the Corporations Act 2001, remuneration details are disclosed for the group's key management personnel. The remuneration report:

- Details Board policies for determining remuneration of key management personnel,
- Specifies the relationship between remuneration policies and performance, and
- Identifies remuneration particulars for key management personnel.

#### 1. Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling major activities of the group, directly and indirectly, being the Ramelius directors and senior executives. Directors and senior executives disclosed in this report are as follows:

Names	Position
<b>Directors of Ramelius</b>	
Mr R M Kennedy	Non-Executive Chairman
Mr M W Zeptner <sup>1</sup>	Managing Director / Chief Executive Officer
Mr K J Lines	Non-Executive Director
Mr M A Bohm	Non-Executive Director
<b>Other senior executives</b>	
Mr D A Francese <sup>2</sup>	Company Secretary
Mr S Iacopetta <sup>3</sup>	Chief Financial Officer
Mr D J Coutts <sup>4</sup>	Chief Operating Officer
Mr K M Seymour	General Manager - Exploration & Business Development
Mr T J Blyth <sup>5</sup>	General Manager - Mt Magnet Gold Project

<sup>1</sup> Mr M W Zeptner was appointed Managing Director effective 1 July 2015

<sup>2</sup> Mr D A Francese ceased as Chief Financial Officer on 31 October 2015

<sup>3</sup> Mr S Iacopetta was appointed Chief Financial Officer effective 1 November 2015

<sup>4</sup> Mr D J Coutts commenced employment with the company on 12 February 2016

<sup>5</sup> Mr T Blyth ceased as key management personnel on 12 February 2016 on appointment of Mr D J Coutts

Other than referred to above, there were no changes in directors or senior executives since the end of the reporting period.

#### 2. Remuneration governance

The Nomination and Remuneration Committee is a committee of the Board. It is primarily responsible for making recommendations to the Board on:

- Non-executive director fees;
- Executive remuneration (directors and senior executives); and
- The executive remuneration framework and incentive plan policies.

The objective of the Nomination and Remuneration Committee is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company. In performing its functions, the Nomination and Remuneration Committee may seek advice from independent remuneration consultants.



## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

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#### **3. Executive remuneration policy and framework**

Ramelius has adopted a policy that aims to attract, motivate and retain a skilled executive team focused on contributing to its objective of creating wealth and adding value for its shareholders. The remuneration framework is formed on this basis. The remuneration framework is based on a number of factors including the particular experience and performance of the individual in meeting key objectives of Ramelius.

The objective of the senior executive remuneration framework includes incentives that seek to encourage alignment of management performance and shareholder interests. The framework aligns senior executive rewards with strategic objectives and the creation of value for shareholders, and conforms to market practices for delivery of rewards.

In determining senior executive remuneration, the Board aims to ensure that remuneration practices are:

- Competitive and reasonable, enabling the company to attract and retain key talent,
- Aligned to the company's strategic and business objectives and the creation of shareholder value,
- Acceptable to shareholders, and
- Transparent.

The senior executive remuneration framework is designed to ensure market competitiveness and achievement of the remuneration objective. The remuneration of senior executives is:

- Benchmarked from time to time against similar organisations both within the industry and of comparable market size to ensure uniformity with market practices;
- A reflection of individual roles, levels of seniority and responsibility that key personnel hold;
- Structured to take account of prevailing economic conditions; and
- A mix of fixed remuneration and at risk performance based elements using short and long-term incentives.

The executive remuneration framework has three components:

- Base pay and benefits, including superannuation;
- Short-term performance incentives; and
- Long-term incentives through participation in the Employee Share Acquisition Plan, Performance Rights Plan and as approved by the Board.

The combination of these comprises a senior executive's total remuneration package. Incentive plans are regularly reviewed to ensure continued alignment with financial and strategic objectives.

#### **3.1 Remuneration framework**

Ramelius remunerates its senior executives with a Total Reward Package ("TRP") that consists of two components; Total Fixed Remuneration and Total Variable Remuneration.

Total Fixed Remuneration ("TFR") comprises of

- Base Salary;
- Superannuation; and
- Other fixed executive benefits (such as salary sacrifice).

Total Variable Remuneration ("TVR") comprises of

- Short Term Incentives ("STI"); and
- Long Term Incentives ("LTI").

#### **3.2 Executive remuneration mix**

To ensure that senior executive remuneration is aligned to company performance, where appropriate, a portion of selected senior executives' target pay is "at risk".

#### **3.3 Base pay and benefits**

Senior executives are offered a competitive base pay that comprises the fixed component of pay and rewards. When required, external remuneration consultants are utilised to provide analysis and advice to ensure base pay reflects the market for a comparable role.

# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

Base pay for senior executives is reviewed annually in order to ensure pay remains competitive with the market. A senior executive's pay is also reviewed on promotion. There is no guaranteed base pay increase included in any senior executive contracts. The Managing Director/Chief Executive Officer and senior executives may elect to salary sacrifice part of their fixed remuneration for additional superannuation contributions and other benefits.

### 3.4 Short-term incentives

Short-term incentives (STI) are provided to certain executives under the direction of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may recommend to the Board the payment of cash bonuses from time to time in order to reward individual executive performance in achieving key objectives that are given high levels of importance for the Company's growth and profitability. To assist in this assessment, the Nomination and Remuneration Committee receives recommendations from the Managing Director/Chief Executive Officer. This may result in the proportion of remuneration related to performance varying between individuals. STI's are established to encourage the achievement of specific goals that are given high levels of importance in relation to growth and profitability of Ramelius.

### 3.5 Long-term incentives (LTI's)

Long-term incentives are provided via the Ramelius Performance Rights Plan, Employee Share Acquisition Plan and as approved by the Board. The LTI's are designed to focus senior executives on delivering long-term shareholder returns.

#### *Performance Rights Plan*

The Performance Rights Plan enables the Board to grant performance rights (being entitlements to shares in Ramelius subject to satisfaction of vesting conditions) to selected key senior executives as a long-term incentive as determined by the Board in accordance with the terms and conditions of the plan. The plan provides selected senior executives the opportunity to participate in the equity of Ramelius through the issue of rights as a long-term incentive that is aligned to the long-term interests of shareholders.

The Board approved a new Performance Rights Plan on 30 June 2016. Under the plan, the number of rights granted to senior executives ranges up to 40% of the executive's total fixed remuneration (TFR) and is dependent upon each individual's skills, responsibilities and ability to influence financial or other key objectives of Ramelius. The number of rights granted is calculated by dividing the LTI remuneration dollar amount by the volume weighted average price of Ramelius shares traded on the Australian Securities Exchange during the 5 trading day period prior to the date of the grant.

Vesting and measurement period is set over three years with vesting and measurement for each third of the granted rights occurring at the end of each year during that three year period.

Rights are subject to vesting conditions related to achievement of total shareholder returns (TSR) and period of service. TSR performance is measured against the TSR of a benchmark peer group. The following companies have been identified by Ramelius to comprise the peer group.

Company	ASX Code
Northern Star Resources Limited	NST
Saracen Mineral Holdings Limited	SAR
Evolution Mining Limited	EVN
Regis Resources Limited	RRL
Silver Lake Resources Limited	SLR
Metals X Limited	MLX
St Barbara Limited	SBM
Doray Minerals Limited	DRM

Company	ASX Code
Gold Road Resources Limited	GOR
Millennium Minerals Limited	MOY
Resolute Mining Limited	RSG
Dacian Gold Limited	DCN
Excelsior Gold Limited	EXG
Unity Mining Limited	UML
Blackham Resources Limited	BLK

The Nomination and Remuneration Committee may recommend to the Board to either include or exclude gold mining organisations available on this list to reflect changes in the industry.

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

The proportion of senior executive rights that vest is dependent on how the Ramelius TSR compares to the peer group as follows:

Relative TSR over the vesting and measurement period	Proportion of performance rights vested
Below the 50 <sup>th</sup> percentile	0%
At the 50 <sup>th</sup> percentile	50%
Between the 50 <sup>th</sup> and 75 <sup>th</sup> percentile	Pro-rata between 50% and 100%
At and above the 75 <sup>th</sup> percentile	100%

Once vested, rights may be exercised within 7 years of the vested date. No rights were issued to employees under the new Performance Rights Plan in the 2016 financial year.

#### Employee Share Acquisition Plan

The Employee Share Acquisition Plan enables the Board to offer eligible employees ordinary fully paid shares in Ramelius as a long-term incentive, in accordance with the terms of the plan. Shares may be offered at no consideration unless the Board determines that market value or some other value is appropriate.

#### Other long-term incentives

The Board may at its discretion provide share rights/options as a long-term retention incentive to employees.

### 3.6 Share trading policy

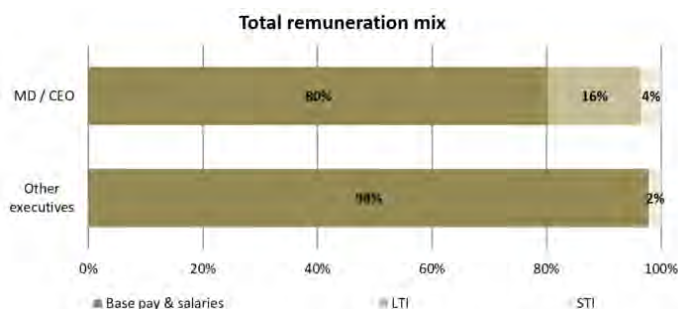
The trading of shares is subject to, and conditional upon, compliance with the company's employee share trading policy. The policy is enforced through a system that includes a requirement that senior executive's confirm compliance with the policy and provide confirmation of dealings in Ramelius securities. The ability for a senior executive to deal with an option or a right is restricted by the terms of issue and the plan rules which do not allow dealings in any unvested security. The Share Trading Policy specifically prohibits an executive from entering into transactions that limit the economic risk of participating in unvested entitlements such as equity based remuneration schemes. The Share Trading Policy can be viewed on the Company's website.

### 4. Relationship between executive remuneration and Company performance

The following table shows key performance indicators for the group over the last five years:

	2016	2015	2014	2013	2012
Net profit (loss) after tax (\$000)	27,540	16,068	(85,512)	(50,792)	2,339
Dividend / capital return (\$000)	-	-	-	-	-
Share price 30 June (\$)	0.435	0.115	0.077	0.110	0.480
Basic earnings per share (cents)	5.82	3.48	(23.8)	(15.1)	0.7
Diluted earnings per share (cents)	5.81	3.48	(23.8)	(15.1)	0.7

The total remuneration mix for the Managing Director/Chief Executive Officer and other senior executives and the key links between remuneration and performance is detailed and explained according to each type of remuneration referred to in the total remuneration mix below. The following graph illustrates the total remuneration mix for senior executives shown separately for the Managing Director/Chief Executive Officer and other executives.





# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

### 4.1 Base pay and salaries

Base pay and salary levels have remained reasonably consistent with the remuneration mix in the prior year. Base pay and salary levels are established in accordance with section 3.3 above.

### 4.2 Short term incentives

Short term incentives in the form of cash bonuses are paid to employees based on the operational achievements of the organisation. Operational achievements epitomise the accomplishment of key milestones including production, financial performance and cost management. These incentives are established in accordance with section 3.4 above.

### 4.3 Long term incentives

Long term incentives provided via the Ramelius Performance Rights Plan, Employee Share Acquisition Plan and as approved by the Board are granted to employees based on the long term operational performance of the organisation. Long term incentives are established in accordance with section 3.5 above.

### 5. Non-executive directors remuneration policy

Non-executive director fees are determined using the following guidelines. Fees are:

- Determined by the nature of the role, responsibility and time commitment necessary to perform required duties;
- Not performance or incentive based but are fixed amounts; and
- Determined by the desire to attract a well-balanced group of individuals with pertinent knowledge and experience.

In accordance with the Company's Constitution, the total amount of remuneration of non-executive directors is within the aggregate limit of \$550,000 per annum as approved by shareholders at the 2010 Annual General Meeting. Non-executive directors may apportion any amount up to this maximum level amongst the non-executive directors as determined by the Board. Remuneration consists of non-executive director fees, committee fees and superannuation contributions. Non-executive directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as directors. Non-executive directors do not participate in any performance based pay including schemes designed for the remuneration of senior executives, share rights or bonus payments and are not provided with retirement benefits other than salary sacrifice and superannuation. All Non-Executive Directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of director.

### 6. Voting and comments made at the company's 2015 Annual General Meeting

Of the total valid available votes lodged, Ramelius received 85% of "yes" votes on its remuneration report for the 2015 financial year. The company did not receive any specific feedback at the AGM on its remuneration practices.

### 7. Details of remuneration

Details of remuneration fees paid to non-executive directors are set out below:

Non-executive directors <sup>1</sup>	Directors fees \$	Super contributions \$	Total \$
<b>Mr R M Kennedy</b>			
2016	173,395	17,339	190,734
2015	154,832	14,709	169,541
<b>Mr K J Lines</b>			
2016	92,477	9,248	101,725
2015	77,064	7,707	84,771
<b>Mr M A Bohm</b>			
2016	80,435	19,170	99,605
2015	64,220	20,551	84,771
<b>Total</b>			
2016	346,307	45,757	392,064
2015	296,116	42,967	339,083

1 Mr I J Gordon waived his right to receive Non-Executive Director fees and resigned as Non-Executive Director effective 31 August 2014

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## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

Details of the remuneration package by value and by component for executive directors and other senior executives in the current and previous reporting period are set out below:

Senior executives	Short-term benefits		Post-employment benefits	Long-term benefits	Termination benefits	Share-based payments <sup>1</sup>		Total
	Salary & annual leave	STI cash bonus	Super contribution	Long service leave		Options	LTI rights	
	\$	\$	\$	\$		\$	\$	
<b>Mr M W Zeptner<sup>2</sup></b>								
2016	467,273	22,727	30,000	12,638	-	102,801	-	635,439
2015	437,500	-	30,000	5,273	-	53,460	93,770	620,003
<b>Mr D A Francese<sup>3</sup></b>								
2016	299,583	3,000	30,258	8,639	-	-	-	341,480
2015	299,583	-	29,958	8,639	-	-	-	338,180
<b>Mr S Iacopetta<sup>4</sup></b>								
2016	133,333	3,000	13,633	5,681	-	-	-	155,647
2015	-	-	-	-	-	-	-	-
<b>Mr D J Coutts<sup>5</sup></b>								
2016	134,770	-	13,477	-	-	-	-	148,247
2015	-	-	-	-	-	-	-	-
<b>Mr K M Seymour</b>								
2016	260,000	3,000	26,300	10,356	-	-	-	299,656
2015	260,000	-	26,000	9,523	-	-	-	295,523
<b>Mr T J Blyth<sup>6</sup></b>								
2016	185,753	20,000	20,575	1,499	-	-	-	227,827
2015	300,000	-	30,000	736	-	-	-	330,736
<b>Total</b>								
2016	1,480,712	51,727	134,243	38,813	-	102,801	-	1,808,296
2015	1,297,083	-	115,958	24,171	-	53,460	93,770	1,584,442

1 Rights and options relate to rights and options over ordinary shares issued to key management personnel. The fair value of rights and options granted shown above is non-cash and was determined in accordance with applicable accounting standards and represents the fair value calculated at the time rights and options were granted and not when shares were issued

2 Mr M W Zeptner was appointed Managing Director effective 1 July 2015

3 Mr D A Francese ceased as Chief Financial Officer on 31 October 2015

4 Mr S Iacopetta was appointed Chief Financial Officer effective 1 November 2015

5 Mr D J Coutts commenced employment with the company on 12 February 2016

6 Mr T Blyth ceased as key management personnel on 12 February 2016

The relative proportions of remuneration that are 'at risk' and those that are fixed are as follows:

Senior executives	Fixed remuneration	At risk - short term incentive (STI)	At risk - long term incentive (LTI) <sup>1</sup>
<b>Mr M W Zeptner<sup>2</sup></b>			
2016	80.2%	3.6%	16.2%
2015	76.3%	-	23.7%
<b>Mr D A Francese<sup>3</sup></b>			
2016	99.1%	0.9%	-
2015	100.0%	-	-

# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

Senior executives	Fixed remuneration	At risk - short term incentive (STI)	At risk - long term incentive (LTI) <sup>1</sup>
<b>Mr S Iacopetta<sup>4</sup></b>			
2016	98.1%	1.9%	-
2015	-	-	-
<b>Mr D J Coutts<sup>5</sup></b>			
2016	100.0%	-	-
2015	-	-	-
<b>Mr K M Seymour</b>			
2016	99.0%	1.0%	-
2015	100.0%	-	-
<b>Mr T J Blyth<sup>6</sup></b>			
2016	91.2%	8.8%	-
2015	100.0%	-	-

1 Since the LTI's are provided exclusively by way of right and option, the percentages disclosed also reflect the value of remuneration consisting of rights and options, based on the value of rights and options expensed in the year

2 Mr M W Zepfner was appointed Managing Director effective 1 July 2015

3 Mr D A Francese ceased as Chief Financial Officer on 31 October 2015

4 Mr S Iacopetta was appointed Chief Financial Officer effective 1 November 2015

5 Mr D J Coutts commenced employment with the company on 12 February 2016

6 Mr T Blyth ceased as key management personnel on 12 February 2016

### 8. Service agreements

Remuneration and other terms of employment for senior executives are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in short term and long term incentives are at the discretion of the Board. Other major provisions of the agreements relating to remuneration are set out below. Contracts with executives may be terminated early by either party as detailed below:

Name and position	Term of agreement	Base salary including super <sup>1</sup>	Company / employee notice period	Termination benefit <sup>2</sup>
<b>Mr M W Zepfner<sup>4</sup></b> Chief Executive Officer	On-going commencing 1 Jul 2015	\$495,000	6 / 3 months	6 months base salary <sup>3</sup>
<b>Mr D A Francese<sup>5</sup></b> Company Secretary	On-going commencing 1 Nov 2015	\$329,541	6 / 3 months	6 months base salary <sup>3</sup>
<b>Mr S Iacopetta<sup>6</sup></b> Chief Financial Officer	On-going commencing 1 Nov 2015	\$220,000	6 / 3 months	6 months base salary
<b>Mr D J Coutts<sup>7</sup></b> Chief Operating Officer	Commencing 12 Feb 2016	\$385,000	3 / 3 months	3 months base salary
<b>Mr K M Seymour</b> General Manager - Business Development and Exploration	On-going commencing 1 Jul 2009	\$286,000	3 / 3 months	3 months base salary
<b>Mr T J Blyth<sup>8</sup></b> General Manager - Mt Magnet Gold Project	Commencing 14 Oct 2013	\$330,000	3 / 3 months	3 months base salary

1 Base salaries quoted are for the year ended 30 June 2016, they are reviewed annually by the Nomination and Remuneration Committee

2 Termination benefits are payable on early termination by the company, other than for gross misconduct, unless otherwise indicated

3 In certain circumstances the termination benefit may be 12 months base salary

4 Mr M W Zepfner was appointed Managing Director effective 1 July 2015

5 Mr D A Francese ceased as Chief Financial Officer on 31 October 2015

6 Mr S Iacopetta was appointed Chief Financial Officer effective 1 November 2015

7 Mr D J Coutts commenced employment with the company on 12 February 2016

8 Mr T Blyth ceased as key management personnel on 12 February 2016



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## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

#### 9. Details of share-based compensation and bonuses

For grant of options or rights to deferred shares included in the remuneration tables above, the percentage of available grant that was paid, or that vested, in the financial year, and the percentage forfeited because the person did not meet the service and performance criteria is set out below. The minimum value of the rights yet to vest is nil, as the rights will be forfeited if the key management persons fail to satisfy the vesting conditions. The maximum value of the rights yet to vest has been determined as the amount of the grant date fair value of the rights that is yet to be expensed.

##### 9.1 Cash bonuses

Details of cash bonuses paid to key management personnel of the group are set out in Section 7 above. Cash bonuses are paid at the discretion of the Board on achievement of key milestones that are important for the company. The cash bonuses were paid as a short term incentive in December 2015 for reasons set out in Section 4 above. No cash bonuses have since been paid or recommended.

##### 9.2 Options

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are as follows:

Grant date	Vesting and exercise date	Expiry date	Exercise price	Value per option at grant date	Vested
16 April 2014	11 June 2014	11 June 2016	\$0.199	\$0.028	100%
16 April 2014	11 June 2015	11 June 2017	\$0.249	\$0.027	100%
16 April 2014	11 June 2016	11 June 2018	\$0.299	\$0.029	100%
26 November 2015	11 June 2017	11 June 2019	\$0.200	\$0.087	n/a
26 November 2015	11 June 2018	11 June 2020	\$0.200	\$0.095	n/a

Options granted under the plan carry no dividend or voting right.

Details of options over ordinary shares in the company provided as remuneration to key management personnel are shown below. When exercisable, each option is convertible into one ordinary share of Ramelius. The options were provided at no cost to the recipients.

Key management personnel	Shares under option						Shares under option	
	Grant date	Number granted	Value per option <sup>1</sup>	Vested		Forfeited number	Financial year that options may vest <sup>2</sup>	Fair value in financial year that options may vest <sup>1</sup>
				%	Number			
Mr M Zeptner	16 Apr 2014	1,500,000	\$0.028	100%	1,500,000	-	2014	\$53,360
	16 Apr 2014	1,500,000	\$0.027	100%	1,500,000	-	2015	\$53,460
	16 Apr 2014	1,500,000	\$0.029	100%	1,500,000	-	2016	\$102,801
	26 Nov 2015	1,500,000	\$0.087	n/a	n/a	-	2017	\$136,249
	26 Nov 2015	1,500,000	\$0.095	n/a	n/a	-	2018	\$53,130

1 The fair value of options granted as remuneration shown in tables above was determined in accordance with applicable accounting standards

2 Options first become exercisable, subject to satisfaction of vesting conditions

The number of ordinary shares in the company provided as a result of the exercise of remuneration options to key management personnel is shown below.

Key management personnel	Date of exercise of option	Number of ordinary shares issued on exercise of options	Value of options at exercise date <sup>1</sup>
Mr M Zeptner	8 Jun 2016	1,500,000	\$294,465

1 The value at the date of exercise of options that were granted as part of remuneration and exercised during the year has been determined as the intrinsic value of the options at the exercise date

The assessed fair value at grant date of options granted to the individual is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above.

# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free rate for the term of the option.

### 9.3 Rights to deferred shares

There were no rights provided to key management personnel during the period and none were outstanding at the date of this report.

### 9.4 Equity instruments held by key management personnel

The tables below show the number of options over ordinary shares, rights to deferred shares and shares in the company that were held during the financial year by key management personnel of the group, including their close family members and entities related to them.

Names	Position	Shares	Options
<b>Directors</b>			
Mr R M Kennedy	Non-Executive Chairman	10,350,789 <sup>2</sup>	-
Mr M W Zeptner <sup>3</sup>	Managing Director	2,025,000 <sup>1</sup>	1,500,000 <sup>1</sup>
		12,500 <sup>2</sup>	1,500,000 <sup>2</sup>
Mr K J Lines	Non-Executive Director	1,000,000 <sup>2</sup>	-
Mr M A Bohm	Non-Executive Director	400,000 <sup>1</sup>	-
		637,500 <sup>2</sup>	-
<b>Key management personnel</b>			
Mr D A Francese <sup>4</sup>	Company Secretary	1,314,922 <sup>1</sup>	-
Mr S Iacopetta <sup>5</sup>	Chief Financial Officer	115,000 <sup>1</sup>	-
		165,000 <sup>2</sup>	-
Mr D J Coutts <sup>6</sup>	Chief Operating Officer	-	-
Mr K M Seymour	General Manager - Business Development and Exploration	94,866 <sup>1</sup>	-
		129,994 <sup>2</sup>	-
Mr T J Blyth <sup>7</sup>	General Manager - Mt Magnet Project	-	-

<sup>1</sup> Held directly

<sup>2</sup> Held by entities in which a relevant interest is held

<sup>3</sup> M W Zeptner was appointed Managing Director effective 1 July 2015

<sup>4</sup> Mr D A Francese ceased as Chief Financial Officer on 31 October 2015

<sup>5</sup> Mr S Iacopetta was appointed Chief Financial Officer effective 1 November 2015

<sup>6</sup> Mr D J Coutts commenced employment with the company on 12 February 2016

<sup>7</sup> Mr T Blyth ceased as key management personnel on 12 February 2016

Movements in equity instruments held by key management personnel are as follows:

	Shares	Options <sup>1</sup>
<b>Mr R M Kennedy</b>		
1 July 2015	10,350,789	-
Movement	-	-
<b>Balance at 30 June 2016</b>	<b>10,350,789</b>	<b>-</b>
<b>Mr M W Zeptner<sup>2</sup></b>		
1 July 2015	537,500	3,037,500 <sup>1</sup>
Vested	-	1,500,000
Exercised	1,500,000	(1,500,000)
Expired	-	(37,500)
<b>Balance at 30 June 2016</b>	<b>2,037,500</b>	<b>3,000,000</b>

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## RAMELIUS RESOURCES LIMITED

### DIRECTORS' REPORT

	Shares	Options <sup>1</sup>
<b>Mr K J Lines</b>		
1 July 2015	1,000,000	500,000
Expired	-	(500,000)
<b>Balance at 30 June 2016</b>	<b>1,000,000</b>	<b>-</b>
<b>Mr M A Bohm</b>		
1 July 2015	537,500	38,750
Acquired	500,000	-
Expired	-	(38,750)
<b>Balance at 30 June 2016</b>	<b>1,037,500</b>	<b>-</b>
<b>Mr D A Francese <sup>3</sup></b>		
1 July 2015	1,276,460	38,462
Exercised	38,462	(38,462)
<b>Balance at 30 June 2016</b>	<b>1,314,922</b>	<b>-</b>
<b>Mr S Iacopetta <sup>4</sup></b>		
1 July 2015	-	-
Balance held at 1 November 2015	280,000	-
<b>Balance at 30 June 2016</b>	<b>280,000</b>	<b>-</b>
<b>Mr D J Coutts <sup>5</sup></b>		
1 July 2015	-	-
Balance held at 12 February 2016	-	-
<b>Balance at 30 June 2016</b>	<b>-</b>	<b>-</b>
<b>Mr K M Seymour</b>		
1 July 2015	324,860	32,487
Sold	(100,000)	-
Expired	-	(32,487)
<b>Balance at 30 June 2016</b>	<b>224,860</b>	<b>-</b>
<b>Mr T J Blyth <sup>6</sup></b>		
1 July 2015	-	-
Movement	-	-
<b>Balance at 30 June 2016</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Apart from 3,000,000 options associated with Mr M W Zeptner's share based remuneration (shown above), all other options relate to an entitlement offer made in 2014 whereby 1 option was received for every 2 shares acquired which expired on 1 August 2015. Details of the options issued are included in section 9.2 the remuneration report

<sup>2</sup> M W Zeptner was appointed Managing Director effective 1 July 2015

<sup>3</sup> Mr D A Francese ceased as Chief Financial Officer on 31 October 2015

<sup>4</sup> Mr S Iacopetta was appointed Chief Financial Officer effective 1 November 2015

<sup>5</sup> Mr D J Coutts commenced employment with the company on 12 February 2016

<sup>6</sup> Mr T Blyth ceased as key management personnel on 12 February 2016



# RAMELIUS RESOURCES LIMITED

## DIRECTORS' REPORT

### Loans to key management personnel

There were no loans made to key management personnel or their personally related parties during the current or prior period.

### Other transactions with key management personnel

The terms and conditions of transactions with key management personnel were no more favourable to the key management personnel and their related entities than those available, or which might reasonably be expected to be available, on similar transactions to key management personnel related entities on an arm's length basis. The aggregate amounts recognised during the year (excluding re-imbursement of expenses incurred on behalf of Ramelius) relating to key management personnel were as follows:

Name	Transaction	2016 \$	2015 \$
Mr R M Kennedy	Amount paid to a related party of the director in respect of a leased property in Adelaide SA on an arm's length basis from 1 July 2015 to 30 June 2016.	93,816	90,968

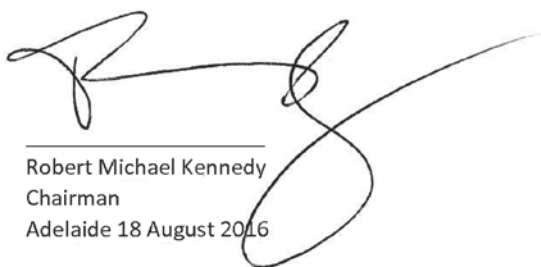
An amount of \$13,935 has been prepaid to a related party of Mr Kennedy in relation to the leased property in Adelaide, which is receivable on completion of the lease term or upon termination. There was no other amount receivable from or payable to key management personnel and their related entities at reporting date.

Remuneration report ends.

### ROUNDING OF AMOUNTS

Ramelius Resources Limited is a type of company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest \$1,000, or in certain cases, to the nearest dollar.

The directors' report, incorporating the remuneration report is signed in accordance with a resolution of the Board of directors.



Robert Michael Kennedy  
Chairman  
Adelaide 18 August 2016



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## **AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF RAMELIUS RESOURCES LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Ramelius Resources Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads "Grant Thornton".

GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP  
Chartered Accountants

A handwritten signature in blue ink that reads "J L Humphrey".

J L Humphrey  
Partner

Adelaide, 18 August 2016

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# RAMELIUS RESOURCES LIMITED

CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2016

	Note	Consolidated	
		2016 \$000's	2015 \$000's
Sales revenue	5(a)	173,744	130,351
Cost of production	5(b)	(140,839)	(102,505)
<b>Gross profit</b>		<b>32,905</b>	<b>27,846</b>
Other expenses	5(c)	(7,303)	(5,738)
Other income	5(d)	7	1,348
<b>Operating profit before interest income and finance cost</b>		<b>25,609</b>	<b>23,456</b>
Interest income	5(e)	568	538
Finance costs	5(e)	(834)	(1,375)
<b>Profit before income tax</b>		<b>25,343</b>	<b>22,619</b>
Income tax benefit (expense)	7	2,422	(5,093)
<b>Profit for the year from continuing operations</b>		<b>27,765</b>	<b>17,526</b>
Profit (loss) for the year from discontinued operations	34	(225)	(1,458)
<b>Profit for the year</b>		<b>27,540</b>	<b>16,068</b>
<b>Earnings per share (cents per share)</b>			
<b>Basic earnings per share</b>			
- Continuing operations	8	5.87	3.79
- Discontinued operations	8	(0.05)	(0.31)
<b>Total basic earnings per share</b>		<b>5.82</b>	<b>3.48</b>
<b>Diluted earnings per share</b>			
- Continuing operations	8	5.86	3.79
- Discontinued operations	8	(0.05)	(0.31)
<b>Total diluted earnings per share</b>		<b>5.81</b>	<b>3.48</b>

The above Consolidated Income Statement should be read in conjunction with the accompanying notes

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated	
	2016 \$000's	2015 \$000's
<b>Profit for the year</b>	<b>27,540</b>	16,068
<b>Other comprehensive income, net of tax</b>		
<i>Items that may be reclassified to profit or loss:</i>		
Change in fair value of available-for-sale assets	(202)	(93)
Foreign currency translation	-	133
<b>Other comprehensive income for the year, net of tax</b>	<b>(202)</b>	40
<b>Total comprehensive income for the year</b>	<b>27,338</b>	16,108

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes



# RAMELIUS RESOURCES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016

	Note	Consolidated	
		2016 \$000's	2015 \$000's
<b>Current assets</b>			
Cash and cash equivalents	9	44,272	32,425
Trade and other receivables	10	1,836	3,893
Inventories	11	18,947	8,403
Derivative financial instruments	12	-	1,078
Other assets	13	868	744
Assets and disposal group classified as held for sale	34	3,225	-
<b>Total current assets</b>		<b>69,148</b>	<b>46,543</b>
<b>Non-current assets</b>			
Other assets	13	526	-
Available-for-sale financial assets	14	132	293
Property, plant and equipment	15	20,539	25,883
Development assets	16	60,634	46,607
Intangible assets	17	73	191
Exploration and evaluation expenditure	18	7,784	7,734
Derivative financial instruments	12	-	103
Deferred tax assets	7	35,410	29,799
<b>Total non-current assets</b>		<b>125,098</b>	<b>110,610</b>
<b>Total assets</b>		<b>194,246</b>	<b>157,153</b>
<b>Current liabilities</b>			
Trade and other payables	19	22,255	17,515
Borrowings	20	-	1,062
Provisions	21	3,392	2,074
Liabilities included in disposal group held for sale	34	2,070	-
<b>Total current liabilities</b>		<b>27,717</b>	<b>20,651</b>
<b>Non-current liabilities</b>			
Provisions	21	22,336	24,552
Derivative financial instruments	12	-	170
Deferred tax liabilities	7	16,605	12,476
<b>Total non-current liabilities</b>		<b>38,941</b>	<b>37,198</b>
<b>Total liabilities</b>		<b>66,658</b>	<b>57,849</b>
<b>Net assets</b>		<b>127,588</b>	<b>99,304</b>
<b>Equity</b>			
Share capital	22	125,080	124,251
Reserves	23	423	3,086
Retained profit (loss)		2,085	(28,033)
<b>Total equity</b>		<b>127,588</b>	<b>99,304</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2016

	Share capital \$000's	Share- based payment reserve <sup>1</sup> \$000's	Available- for-sale reserve <sup>1</sup> \$000's	Foreign exchange translation reserve <sup>1</sup> \$000's	Asset revaluation reserve <sup>1</sup> \$000's	Retained profit (loss) \$000's	Total equity \$000's
Balance at 30 June 2014	118,743	2,321	-	(133)	634	(44,101)	77,464
Profit for the year	-	-	-	-	-	16,068	16,068
Other comprehensive income	-	-	(93)	133	-	-	40
<b>Total comprehensive income</b>	-	-	(93)	133	-	16,068	16,108
Transactions with owners in their capacity as owners:							
Share capital	5,699	-	-	-	-	-	5,699
Transaction costs net of tax	(191)	-	-	-	-	-	(191)
Share-based payments	-	224	-	-	-	-	224
<b>Balance at 30 June 2015</b>	<b>124,251</b>	<b>2,545</b>	<b>(93)</b>	<b>-</b>	<b>634</b>	<b>(28,033)</b>	<b>99,304</b>
Profit for the year	-	-	-	-	-	27,540	27,540
Other comprehensive income	-	-	(202)	-	-	-	(202)
<b>Total comprehensive income</b>	-	-	<b>(202)</b>	-	-	<b>27,540</b>	<b>27,338</b>
Transactions with owners in their capacity as owners:							
Share capital	832	-	-	-	-	-	832
Transaction costs net of tax	(3)	-	-	-	-	-	(3)
Share-based payments	-	117	-	-	-	-	117
Transfer of reserves <sup>2</sup>	-	(2,578)	-	-	-	2,578	-
<b>Balance at 30 June 2016</b>	<b>125,080</b>	<b>84</b>	<b>(295)</b>	<b>-</b>	<b>634</b>	<b>2,085</b>	<b>127,588</b>

1 Refer Note 23 for description of reserves.

2 Represents the portion of share based payments which have either expired or vested.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

# RAMELIUS RESOURCES LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Note	Consolidated	
		2016 \$000's	2015 \$000's
<b>Cash flows from operating activities</b>			
Receipts from operations		176,288	122,602
Payments to suppliers and employees		(111,027)	(76,214)
Interest received		531	559
Finance costs		(116)	(853)
Income taxes refunded (paid)		-	-
Net cash provided by (used in) discontinued operations	34	(160)	(318)
<b>Net cash provided by operating activities</b>	<b>27 (b)</b>	<b>65,516</b>	<b>45,776</b>
<b>Cash flows from investing activities</b>			
Payment for derivatives		(186)	(141)
Payments for property, plant and equipment		(5,152)	(1,581)
Payments for development		(43,104)	(20,246)
Proceeds from sale of property, plant and equipment		1	41
Payments for available-for-sale financial assets		-	(26)
Payments for mining tenements and exploration		(4,795)	(7,879)
Payments for site rehabilitation and demobilisation		(203)	(40)
<b>Net cash used in investing activities</b>		<b>(53,439)</b>	<b>(29,872)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(1,062)	(1,275)
Proceeds from issue of shares		832	5,700
Transaction costs from issue of shares		(4)	(343)
<b>Net cash used in financing activities</b>		<b>(234)</b>	<b>4,082</b>
<b>Net increase in cash and cash equivalents</b>		<b>11,843</b>	<b>19,986</b>
Cash at beginning of financial year		32,425	12,433
Effects of exchange rate changes on cash held		4	6
<b>Cash and cash equivalents at end of financial year</b>	<b>27 (a)</b>	<b>44,272</b>	<b>32,425</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

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The financial report of Ramelius Resources Limited for the year ended 30 June 2016 was authorised for issue in accordance with a resolution of the directors on 18 August 2016. Ramelius Resources Limited is a listed public company, incorporated and domiciled in Australia whose shares are publicly listed on the Australian Securities Exchange Limited (ASX).

### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of this financial report are presented below. These policies have been consistently applied to all years presented, unless otherwise stated. This annual financial report includes the consolidated financial statements and notes of Ramelius Resources Limited and its controlled entities.

#### a) Basis of preparation and statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standard Board (AASB) and the Corporations Act 2001. Ramelius is a for-profit entity for the purposes of preparing the financial statements. The financial report has been presented in Australian dollars and rounded to the nearest \$1,000 unless otherwise stated.

##### (i) Compliance with IFRS

The consolidated financial statements of the group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

##### (ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit and loss and certain classes of property, plant and equipment.

##### (iii) New and amended standards adopted by the group

There were no material new and revised standards which were effective for annual periods beginning on or after 1 July 2015 that were adopted by the group.

##### (iv) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below.

##### *AASB 9 Financial Instruments (December 2014)*

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard. This standard does not apply mandatorily before 1 January 2018. Adoption of this amendment will not result in a material impact on the Group's financial statements.

##### *AASB 15 Revenue from Contracts with Customers*

AASB 15 replaces AASB 118 Revenue and AASB 111 Construction Contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application, i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application. This standard does not apply mandatorily before 1 July 2017. Adoption of this amendment will not result in a material impact on the Group's financial statements.





# RAMELIUS RESOURCES LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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### *AASB 16 Leases*

AASB 16 replaces AASB 117 Leases and some lease related Interpretations. The new standard requires all leases to be accounted for as 'on-balance sheet' by lessees, other than short term and low value asset leases. The standard provides new guidance on the application of the definition of lease and on sale and lease back accounting. The standard also requires new and different disclosures about leases. This standard does not apply mandatorily before 1 January 2019. Adoption of this amendment will not result in a material impact on the Group's financial statements.

### *AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations*

AASB 2014-3 amends AASB 11 Joint Arrangements to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. This standard does not apply mandatorily before 1 January 2016. The amendments require:

- the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11 Joint Arrangements; and;
- the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.

Adoption of this amendment will not result in a material impact on the Group's financial statements

### *AASB 1057 Application of Australian Accounting Standards*

In May 2015, the AASB decided to revise Australian Accounting Standards that incorporate IFRS to minimise Australian-specific wording even further. The AASB noted that IFRS do not contain application paragraphs that identify the entities and financial reports to which the Standards (and Interpretations) apply. As a result, the AASB decided to move the application paragraphs previously contained in each Australian Accounting Standard (or Interpretation), unchanged, into a new Standard AASB 1057 Application of Australian Accounting Standards. This standard does not apply mandatorily before 1 January 2016. Adoption of this amendment will not result in a material impact on the Group's financial statements.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### *(v) Critical accounting estimates*

The preparation of financial statements requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

## **b) Principles of consolidation**

The consolidated financial statements incorporate the financial statements of the parent entity, Ramelius Resources Limited, and its controlled entities (referred to as the 'consolidated group' or 'group' in these financial statements). A list of controlled entities is contained in Note 30 to the consolidated financial statements. All controlled entities have a 30 June financial year end.

### *(i) Subsidiaries*

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group.

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

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Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with those adopted by the group.

### *(ii) Changes in ownership interests*

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

### **c) Joint arrangements**

Under AASB 11 Joint Arrangement investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Ramelius has exploration related joint arrangements which are considered joint operations. Ramelius recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. Details of the joint operations are shown in Note 31.

### **d) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director/Chief Executive Officer.

### **e) Foreign currency**

#### *(i) Functional and presentation currency*

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Australian dollars (\$), which is Ramelius Resources Limited and its controlled entities functional and presentation currency.

#### *(ii) Transactions and balances*

Transactions in foreign currencies are initially recorded in the functional currency at exchange rates prevailing at the date of the transaction. The subsequent payment or receipt of funds related to a transaction is translated at the rate applicable on the date of payment or receipt. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the reporting date. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

All exchange differences in the consolidated financial report are taken to the Income Statement.

#### *(iii) Group companies*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position,
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.



## RAMELIUS RESOURCES LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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#### **f) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods or rendering of a service is recognised upon delivery of the goods or service to customers as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement with those goods.

Revenue from gold bullion and silver sales is brought to account when the significant risks and rewards of ownership have transferred to the buyer and selling prices are known or can be reasonably estimated.

Interest revenue is recognised as it is accrued using the effective interest rate method.

All revenue is stated net of goods and services tax (GST).

#### **g) Government grant**

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the group complies with the attached conditions. Government grants relating to exploration and evaluation expenditure are recognised against the exploration and evaluation asset to match the grants with the costs that the grants are intended to compensate.

#### **h) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

#### **i) Income tax**

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit). Current and deferred income tax expense (benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

##### *(i) Current income tax*

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates that have been enacted, or substantially enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

##### *(ii) Deferred income tax*

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

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Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profits will be available against which the benefits of the deferred tax asset can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

### *(iii) Tax consolidated group*

Ramelius Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation.

Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity.

The tax consolidated group has entered into a tax funding arrangement whereby each company in the group contributes to the income tax payable by the group in proportion to their contribution to the group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

### **j) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of goods and services tax, unless the GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated in the Consolidated Statement of Financial Position inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### **k) Cash and cash equivalents**

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank, demand deposits held with banks, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values. For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

### **l) Trade and other receivables**

Trade receivables comprising bullion awaiting settlement are initially recorded at the fair value of contracted sale proceeds expected to be received only when there is a passing of significant risks and rewards of ownership to the customer. Collectability of debtors is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off and an allowance account (provision for impairment of trade receivables) is raised where objective evidence exists that the debt will not be collected. Other receivables are initially measured at fair value then amortised at cost, less an allowance for impairment.

### **m) Inventories**

Gold ore, gold in circuit and poured gold bars are physically measured or estimated and valued at the lower of cost and net realisable value. Cost represents the weighted average cost incurred in converting ore into finished goods and includes direct costs and an appropriate allocation of fixed and variable production overhead costs, including depreciation and amortisation.

By-products inventory on hand obtained as a result of the gold production process are valued at the lower of cost and net realisable value.





## RAMELIUS RESOURCES LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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Consumables and stores are valued at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting any applicable rebates and discounts. A periodic review is undertaken to establish the extent of any surplus or obsolete items and where necessary a provision is made.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion of sale.

Gold ore represents stockpiled ore that has been mined or otherwise acquired and is available for further processing. If there is significant uncertainty as to whether the stockpiled ore will be processed, it is expensed. Where future processing of ore can be predicted with confidence (e.g. it exceeds the mine cut off grade), it is valued at the lower of cost and net realisable value. If ore is not expected to be processed within 12 months after reporting date, it is classified as non-current assets. Ramelius believes processing ore stockpiles may have a future economic benefit to the group and accordingly ore is valued at lower of cost and net realisable value.

#### **n) Property, plant and equipment**

##### **Cost**

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Properties are shown at fair value based on valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The net carrying amount of property, plant and equipment is reviewed for impairment in accordance with Note 1(u).

Major spares purchased specifically for particular plant are capitalised and depreciated on the same basis as the plant to which they relate when in use. Assets are depreciated or amortised from the date they are installed and are ready for use, or in respect of internally constructed assets, from the time the asset is completed and deemed ready for use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

##### **Depreciation**

Items of plant and equipment are depreciated on a straight line basis over their estimated useful lives, the duration of which reflects the useful lives depending on the nature of the asset. The group uses the straight line method when depreciating property, plant and equipment, resulting in estimated useful lives for each class of depreciable assets as follows:

<b>Class of fixed asset</b>	<b>Useful life</b>
Properties	40 years
Plant and equipment	2.5 - 25 years
Mine and exploration equipment	2 - 33.3 years
Motor vehicles	8 - 12 years

Estimates of remaining useful lives and depreciation methods are reviewed bi-annually for all major items of plant and equipment. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Income Statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

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### **o) Leases**

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys the right to use the asset.

Leases of plant and equipment under which the group assumes substantially all the risks and benefits incidental to ownership are classified as finance leases. Other leases are classified as operating leases.

Finance leases are capitalised, with a lease asset and a lease liability equal to the fair value of the leased asset, or if lower, at the present value of the minimum lease payments determined at the inception of the lease. Lease payments are apportioned between the finance charges and reduction of the lease liability. The finance charge component within the lease payments is expensed. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the group will obtain ownership by the end of the lease term.

Payments made under operating leases are expensed on a straight-line basis over the leased term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

### **p) Exploration, evaluation and feasibility expenditure**

#### **Exploration and evaluation**

Exploration and evaluation costs related to areas of interest are capitalised and carried forward to the extent that:

- (i) Rights to tenure of the area of interest are current; and
- (ii) a) Costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively by sale; or  
b) Where activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, active and significant operations in, or in relation to, the areas are continuing.

Such expenditure consists of an accumulation of acquisition costs and direct net exploration and evaluation costs incurred by or on behalf of the group, together with an appropriate portion of directly related overhead expenditure.

#### **Deferred feasibility**

Feasibility expenditure represents costs related to the preparation and completion of feasibility studies to enable a development decision to be made in relation to an area of interest and is capitalised as incurred.

When production commences, relevant past exploration, evaluation and feasibility expenditure in respect of an area of interest that has been capitalised is transferred to mine development where it is amortised over the life of the area of interest to which it relates on a unit-of-production basis, refer Note 1(r).

When an area of interest is abandoned or the directors decide it is not commercial, any accumulated costs in respect of that area are written off in the year the decision is made. Each area of interest is reviewed at the end of each reporting period and accumulated costs written off to the extent they are not expected to be recoverable in the future.

### **q) Mineral rights**

Mineral rights comprise identifiable exploration and evaluation assets, mineral resources and ore reserves, which are acquired as part of a business combination or a joint venture and are recognised at fair value at date of acquisition. Mineral rights are attributable to specific areas of interest and are classified within exploration and evaluation assets.

Mineral rights attributable to each area of interest are amortised when commercial production commences on a unit-of-production basis over the estimated economic reserve of the mine to which the rights related.

### **r) Mine development**

Development assets represent expenditure in respect of exploration, evaluation, feasibility and development incurred by or on behalf of the group, including overburden removal and construction costs, previously accumulated and carried forward in relation to areas of interest in which mining has now commenced. Such expenditure comprises net direct costs and an appropriate allocation of directly related overhead expenditure.



# RAMELIUS RESOURCES LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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All expenditure incurred prior to commencement of production from each development property is carried forward to the extent to which recoupment out of future revenue from the sale of production, or from the sale of the property, is reasonably assured.

When further development expenditure is incurred in respect of a mine property after commencement of production, such expenditure is carried forward as part of the cost of the mine property only when future economic benefits are reasonably assured, otherwise the expenditure is classified as part of the cost of production and expensed as incurred. Such capitalised development expenditure is added to the total carrying value of development assets being amortised.

### **Amortisation and impairment**

Development assets are amortised based on the unit-of-production method which results in an amortisation charge proportional to the depletion of the estimated recoverable reserves. Where there is a change in the reserves the amortisation rate is adjusted prospectively in the reporting period in which the change occurs. The net carrying values of development expenditure carried forward are reviewed half-yearly by directors to determine whether there is any indication of impairment, refer Note 1(u).

### **s) Deferred mining expenditure**

#### **Pre-production mine development**

Pre-production mining costs incurred by the group in relation to accessing recoverable reserves are carried forward as part of 'development assets' when future economic benefits are established, otherwise such expenditure is expensed as part of the cost of production.

#### **Surface mining costs**

Mining costs incurred during the production stage of operations are deferred as part of determining the cost of inventories. This is generally the case where there are fluctuations in deferred mining costs over the life of the mine, and the effect is material. The amount of mining costs deferred is based on the ratio obtained by dividing the amount of waste mined by the quantity of gold ounces contained in the ore. Mining costs incurred in the period are deferred to the extent that the current period waste to contained gold ounce ratio exceeds the life-of-mine waste-to-ore (life-of-mine) ratio. The life-of-mine ratio is based on economically recoverable reserves of the operation.

The life-of-mine ratio is a function of an individual mine's design and therefore changes to that design will generally result in changes to the ratio. Changes in other technical or economic parameters that impact reserves will also have an impact on the life-of-mine ratio even if they do not affect the mine's design. Changes to the life-of-mine ratio are accounted for prospectively.

In the production stage of some operations, further developments of the mine require a phase of unusually high overburden removal activity that is similar in nature to pre-production mine development. The costs of such unusually high overburden removal activity are deferred and charged against reported profits in subsequent periods on a unit-of-production basis. The accounting treatment is consistent with that of overburden removal costs incurred during the development phase of a mine, before production commences.

Deferred mining costs that relate to the production phase of the operation are carried forward as part of 'development assets'. The release of deferred mining costs is included in site operating costs.

### **t) Intangible assets**

Costs incurred in acquiring software are capitalised as intangible assets. Costs capitalised include external costs of materials and services. Costs associated with administration and maintenance of software is expensed as incurred in other expenses in the Income Statement. Amortisation is calculated on the useful life, ranging from 3 to 5 years.

### **u) Impairment of non-financial assets**

The carrying amounts of all non-financial assets are reviewed half-yearly to determine whether there is an indication of impairment. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made. The recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Any excess of the asset's carrying value over its recoverable amount is expensed as an impairment loss to the Income Statement. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

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### **v) Available-for-sale assets**

The group's investments are designated as available-for-sale financial assets. The group's investments in listed securities are initially measured at fair value. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in the Income Statement. Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

The fair value of listed equity securities are determined by reference to quoted market prices.

### **w) Trade and other payables**

Liabilities for trade and other payables are initially recorded at the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the group, and then subsequently at amortised cost.

### **x) Employee benefits**

#### **Wages, salaries, salary at risk, annual leave and sick leave**

Liabilities arising in respect of wages and salaries, salary at risk, annual leave and any other employee benefits expected to be wholly settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liabilities are settled. These amounts are recognised in 'trade and other payables' (for amounts other than annual leave and salary at risk) and 'current provisions' (for annual leave and salary at risk) in respect of employee services up to the reporting date. Costs incurred in relation to non-accumulating sick leave are recognised when the leave is taken and are measured at the rate paid or payable.

#### **Long service leave**

The liability for long service leave is measured at the present value of the estimated future cash outflows to be made by the group resulting from employees' services provided up to the reporting date. Liability for long service leave benefits not expected to be settled within 12 months are discounted using the rates attaching to notional government securities at the reporting date, which most closely match the terms of maturity of the related liability. In determining the liability for these long term employee benefits, consideration has been given to expected future increases in wage and salary rates, the groups experience with staff departures and periods of service. Related on-costs have also been included in the liability.

Provision is made for the group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year are measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made for those benefits. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### **Defined contribution superannuation plans**

Contributions to defined contribution superannuation plans are expensed when incurred.

#### **Share-based payments**

The group provides benefits to employees (including the executive director/chief executive officer) in the form of share-based compensation, whereby employees render services in exchange for shares or options and/or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The group issues share-based remuneration in accordance with the employee share acquisition plan, the performance rights plan or as approved by the Board as follows:





## RAMELIUS RESOURCES LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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*(i) Employee share acquisition plan*

The group operates an Employee Share Acquisition Plan where employees may be issued shares and/or options. Fair value of the equity to which employees become entitled is measured at grant date and recognised as an employee benefits expense over the vesting period with a corresponding increase in equity. Fair value of shares issued is determined with reference to the latest ASX share price. Options are valued using an appropriate valuation technique which takes vesting conditions into account.

*(ii) Performance rights plan*

The group has a Performance Rights Plan where key management personnel may be provided with rights to shares in Ramelius. Fair values of rights issued are recognised as an employee benefits expense over the relevant service period, with a corresponding increase in equity. Fair value of rights are measured at effective grant date and recognised over the vesting period during which key management personnel become entitled to the rights. There are a number of different methodologies that are appropriate to use in valuing rights. Fair value of rights granted is measured using the most appropriate method in the circumstances, taking into consideration the terms and conditions upon which the rights were issued.

*(iii) Other long-term incentives*

The Board may at its discretion provide share rights either to recruit or as a long-term retention incentive to key executives and employees.

The fair value of options and/or rights granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options and/or rights granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options and/or rights that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Upon exercise of the rights, the balance of the Share-Based Payments Reserve relating to those rights remains in the share-based payments reserve until it is transferred to retained earnings.

#### **Termination benefits**

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

#### **y) Provisions**

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### **Provision for restoration and rehabilitation**

Estimated costs of decommissioning and removing an asset and restoring the site are included in the cost of the asset as at the date the obligation first arises and to the extent that it is first recognised as a provision. The group records the present value of the estimated cost of constructive and legal obligations to restore operating locations in the period in which the obligation is incurred. The nature of decommissioning activities includes dismantling and removing structures, rehabilitating mine sites, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of affected areas.

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## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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Typically the obligation arises when the asset is installed or the environment is disturbed at the development location. When the liability is initially recorded, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the change in the present value based on the discount rates that reflect the current market assessments and the risks specific to the liability. Additional disturbances or changes in decommissioning costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

The unwind effect of discounting the provision is recorded as a finance cost in the Income Statement and the carrying amount capitalised as a part of mining assets is amortised on a unit-of-production basis. Costs incurred that relate to an existing condition caused by past operations, but do not have future economic benefits are expensed as incurred.

### **z) Financial instruments**

#### **Initial recognition and measurement**

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed immediately.

#### **Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted prices in an active market are used to determine fair value where possible. The group does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

#### **(i) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

#### **(ii) Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

#### **(iii) Derivative financial instruments**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The group uses derivative financial instruments to hedge its exposure to changes in commodity prices arising in the normal course of business. The group does not trade in derivatives for speculative purposes. Derivative financial instruments are recognised at fair value on the date a derivative contract is entered into. Derivatives are valued on a mark-to-market valuation and the gain or loss on re-measurement to fair value is recognised through the Income Statement.

#### **(iv) Available-for-sale financial assets**

Available-for-sale financial assets include any financial assets not included in the above categories. The group's accounting policy for available-for-sale financial assets is discussed at Note 1(v).

#### **Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

#### **Impairment**

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. If there is objective evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously not recognised in the profit or loss, is removed from equity and recognised in profit or loss.



# RAMELIUS RESOURCES LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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### aa) Derivative activity

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in the fair value of any derivative instrument (which does not qualify for hedge accounting) are recognised immediately in profit or loss and are included in other income or other expenses.

### bb) Share capital

Ordinary share capital is classified as equity and is recognised at fair value of the consideration received by the group. Any transaction costs arising on the issue of ordinary shares and the associated tax are recognised directly in equity as a reduction of the share proceeds received.

### cc) Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, adjusted to exclude costs of servicing equity other than ordinary shares,
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in determining basic earnings per share to take into account the:

- after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares,
- weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

### dd) Non-current assets and liabilities classified as held for sale and discontinued operations

When the Group intends to sell a non-current asset or a group of assets (a disposal group), and if sale within twelve (12) months is highly probable, the asset or disposal group is classified as 'held for sale' and presented separately in the statement of financial position. Liabilities are classified as 'held for sale' and presented as such in the statement of financial position if they are directly associated with a disposal group.

Assets classified as 'held for sale' are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some 'held for sale' assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's accounting policy for those assets. Once classified as 'held for sale', the assets are not subject to depreciation or amortisation. Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

### ee) Parent entity information

The financial information of the parent entity, Ramelius Resources Limited, disclosed in Note 33 has been prepared on the same basis as the consolidated financial statements, other than investments in controlled entities which were carried at cost less impairment.

### ff) Rounding of amounts

Ramelius Resources Limited is a type of company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in the financial report have been rounded to the nearest \$1,000, or in certain cases, to the nearest dollar.

## 2 FINANCIAL RISK MANAGEMENT POLICIES

The group's management of financial risk is aimed at ensuring cash flows are sufficient to:

- Withstand significant changes in cash flow at risk scenarios and still meet all financial commitments as and when they fall due; and
- Maintain the capacity to fund future project development, exploration and acquisition strategies.

The group continually monitors and tests its forecast financial position against these criteria.

The group is exposed to the following financial risks: liquidity risk, credit risk and market risk (including foreign exchange risk, commodity price risk and interest rate risk).

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## RAMELIUS RESOURCES LIMITED

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The directors are responsible for monitoring and managing financial risk exposures of the group. The group holds the following financial instruments:

	Consolidated	
	2016 \$000's	2015 \$000's
<b>Financial assets</b>		
Cash at bank	35,781	13,147
Term deposits	8,491	19,278
Trade and other receivables	2,362	3,893
Derivative financial instruments	-	1,181
Available-for-sale financial assets	132	293
<b>Total financial assets</b>	<b>46,766</b>	<b>37,792</b>
<b>Financial liabilities</b>		
Trade and other payables	22,255	17,515
Borrowings	-	1,062
Derivative financial instruments	-	170
<b>Total financial liabilities</b>	<b>22,255</b>	<b>18,747</b>

### a) Liquidity risk

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash to meet obligations when due. The group manages liquidity risk by monitoring forecast cash flows.

#### i. Maturities of financial liabilities

##### (a) Payables

Trade and other payables are expected to be settled within 6 months.

##### (b) Borrowings

The table below analyses the group's financial arrangements at 30 June 2016 and 30 June 2015 into relevant maturity groupings based on their contractual maturities. The amounts disclosed below represents the contractual maturities of the hire purchase financial liability associated with the Mt Magnet mine camp which was repaid during the financial year.

#### Hire purchase (including finance charges)

Less than 6 months	-	703
Between 6 and 12 months	-	469
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
<b>Total contractual maturities of financial liabilities</b>	<b>-</b>	<b>1,172</b>

### b) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk on financial assets of the entity which have been recognised in the Consolidated Statement of Financial Position is the carrying amount, net of any provision for doubtful debts. Credit risk is managed through the consideration of credit worthiness of customers and counterparties. This ensures to the extent possible, that customers and counterparties to transactions are able to pay their obligations when due and payable. Such monitoring is used in assessing impairment.





# RAMELIUS RESOURCES LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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### *i. Past due but not impaired*

As at 30 June 2016, there were no trade or other receivables considered past due but not impaired (2015: nil).

### *ii. Impaired trade receivables*

Individual receivables which are known to be uncollectable are written off by reducing the carrying amount directly. The other receivables are assessed to determine whether there is objective evidence that an impairment has been incurred but not yet identified. For these receivables the estimated impairment losses are recognised in a separate provision for impairment. The group considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor,
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or delinquency in payments (past due)

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses are recognised in profit or loss within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses.

### **c) Market risk**

#### *i. Foreign currency risk*

The group undertakes transactions impacted by foreign currencies; hence exposures to exchange rate fluctuations arise. The majority of the group's revenue is affected by movements in USD:AUD exchange rate that impacts on the Australian gold price whereas the majority of costs (including capital expenditure) are in Australian dollars. The group considers the effects of foreign currency risk on its financial position and financial performance and assesses its option to hedge based on current economic conditions and available market data.

#### *ii. Commodity price risk*

The group's revenue is exposed to commodity price fluctuations, in particular to gold prices. Price risk relates to the risk that the fair value of future cash flows of gold sales will fluctuate because of changes in market prices largely due to demand and supply factors for commodities. The group is exposed to commodity price risk due to the sale of gold on physical delivery at prices determined by market at the time of sale. The group manages commodity price risk as follows:

##### *Forward sales contracts*

Gold price risk is managed through the use of forward sales contracts which effectively fix the gold price and thus provide cash flow certainty.

##### *Put options*

Gold price risk is managed with the use of hedging strategies through the purchase of gold put options to establish gold "floor prices" in Australian dollars over the group's gold production; however this is generally at levels lower than current market prices. These put options enable Ramelius to retain full exposure to current, and any future rises in the gold price while providing protection to a fall in the gold price below the strike price. Gold put options are marked to market at fair value through profit and loss.

Gold prices, cash flows and economic conditions are constantly monitored to determine whether to implement a hedging program.

### **Gold price sensitivity analysis**

The group has performed a sensitivity analysis relating to its exposure to gold price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result in a change in these risks. Any impacts from such hedging would be in relation to revenue from gold sales.

Based on gold sales of 40,635oz (108,711oz less forward sales of 68,076oz) in 2016 and 78,304oz (88,706oz less forward sales of 10,402oz) in 2015, if gold price in Australian dollars changed by + / - A\$100, with all other variables remaining constant, the estimated realised impact on pre-tax profit (loss) and equity would have been as follows:

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## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	Consolidated	
	2016 \$000's	2015 \$000's
<b>Impact on pre-tax profit (loss)</b>		
Increase in gold price by A\$100	4,064	7,830
Decrease in gold price by A\$100	(4,064)	(7,830)
<b>Impact on equity</b>		
Increase in gold price by A\$100	4,064	7,830
Decrease in gold price by A\$100	(4,064)	(7,830)

### d) Capital risk management

The objective when managing capital is to maintain a strong capital base capable of withstanding cash flow variability, whilst providing flexibility to pursue its growth aspirations. Ramelius aims to maintain an optimal capital structure to reduce the cost of capital and maximise shareholder returns. The capital structure is equity as shown in the Statement of Financial Position. The group is not subject to any externally imposed capital requirements.

### e) Fair value measurement

The financial assets and liabilities of the group are recognised on the Consolidated Statement of Financial Position at their fair value in accordance with the accounting policies in Note 1. Measurement of fair value is grouped into levels based on the degree to which fair value is observable in accordance with AASB 7 Financial Instruments: Disclosure.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### Fair value measurement of financial instruments

Derivative financial assets are measured at fair value using the valuation provided from the relevant financial institution. The valuations would be recognised as a Level 2 in the fair value hierarchy as they have been derived using inputs from a variety of market data. Available-for-sale financial assets are measured at fair value using the closing price on the reporting date as listed on the Australian Securities Exchange Limited (ASX). Available for sale financial assets are recognised as a Level 1 in the fair value hierarchy as defined under AASB 7 Financial Instruments: Disclosures. The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

### Fair value measurement of non-financial instruments

Properties are measured at fair value using 2011 valuations made by an independent valuer. At 30 June 2016, the directors are of the opinion that the carrying amounts of properties approximate their fair value. The valuations would be recognised as a Level 2 in the fair value hierarchy.

The valuation depends on a number of characteristics of observable market transactions in similar properties that are used for valuation. Although this input is a subjective judgement, management considers that the carrying amounts would not be materially affected by reasonably possible alternative assumptions.

# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

## 3 OPERATING SEGMENTS

Management has determined the operating segments based on internal reports about components of the group that are regularly reviewed by the Chief Operating Decision Maker (CODM), the Managing Director/Chief Executive Officer, in order to make strategic decisions. Reportable operating segments are Mt Magnet, Burbanks and Exploration. The group operates primarily in one business segment, namely the exploration, development and production of minerals with a focus on gold.

The CODM monitors performance in these areas separately. Unless stated otherwise, all amounts reported to the CODM are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the group. Operating segment performance details for financial years 2016 and 2015 are set out below:

2016 Segment performance	Mt Magnet \$000's	Burbanks \$000's	Exploration \$000's	Total \$000's
<b>Segment revenue</b>				
Sales revenue	173,744	-	-	173,744
<b>Segment cost of production</b>				
Cost of production before:	(151,898)	(20)	-	(151,918)
Amortisation and depreciation	(49,880)	-	-	(49,880)
Movement in inventory	11,763	-	-	11,763
Deferred stripping costs	49,196	-	-	49,196
<b>Segment cost of production</b>	<b>(140,819)</b>	<b>(20)</b>	<b>-</b>	<b>(140,839)</b>
<b>Gross margin</b>	<b>32,925</b>	<b>(20)</b>	<b>-</b>	<b>32,905</b>
Impairment and exploration write-off	(183)	53	(1,441)	(1,571)
<b>Segment margin</b>	<b>32,742</b>	<b>33</b>	<b>(1,441)</b>	<b>31,334</b>
Interest income				568
Finance cost				(834)
Other income (expenses)				(5,725)
<b>Profit before income tax from continuing operations</b>				<b>25,343</b>
<b>2015 Segment performance</b>	<b>Mt Magnet \$000's</b>	<b>Burbanks \$000's</b>	<b>Exploration \$000's</b>	<b>Total \$000's</b>
<b>Segment revenue</b>				
Sales revenue	123,060	7,291	-	130,351
<b>Segment cost of production</b>				
Cost of production before:	(92,100)	(162)	-	(92,262)
Amortisation and depreciation	(23,265)	-	-	(23,265)
Movement in inventory	(5,536)	(2,358)	-	(7,894)
Deferred stripping costs	20,916	-	-	20,916
<b>Segment cost of production</b>	<b>(99,985)</b>	<b>(2,520)</b>	<b>-</b>	<b>(102,505)</b>
<b>Gross margin</b>	<b>23,075</b>	<b>4,771</b>	<b>-</b>	<b>27,846</b>
Impairment & exploration write-off	(91)	1	(1,386)	(1,476)
<b>Segment margin</b>	<b>22,984</b>	<b>4,772</b>	<b>(1,386)</b>	<b>26,370</b>
Interest income				538
Finance cost				(1,375)
Other income (expenses)				(2,914)
<b>Profit before income tax from continuing operations</b>				<b>22,619</b>

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2016 Segment position	Mt Magnet \$000's	Burbanks \$000's	Exploration \$000's	Total \$000's
<b>Capitalised expenditure</b>				
Property, plant and equipment	4,865	-	-	4,865
Site development	51,004	-	-	51,004
Exploration assets	-	-	5,270	5,270
<b>Segment assets</b>				
Segment assets from continuing operations	100,926	176	8,100	109,202
Assets and disposal group classified as held for sale	-	3,225	-	3,225
<b>Total segment assets</b>	100,926	3,401	8,100	112,427
Corporate and unallocated assets				
Cash and cash equivalents				44,272
Trade and other receivables				1,608
Other current assets				198
Available-for-sale financial asset				132
Property, plant and equipment				199
Deferred tax assets				35,410
Assets and disposal group classified as held for sale				-
<b>Total consolidated assets</b>				194,246
2015 Segment position	Mt Magnet \$000's	Burbanks \$000's	Exploration \$000's	Total \$000's
<b>Capitalised expenditure</b>				
Property, plant and equipment	1,817	6	-	1,823
Site development	24,972	-	-	24,972
Exploration assets	-	-	8,226	8,226
<b>Segment assets</b>	81,254	2,491	8,086	91,831
Corporate and unallocated assets				
Cash and cash equivalents				32,425
Trade and other receivables				1,258
Derivative financial instruments				1,181
Other current assets				149
Available-for-sale financial asset				293
Property, plant and equipment				217
Deferred tax assets				29,799
<b>Total consolidated assets</b>				157,153
2016 Segment position	Mt Magnet \$000's	Burbanks \$000's	Exploration \$000's	Total \$000's
<b>Segment liabilities</b>				
Segment liabilities from continuing operations	(45,162)	(133)	(1,342)	(46,637)
Liabilities included in disposal group held for sale	-	(2,070)	-	(2,070)
<b>Total segment liabilities</b>	(45,162)	(2,203)	(1,342)	(48,707)
Corporate and unallocated assets				
Trade and other payables				(665)
Short-term provisions				(621)
Long-term provisions				(60)
Deferred tax liabilities				(16,605)
<b>Total consolidated liabilities</b>				(66,658)



# RAMELIUS RESOURCES LIMITED

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2015 Segment position	Mt Magnet \$000's	Burbanks \$000's	Exploration \$000's	Total \$000's
<b>Segment liabilities</b>	(41,152)	(2,196)	(875)	<b>(44,223)</b>
Corporate and unallocated assets				
Trade and other payables				(366)
Short-term provisions				(561)
Long-term provisions				(53)
Derivative financial instruments				(170)
Deferred tax liabilities				(12,476)
<b>Total consolidated liabilities</b>				<b>(57,849)</b>

The Burbanks operating segment includes assets, liabilities, revenues and expenses of the asset and disposal group which is classified as held for sale and discontinued operations (Note 34).

## Major customers

Ramelius provides goods that are more than 10% of external revenue through the Western Australian Mint in Perth, Australia. Goods provided through the Western Australian Mint account for 100% (2015: 99%) of sales revenue.

## Segments assets by geographical location

Segment assets of Ramelius are geographically located in Australia.

## 4 CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. Estimates and assumptions made assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group. The judgements, estimates and assumptions will, by definition, seldom equal actual results. The judgements, estimates and assumptions having a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next financial year are detailed below.

### a) Exploration and evaluation expenditure

The group's policy for exploration and evaluation is discussed at Note 1(p). Application of this policy requires management to make estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available.

### b) Deferred mining expenditure

The group defers mining costs incurred during the production stage of its operations, which are calculated in accordance with accounting policy Note 1(s). Changes in an individual mine's design will generally result in changes to the life-of-mine waste to contained gold ounces (life-of-mine) ratio. Changes in other technical and economic parameters that impact reserves will also have an impact on the life-of-mine ratio even if they do not affect the mine's design. Changes to the life-of-mine are accounted for prospectively.

### c) Ore reserve estimates

The group estimates ore reserves and mineral resources each year based on information compiled by Competent Persons as defined in accordance with the Australian code for reporting Exploration Results, Mineral Resources and Ore Reserves 2012 ('JORC code'). Estimated quantities of economically recoverable reserves are based upon interpretations of geological models and require assumptions to be made including estimates of short and long-term commodity prices, exchange rates, future operating performance and capital requirements. Changes in reported reserve estimates can impact the carrying value of plant and equipment and development, provision for restoration and rehabilitation obligations as well as the amount of depreciation and amortisation.

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

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### d) Recovery of deferred tax assets

Deferred tax assets, including those arising from unutilised tax losses require management to assess the likelihood that the group complies with the relevant taxation legislation and will generate sufficient taxable earnings in future periods, in order to recognise and utilise those deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and existing tax laws in the relevant jurisdictions. To the extent that cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets reported at the reporting date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the group operates could limit the ability of the group to obtain deductions in future periods.

### e) Impairment of assets

The group assesses each Cash-Generating Unit (CGU), at least annually, to determine whether there is any indication of impairment or reversal. Where an indicator of impairment or reversal exists, a formal estimate of the recoverable amount is made, which is deemed as being the higher of the fair value less costs to sell and value in use calculated in accordance with accounting policy Note 1(u). These assessments require the use of estimates and assumptions such as ore reserves, future production, commodity prices, discount rates, exchange rates, operating costs, sustaining capital costs, any future development cost necessary to produce the reserves (including the magnitude and timing of cash flows) and operating performance.

### f) Unit-of-production method of depreciation and amortisation

The group uses the unit-of-production basis when depreciating / amortising mine specific assets which results in a depreciation / amortisation charge proportional to the depletion of the anticipated remaining life-of-mine production. Economic life, which is assessed annually, has due regard to both its physical life limitations and to present assessments of economically recoverable reserves of the mine property. These calculations require the use of estimates and assumptions.

### g) Provision for restoration and rehabilitation

The group assesses its mine restoration and rehabilitation provision bi-annually in accordance with the accounting policy Note 1(y). Significant judgement is required in determining the provision for restoration and rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites. The estimate of future costs therefore requires management to make assessment of the future restoration and rehabilitation date, future environmental legislation, changes in regulations, price increases, changes in discount rates, the extent of restoration activities and future removal technologies. When these factors change or become known in the future, such differences will impact the restoration and rehabilitation provision in the period in which they change or become known. At each reporting date the rehabilitation and restoration provision is remeasured to reflect any of these changes.

### h) Share based payments

The group measures the cost of equity settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. Fair value is determined using assumptions detailed in Note 24.

### i) Impairment of available-for-sale financial assets

The group follows the guidance of AASB 139 Financial Instruments: Recognition and Measurement to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	Note	Consolidated	
		2016 \$000's	2015 \$000's

## 5 REVENUE AND EXPENSES

Profit before tax includes the following revenue, income and expenses whose disclosure is relevant in explaining the performance of the group:

### a) Sales revenue

Gold sales		173,453	129,851
Silver sales		242	470
Other revenue		49	30

<b>Total sales revenue from continuing operations</b>		<b>173,744</b>	<b>130,351</b>
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### b) Cost of production

Amortisation and depreciation		49,880	23,265
Employee benefits expense		14,168	13,433
Inventory movements		(11,763)	7,894
Mining and milling production costs		83,917	54,853
Royalty costs		4,637	3,060

<b>Total cost of production from continuing operations</b>		<b>140,839</b>	<b>102,505</b>
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### c) Other expenses

Amortisation and depreciation		76	144
Employee benefits expense		2,446	2,196
Equity settled share-based payments	24	117	224
Exploration costs written off		650	648
Impairment of development assets	16	130	91
Impairment of exploration and evaluation assets	18	791	738
Loss on derivative financial instruments		1,196	146
Foreign exchange losses		8	3
Other expenses		1,889	1,548

<b>Total other expenses from continuing operations</b>		<b>7,303</b>	<b>5,738</b>
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### d) Other income

Gain on derivative financial instruments		-	1,341
Foreign exchange gains		7	7

<b>Total other income</b>		<b>7</b>	<b>1,348</b>
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## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

	Note	Consolidated	
		2016 \$000's	2015 \$000's
<b>e) Net finance expenses (income)</b>			
Discount unwind on provisions and borrowings		553	522
Interest and finance charges		281	853
Total finance costs		834	1,375
Interest income		(568)	(538)
<b>Net finance expenses (income) from continuing operations</b>		<b>266</b>	<b>837</b>

## 6 REMUNERATION OF AUDITORS

### Audit and other assurance services

Audit and review of financial statements (\$)		101,500	85,000
Non-assurance services			
Tax advice and compliance services (\$)		7,000	-
Gender survey assistance		580	-

Total remuneration of Grant Thornton (\$)		109,080	85,000
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## 7 INCOME TAX (BENEFIT) EXPENSE

### The components of tax (benefit) expense comprise:

Current tax		-	-
Deferred tax		(2,519)	4,469

<b>Income tax from discontinued operations</b>	<b>34</b>	<b>97</b>	<b>624</b>
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<b>Income tax (benefit) expense from continuing operations</b>		<b>(2,422)</b>	<b>5,093</b>
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### Reconciliation of income tax (benefit) expense to prima facie tax payable:

Accounting profit before tax		25,343	22,619
Income tax expense calculated at 30% (2015: 30%)		7,603	6,785
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:			
- share-based payments		35	67
- other non-allowable items		77	81
- losses not previously recognised		(10,137)	(1,840)

<b>Income tax (benefit) expense</b>		<b>(2,422)</b>	<b>5,093</b>
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Applicable weighted average effective tax rate		<b>(10%)</b>	22%
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# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

## 30 June 2016 deferred tax movement

	Balance at 1 July 2015 \$000's	Charged / (credited) to income \$000's	Charged / (credited) to equity \$000's	Balance at 30 June 2016 \$000's
<b>Deferred tax liability</b>				
Exploration and evaluation	1,511	585	-	2,096
Development	10,734	3,671	-	14,405
Inventory - consumables	136	(33)	-	103
Unrealised foreign exchange gain (loss)	95	(92)	-	3
<b>Group deferred tax liability (DTL)</b>	<b>12,476</b>	<b>4,131</b>	-	<b>16,607</b>
DTL from discontinued operation (Note 34)	(2)	-	-	(2)
<b>DTL from continuing operations</b>	<b>12,474</b>	<b>4,131</b>	-	<b>16,605</b>
<b>Deferred tax asset</b>				
Equity transaction costs	285	(209)	2	78
Inventory - deferred mining costs	2,678	(1,529)	-	1,149
Property, plant and equipment	1,160	19	-	1,179
Receivables	65	(65)	-	-
Provisions	7,988	351	-	8,339
Tax losses	17,463	7,984	-	25,447
Borrowing costs	-	91	-	91
Other	160	8	(39)	129
<b>Group deferred tax asset (DTA)</b>	<b>29,799</b>	<b>6,650</b>	<b>(37)</b>	<b>36,412</b>
DTA from discontinued operation (Note 34)	(1,136)	134	-	(1,002)
<b>DTA from continuing operations</b>	<b>28,663</b>	<b>6,784</b>	<b>(37)</b>	<b>35,410</b>

## 30 June 2015 deferred tax movement

	Balance at 1 July 2014 \$000's	Charged / (credited) to income \$000's	Charged / (credited) to equity \$000's	Balance at 30 June 2015 \$000's
<b>Deferred tax liability</b>				
Exploration and evaluation	6,800	(5,289)	-	1,511
Development	1,273	9,461	-	10,734
Inventory - consumables	111	25	-	136
Unrealised foreign exchange gain (loss)	93	2	-	95
<b>Total deferred tax liability</b>	<b>8,277</b>	<b>4,199</b>	-	<b>12,476</b>
<b>Deferred tax asset</b>				
Equity transaction costs	409	(206)	82	285
Inventory - deferred mining costs	3,185	(507)	-	2,678
Property, plant and equipment	962	198	-	1,160
Receivables	348	(283)	-	65
Provisions	7,444	544	-	7,988
Tax losses	17,463	-	-	17,463
Other	137	(16)	39	160
<b>Total deferred tax asset</b>	<b>29,948</b>	<b>(270)</b>	<b>121</b>	<b>29,799</b>

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## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

### Tax effects relating to comprehensive income

	2016			2015		
	Pre-tax amount	Income tax effect	Net of tax amount	Pre-tax amount	Income tax effect	Net of tax amount
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Revaluation of available-for-sale assets	162	40	202	133	(40)	93

	Consolidated	
	2016	2015
	\$000's	\$000's

### Franking credits

Franking credits available for subsequent years based on a tax rate of 30% (2015: 30%)	<b>21,826</b>	21,826
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The above represents the balance of the franking account as at the end of the reporting period, adjusted for:

- a) franking credits (debits) that will arise from payment of the current tax liability (current tax asset), and
- b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date.

### Tax losses

Unused tax losses for which no deferred tax asset has been recognised	<b>3,137</b>	37,230
Potential tax benefit at 30%	<b>941</b>	11,169

All unused tax losses have been recognised as a deferred tax asset, with the exception of capital losses. The Directors have assessed that it is probable the group will generate sufficient taxable profits to utilise the losses recognised as a deferred tax asset. All unused tax losses were incurred by Australian entities that are part of the tax consolidated group. See Note 4(d) for information about recognised tax losses and significant judgements made in relation to them.

## 8 EARNINGS PER SHARE

### Classification of securities

All ordinary shares have been included in basic earnings per share.

### Classification of securities as potential ordinary shares

Rights to shares granted to executives and senior managers are included in the calculation of diluted earnings per share and assume all outstanding rights will vest. Rights are included in the calculation of diluted earnings per share to the extent they are dilutive. Options have been included in determining diluted earnings per share to the extent that they are in the money (i.e. not antidilutive). Rights and options are not included in basic earnings per share.

### Earnings used in the calculation of earnings per share

Both the basic and diluted earnings per share have been calculated using the profit after tax as the numerator.

	2016 000's	2015 000's
<b>Weighted average number of shares used as the denominator</b> <sup>1</sup>		
<i>Number for basic earnings per share</i>		
Ordinary shares	<b>473,328</b>	462,021
<i>Number of dilutive securities</i>		
Share rights and options	<b>838</b>	70
<b>Total number of securities for dilutive earnings per share</b>	<b>474,166</b>	462,091

<sup>1</sup> Earnings per share would decrease if the 50,000,000 shares issued (Note 32) were outstanding at 30 June 2016 and included in weighted average number of shares.

# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	Consolidated	
	2016	2015
	\$000's	\$000's

## 9 CASH AND CASH EQUIVALENTS

Cash at bank and in hand	35,781	13,147
Deposits at call	15	6,102
Secured deposits <sup>1</sup>	8,476	13,176
<b>Total cash and cash equivalents</b>	<b>44,272</b>	<b>32,425</b>

<sup>1</sup> Includes \$2,595,145 (2015: \$2,308,916) of deposits provided as security against unconditional bank guarantees in favour of the Minister for Mines and Energy (Northern Territory), Central Land Council in the Northern Territory for exploration purposes and in favour of other entities to secure supply of gas and electricity. Also includes a minimum reserve amount of \$5,000,000 (2015: \$10,000,000) as security under the finance facility.

### Risk exposure

The group's exposure to interest rate risk is discussed in Note 2. Maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents disclosed above.

## 10 TRADE AND OTHER RECEIVABLES

### Current

Trade receivables	106	2,725
Provision for impairment <sup>1</sup>	-	(218)
<b>Trade receivables</b>	<b>106</b>	<b>2,507</b>
<b>Other receivables</b>	<b>1,730</b>	<b>1,386</b>
<b>Total current trade and other receivables</b>	<b>1,836</b>	<b>3,893</b>

<sup>1</sup> The reversal of provision for impairment totalled \$218,220 (2015: \$944,227) and represents amounts subsequently received from debtor.

### Classification of trade and other receivables

Trade receivables are amounts due from customers for goods sold and services performed in the ordinary course of business. Trade receivables are generally due for settlement within 30 days and therefore classified as current. The group's impairment and other accounting policies for trade and other receivables are outlined in Notes 1(l) and 2(b). Other receivables comprise accrued interest and amounts due from taxation authorities. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are classified as non-current assets.

### Fair values of trade and other receivables

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value. For non-current receivables, the fair values are also not significantly different to their carrying amounts.

### Impairment and risk exposure

Refer Note 2 for more information on the risk management policy of the group and credit quality of trade receivables.

## 11 INVENTORIES

Gold nuggets at cost	80	80
Ore stockpiles	7,410	1,300
Gold in circuit	7,343	1,618
Consumables and supplies	4,114	5,405
<b>Total inventories from continuing operations</b>	<b>18,947</b>	<b>8,403</b>

### Inventory expense

There were no write-downs of inventories to net realisable value during the year ended 30 June 2016 (2015: Nil).

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## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

		Consolidated	
	Note	2016 \$000's	2015 \$000's

### 12 DERIVATIVE FINANCIAL INSTRUMENTS

#### Current

Derivative assets	-	1,078
Derivative liabilities	-	-

Total current derivative financial instruments - 1,078

#### Non-current

Derivative assets	-	103
Derivative liabilities	-	(170)

Total non-current derivative financial instruments - (67)

#### Purpose and recognition

Derivatives are used to hedge cash flow risk associated with future transactions. Current assets and liabilities reflect those instruments which are due for settlement within one year based on a valuation at year end including those instruments which have been settled prior to their expiry but subsequent to 30 June 2016. Non-current assets and liabilities reflect those instruments which are due for settlement after one year from the end of the reporting period.

#### Risk exposures and fair value measurements

Information about the group's exposure to credit risk, foreign exchange risk and the methods and assumptions used in determining fair values is provided in Note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the abovementioned derivative financial assets.

### 13 OTHER ASSETS

#### Current

Prepayments	868	744
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#### Non-current

Refundable deposits	526	-
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#### Fair values of other assets

Due to the short-term nature of other assets, their carrying amount is assumed to be the same as their fair value. For non-current other assets, the fair values are also not significantly different to their carrying amounts.



# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	Note	Consolidated	
		2016 \$000's	2015 \$000's

## 14 AVAILABLE-FOR-SALE FINANCIAL ASSETS

Shares in listed corporations at fair value		132	293
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### Classification of financial assets as available-for-sale

Investments are designated as available-for-sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long-term. The financial assets are presented as non-current assets unless they mature, or management intends to dispose of them within 12 months of the end of the reporting period.

### Risk exposures and fair value measurements

Available-for-sale financial assets are recognised as a Level 1 in the fair value hierarchy as defined under AASB 7 Financial Instruments: Disclosures. Information about the group's exposure to credit risk and the methods and assumptions used in determining fair values is provided in Note 2.

## 15 PROPERTY, PLANT AND EQUIPMENT

### Property

Properties at fair value (a)		1,588	1,529
Less accumulated depreciation		(170)	(132)

Total property	15(e)	1,418	1,397
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### Plant and equipment

Plant and equipment at cost		55,470	56,489
Less accumulated depreciation		(36,349)	(32,003)

Total plant and equipment	15(e)	19,121	24,486
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Total property, plant and equipment		20,539	25,883
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### (a) Valuation of property

Properties are recognised as a Level 2 in the fair value hierarchy as defined under AASB 13 Fair Value Measurements. The valuation basis of property is fair value being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The 2011 valuations were made by independent valuers. At 30 June 2016, the directors are of the opinion that the carrying amounts of properties approximate their fair values.

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## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	Consolidated	
	2016	2015
	\$000's	\$000's

### (b) Carrying amounts that would have been recognised if land and buildings were stated at cost

If properties were stated on the historical cost basis, the amounts would be as follows:

Property		
Properties at cost	607	607
Additions	59	-
Accumulated depreciation	(65)	(51)
<b>Total property assets</b>	<b>601</b>	<b>556</b>

### (c) Leased assets

Plant and equipment includes the following amounts where the group is a lessee under a hire purchase finance lease:

Leasehold equipment at cost <sup>1</sup>	-	5,306
Accumulated depreciation	-	(4,051)
<b>Total leased assets</b>	<b>-</b>	<b>1,255</b>

<sup>1</sup> The lease liability was fully repaid in the 2016 financial year. Refer Note 20 for further details on the hire purchase lease liabilities of the group.

### (d) Assets in the course of construction

Plant and equipment includes the following expenditure which is in the course of construction:

Plant and equipment in the course of construction	625	940
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### (e) Property, plant and equipment asset reconciliation

#### Property asset reconciliation

Balance at beginning of financial year	1,397	1,435
Additions	59	-
Depreciation	(38)	(38)
<b>Total property</b>	<b>1,418</b>	<b>1,397</b>

#### Plant and equipment asset reconciliation

Balance at beginning of financial year	24,486	34,860
Additions	4,903	1,961
Restoration and rehabilitation adjustment <sup>1</sup>	-	(261)
Disposals	(1)	(89)
Assets written-off	-	(56)
Depreciation	(8,604)	(11,929)
Plant and equipment from discontinued operation	(1,663)	-

<b>Total plant and equipment</b>	<b>19,121</b>	<b>24,486</b>
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<sup>1</sup> Includes impairment expense reversal for the 2016 financial year of \$25,528 (2015: \$122,745 impairment expense). This represents a revision to restoration provision where relative development assets had been previously fully amortised.

### (f) Re-assessment of depreciation

In July 2015, the group reassessed the useful life of a fixed asset class and made adjustments to the net book value through depreciation. The asset class is depreciated using the straight line method and the useful life of the asset reflects the revised life of mine plan. The overall impact is a \$2.3M reduction in depreciation in the 2016 financial year.

# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	Consolidated	
	2016	2015
	\$000's	\$000's

## 16 DEVELOPMENT ASSETS

Development assets at cost	117,537	62,103
Less accumulated amortisation	(56,903)	(15,496)

Total development assets	60,634	46,607
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### (a) Development asset reconciliation

Balance at beginning of financial year	46,607	11,900
Additions	50,678	23,648
Restoration and rehabilitation adjustment <sup>1</sup>	326	1,324
Transfer from exploration and evaluation expenditure	4,429	22,520
Amortisation	(41,406)	(12,785)

Total development assets	60,634	46,607
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<sup>1</sup> Includes impairment expense for the 2016 financial year of \$130,535 (2015: \$90,781) represents a revision to restoration provisions where relative development assets had been previously fully amortised.

## 17 INTANGIBLE ASSETS

Software at cost	874	874
Accumulated amortisation	(801)	(683)

Total intangible assets	73	191
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### (a) Intangible asset reconciliation

Balance at beginning of financial year	191	369
Additions	-	-
Amortisation	(118)	(178)

Total intangible assets	73	191
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## 18 EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation	7,784	7,734
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### (a) Exploration and evaluation expenditure reconciliation

Balance at beginning of financial year	7,734	22,766
Additions	5,270	8,226
Transfers to development assets	(4,429)	(22,520)
Impairment expense <sup>1</sup>	(791)	(738)

Total exploration and evaluation expenditure	7,784	7,734
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<sup>1</sup> Impairment of specific exploration and evaluation assets during the year have occurred where Directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploration

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	Consolidated	
	2016	2015
	\$000's	\$000's

### 19 TRADE AND OTHER PAYABLES

Trade payables	9,192	7,327
Other payables and accrued expenditure	13,063	10,188
Total trade and other payables	22,255	17,515

#### Classification of trade and other payables

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

#### Risk exposure

The group's exposure to cash flow risk is discussed in Note 2.

### 20 BORROWINGS

#### Current

Hire purchase	-	1,062
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#### Lease liability

The hire purchase represented deferred payments for the Mt Magnet mine camp which were secured against the mine camp asset. In the event of default, the assets would revert to the lessor. The group's lease liability was fully repaid in the 2016 financial year.

#### Finance facility

Ramelius entered into a \$10,000,000 finance facility which is secured by a floating charge over Revolving Assets and a fixed charge over all other Collateral of Ramelius Resources Limited and Mt Magnet Gold Pty Ltd. Under the terms of the finance facility, Ramelius is required to maintain a minimum reserve account balance of \$5,000,000 to 31 December 2016 which reduces to \$2,500,000 from 31 December 2016 onwards. At 30 June 2016 the reserve account balance was \$5,000,000 and therefore restricted cash.

### 21 PROVISIONS

#### Current

Employee benefits	2,408	2,074
Rehabilitation and restoration costs	984	-
Total current provisions	3,392	2,074

#### Non-current

Employee benefits	444	441
Rehabilitation and restoration costs	21,892	24,111
Total non-current provisions	22,336	24,552

#### Provision for long service leave

Provision for long service leave is recognised for employee benefits. In calculating its present value, the probability of leave being taken is based on historical data. Refer Note 1(x) for measurement and recognition criteria.

#### Provision for rehabilitation and restoration

Provision for rehabilitation and restoration represents management's assessment of expenditure expected to be incurred for various mines and processing plant. Refer Note 1(y) for measurement and recognition criteria.



# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	Consolidated	
	2016 \$000's	2015 \$000's
<b>Rehabilitation and restoration reconciliation</b>		
<b>Current</b>		
Balance at beginning of financial year	-	-
Revision of provision <sup>1</sup>	983	-
Discount unwind	1	-
<b>Total current provision for rehabilitation and restoration</b>	<b>984</b>	-
<b>Non-current</b>		
Balance at beginning of financial year	24,111	22,271
Revision of provision <sup>1</sup>	(551)	1,283
Expenditure on restoration and rehabilitation	(203)	-
Discount unwind	603	557
Provision associated with assets from discontinued operation	(2,068)	-
<b>Total non-current provision for rehabilitation and restoration</b>	<b>21,892</b>	<b>24,111</b>

<sup>1</sup> Represents amendments to future restoration and rehabilitation liabilities resulting from an approved mine plan in the financial year, initial recognition of new rehabilitation provisions as well as a change in provision assumptions. Key provision assumption changes include reassessment of costs and timing of expenditure.

## 22 SHARE CAPITAL

a) Ordinary shares	Number of	
	Shares	\$
Share capital at 30 June 2014	381,155,766	118,742,144
<b>Share capital during the 2014-15 financial year</b>		
Issue of shares resulting from vesting of rights	500,000	-
Shares issued under rights issue	70,521,724	4,583,912
Shares issued under placement	16,892,307	1,098,000
Shares issued from exercise of options	148,172	17,781
Less cost of share issues (net of tax)		(190,652)
<b>Share capital at 30 June 2015</b>	<b>469,217,969</b>	<b>124,251,185</b>
<b>Share capital during the 2015-16 financial year</b>		
Issue of shares resulting from vesting of rights	70,000	-
Shares issued from exercise of options	5,946,279	831,588
Less cost of share issues (net of tax)		(2,483)
<b>Share capital at 30 June 2016</b>	<b>475,234,248</b>	<b>125,080,290</b>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

### b) Options over shares

Refer Note 24 for further information on options, including details of any options issued, exercised and lapsed during the financial year and options over shares outstanding at financial year end.

### c) Rights over shares

Refer Note 24 for further information on rights, including details of any rights issued, exercised and lapsed during the financial year and rights over shares outstanding at financial year end.

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## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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	Consolidated	
	2016	2015
	\$000's	\$000's
<b>23 RESERVES</b>		
Share-based payments reserve <sup>1</sup>	84	2,545
Available-for-sale reserve <sup>2</sup>	(295)	(93)
Asset revaluation reserve <sup>3</sup>	634	634
<b>Total reserves</b>	<b>423</b>	<b>3,086</b>

1 Share-based payments reserve records items recognised as expenses on valuation of employees share options and rights.

2 Available-for-sale reserve records changes in the fair value of available-for-sale financial assets.

3 Asset revaluation reserve records revaluations of non-current assets.

## 24 SHARE-BASED PAYMENTS

### Shares

Under the Employee Share Acquisition Plan, which was approved by shareholders in November 2007, eligible employees are granted ordinary fully paid shares in Ramelius for no cash consideration. All Australian resident permanent employees who are employed by the group are eligible to participate in the plan. Members of the plan receive all the rights of ordinary shareholders. Unrestricted possession of these shares occurs at the earliest of, three years from date of issue or the date employment ceases.

No shares were issued to employees during the 2016 financial year (2015: nil).

### Share rights

As approved by the Board, eligible executives were granted rights to ordinary fully paid shares in Ramelius for no cash consideration. Set out below are summaries of shares issued to accordance with rights granted to employees in prior financial years.

Effective grant date	Expiry date	Exercise price \$	Fair value per right <sup>1</sup> \$	Rights at start of year	Rights granted	Rights vested & exercised	Rights lapsed <sup>2</sup>	Rights at end of year	Date rights next vest and become exercisable
<b>2016</b>									
15 Apr 2013	15 Apr 2016	-	0.230	70,000	-	70,000	-	-	n/a
<b>Total</b>				<b>70,000</b>	<b>-</b>	<b>70,000</b>	<b>-</b>	<b>-</b>	

1 The fair value of rights granted as remuneration shown above was determined in accordance with applicable accounting standards.

2 The value of rights that lapsed due to vesting conditions not being satisfied has been determined at the time the rights lapsed as if vesting conditions were satisfied.

Effective grant date	Expiry date	Exercise price \$	Fair value per right <sup>1</sup> \$	Rights at start of year	Rights granted	Rights vested & exercised	Rights lapsed <sup>2</sup>	Rights at end of year	Date rights next vest and become exercisable
<b>2015</b>									
18 Jul 2011	18 Jul 2014	-	1.305	70,000	-	70,000	-	-	n/a
22 Aug 2011	22 Aug 2014	-	1.494	70,000	-	70,000	-	-	n/a
1 Mar 2012	1 Mar 2015	-	0.936	150,000	-	150,000	-	-	n/a
1 Apr 2012	1 Apr 2015	-	0.774	70,000	-	70,000	-	-	n/a
9 Jul 2012	9 Jul 2015	-	0.450	140,000	-	70,000	70,000	-	n/a
15 Apr 2013	15 Apr 2016	-	0.230	140,000	-	70,000	-	70,000	15 Apr 2016
<b>Total</b>				<b>640,000</b>	<b>-</b>	<b>500,000</b>	<b>70,000</b>	<b>70,000</b>	

1 The fair value of rights granted as remuneration shown above was determined in accordance with applicable accounting standards.

2 The value of rights that lapsed due to vesting conditions not being satisfied has been determined at the time the rights lapsed as if vesting conditions were satisfied.

# RAMELIUS RESOURCES LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

The fair value of share rights is determined using the market price of the underlying shares at the date the rights were granted and assumes that all holders continue to be employees of the group until the end of the vesting period. The risk that this vesting condition is not met is 10%.

No rights were issued to employees during the 2016 financial year (2015: nil).

### Options

In the 2016 financial year, and as approved by the Board, an employee was granted options over ordinary fully paid shares in Ramelius. Details of the options granted are set out below.

Effective grant date	Expiry date	Fair value		Options at		Options exercised or lapsed	Vested options at end of year	Unvested options at end of year	Vesting & exercise date
		Exercise price <sup>1</sup>	per option	Number granted	start of year				
<b>2016</b>									
16 Apr 14	11 Jun 16	\$0.199	\$0.028	1,500,000	1,500,000	- (1,500,000)	-	-	11 Jun 14
16 Apr 14	11 Jun 17	\$0.249	\$0.027	1,500,000	1,500,000	-	1,500,000	-	11 Jun 15
16 Apr 14	11 Jun 18	\$0.299	\$0.029	1,500,000	-	1,500,000	1,500,000	-	11 Jun 16
26 Nov 15	11 Jun 19	\$0.200	\$0.087	1,500,000	-	-	-	1,500,000	11 Jun 17
26 Nov 15	11 Jun 20	\$0.200	\$0.095	1,500,000	-	-	-	1,500,000	11 Jun 18
<b>Total</b>				<b>7,500,000</b>	<b>3,000,000</b>	<b>1,500,000</b>	<b>(1,500,000)</b>	<b>3,000,000</b>	<b>3,000,000</b>

<sup>1</sup> The exercise price of the options has been adjusted for a 1 for 4 pro-rata rights issue in the 2015 financial year in accordance with the terms of the options.

Effective grant date	Expiry date	Fair value		Options at		Options exercised or lapsed	Vested options at end of year	Unvested options at end of year	Vesting & exercise date
		Exercise price <sup>1</sup>	per option	Options granted	start of year				
<b>2015</b>									
16 Apr 14	11 Jun 16	\$0.199	\$0.028	1,500,000	1,500,000	-	1,500,000	-	11 Jun 14
16 Apr 14	11 Jun 17	\$0.249	\$0.027	1,500,000	-	1,500,000	1,500,000	-	11 Jun 15
16 Apr 14	11 Jun 18	\$0.299	\$0.029	1,500,000	-	-	-	1,500,000	11 Jun 16
<b>Total</b>				<b>4,500,000</b>	<b>1,500,000</b>	<b>1,500,000</b>	<b>-</b>	<b>3,000,000</b>	<b>1,500,000</b>

<sup>1</sup> The exercise price of the options has been adjusted for a 1 for 4 pro-rata rights issue in the 2015 financial year in accordance with the terms of the options.

Weighted average remaining contractual life of granted options at the end of the period is 1.77 years (2015: 1.95 years). The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share and the risk free rate for the term of the option. The expected price volatility is based on historic volatility (based on the remaining life of the options). Model inputs for options granted are as follows:

Metric	Options expiring	Options expiring	Options expiring	Options expiring	Options expiring
	11 June 2016	11 June 2017	11 June 2018	11 June 2019	11 June 2020
Exercise price	\$0.20	\$0.25	\$0.30	\$0.20	\$0.20
Grant date	16 Apr 2014	16 Apr 2014	16 Apr 2014	26 Nov 2015	26 Nov 2015
Expiry date	11 Jun 2016	11 Jun 2017	11 Jun 2018	11 Jun 2019	11 Jun 2020
Share price at grant date	\$0.11	\$0.11	\$0.11	\$0.18	\$0.18
Expected price volatility	72.50%	65.83%	62.79%	70.48%	68.46%
Risk free rate	2.57%	2.74%	2.93%	2.06%	2.13%

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## RAMELIUS RESOURCES LIMITED

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### Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transaction recognised during the period as part of employee benefits expense were as follows:

	Note	Consolidated	
		2016 \$000's	2015 \$000's
Rights		13	171
Options		104	53
<b>Total share-based payment expense</b>	<b>5</b>	<b>117</b>	<b>224</b>

## 25 COMMITMENTS

### a) Gold delivery commitments

Forward sale contracts are accounted for as sale contracts with revenue recognised once gold has been physically delivered. The physical gold delivery contracts are considered a contract to sell a non-financial item and therefore do not fall within the scope of AASB 139 Financial Instruments: Recognition and Measurement. As a result no derivatives are required to be recognised. Forward gold sale contract delivery commitments are shown below:

Gold Delivery Commitments	Gold for Physical Delivery oz	Contracted Sales Price A\$/oz	Value of Committed Gold Sales \$000's
<b>As at 30 June 2016</b>			
Within one year	73,846	1,598.06	118,010
Between one and five years	32,000	1,608.72	51,479
<b>Total / weighted average</b>	<b>105,846</b>	<b>1,601.28</b>	<b>169,489</b>
<b>As at 30 June 2015</b>			
Within one year	39,325	1,570.00	61,740
Between one and five years	39,946	1,570.00	62,715
<b>Total / weighted average</b>	<b>79,271</b>	<b>1,570.00</b>	<b>124,455</b>

### b) Finance lease commitments

The hire purchase represents finance for mine camp facilities at Mt Magnet. These obligations are provided for in the financial statements.

Within 1 year	-	1,172
Later than 1 year but not later than 5 years	-	-
<b>Total minimum lease payments</b>	<b>-</b>	<b>1,172</b>
Less future finance charges	-	(110)
<b>Present value of minimum lease payments</b>	<b>-</b>	<b>1,062</b>
Included in the financial statements as borrowings (Note 20):		
Current	-	1,062



# RAMELIUS RESOURCES LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated	
	2016	2015
	\$000's	\$000's

### c) Capital expenditure commitments

Capital expenditure contracted but not provided for in the financial statements.

Within 1 year	1,058	817
Later than 1 year but not later than 5 years	800	725
<b>Total capital expenditure commitments</b>	<b>1,858</b>	<b>1,542</b>

### d) Operating lease commitments

Future minimum rentals payable on non-cancellable operating leases due:

Within 1 year	739	605
Later than 1 year but not later than 5 years	782	509
<b>Total operating lease commitments</b>	<b>1,521</b>	<b>1,114</b>

### Significant operating leases include the following:

The group has a 3 year non-cancellable operating lease for office space in Adelaide effective from December 2014 at a cost of \$91,067 per annum plus CPI adjustments.

The group has a 3 year non-cancellable operating lease for office space in Perth effective from May 2016 at a cost of \$144,075 per annum plus CPI adjustments.

The group has a 2 year non-cancellable operating lease for the hire of two items of plant and equipment at Mt Magnet effective from April 2016 at a cost of \$204,600 per annum.

### e) Minimum exploration and evaluation commitments

In order to maintain current rights of tenure to exploration tenements, the group is required to perform minimum exploration work to meet minimum expenditure requirements. These obligations are subject to renegotiation and may be farmed out or relinquished. These obligations are not provided for in the financial statements.

Within 1 year	3,193	3,341
Later than 1 year but not later than 5 years	14,541	13,096
Due later than 5 years	27,257	27,886
<b>Total minimum exploration and evaluation commitments</b>	<b>44,991</b>	<b>44,323</b>

### f) Other commitments

The group has contractual obligations for various expenditures such as royalties, production based payments, exploration and the cost of goods and services supplied to the group. Such expenditures are predominantly related to the earning of revenue in the ordinary course of business. These obligations are not provided for in the financial statements.

## 26 CONTINGENT LIABILITIES

The directors are of the opinion that the recognition of a provision is not required in respect of the following matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

### (a) Bank guarantees

The group has negotiated a number of bank guarantees in favour of various government authorities and service providers. The total nominal amount of these guarantees at the reporting date is \$2,595,145 (2015: \$2,308,916). These bank guarantees are fully secured by cash on term deposit.

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	Note	Consolidated	
		2016 \$000's	2015 \$000's

### 27 CASH FLOW INFORMATION

#### a) Reconciliation of cash

For the purposes of the Consolidated Statement of Cash Flows, cash includes cash on hand and at bank and highly liquid investments in money market instruments, net of outstanding bank overdrafts. Cash at end of the financial year as shown in the Consolidated Statement of Cash Flows is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

Cash		<b>35,781</b>	13,147
Cash on deposit		<b>8,491</b>	19,278
Total cash and cash equivalents	<b>9</b>	<b>44,272</b>	32,425

#### b) Reconciliation of net profit to net cash provided by operating activities

Profit (loss) after income tax		<b>27,540</b>	16,068
Non-cash items			
- Share-based payments		<b>117</b>	224
- Depreciation and amortisation		<b>49,956</b>	23,409
- Impairment of assets		<b>921</b>	8
- Realisation of foreign currency translation reserve		-	132
- Tenement costs written-off		<b>34</b>	-
- Discount unwind on provisions		<b>553</b>	522
- Effect of exchange rate		<b>(4)</b>	(5)
- Net fair value of derivative instruments		<b>1,196</b>	(863)
- Discontinued operations		<b>215</b>	1,513
Items presented as investing or financing activities			
- (Gain) loss on disposal of non-current assets		-	3
- Non-current assets written off		-	17
- Demobilisation and restoration activities		<b>203</b>	40
Changes in assets and liabilities			
(Increase) decrease:			
- Prepayments		<b>(120)</b>	(52)
- Trade and other receivables		<b>1,532</b>	307
- Inventories		<b>(11,104)</b>	7,045
- Deferred revenue		-	(4,000)
- Deferred tax assets		<b>(6,652)</b>	270
(Decrease) increase:			
- Trade and other payables		<b>(3,183)</b>	(3,032)
- Provisions		<b>180</b>	(29)
- Deferred tax liabilities		<b>4,132</b>	4,199
Net cash provided by (used in) operating activities		<b>65,516</b>	45,776

# RAMELIUS RESOURCES LIMITED

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	Consolidated	
	2016	2015
	\$	\$

## 28 RELATED PARTIES

Transactions with related parties are on normal commercial terms and at conditions no more favourable than those available to other parties unless otherwise stated.

### a) Key management personnel compensation

Short-term employee benefits	<b>1,878,746</b>	1,593,200
Post-employment benefits	<b>180,000</b>	158,924
Other long-term benefits	<b>38,813</b>	24,170
Termination benefits	-	-
Share-based payments	<b>102,801</b>	147,231
<b>Total key management personnel compensation</b>	<b>2,200,360</b>	1,923,525

Detailed remuneration disclosures are provided in the Remuneration Report.

### b) Subsidiaries

Interests in subsidiaries are set out in Note 30.

### c) Transactions with other related parties

The terms and conditions of transactions with directors and their director related entities were no more favourable to the directors and their director related entities than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

The aggregate amounts recognised during the year (excluding re-imbursment of expenses incurred on behalf of Ramelius) relating to directors and their director-related entities were as follows:

Director	Transaction	2016	2015
		\$	\$
Mr R M Kennedy	Amount paid to a related party of the director in respect of a leased property in Adelaide SA on an arm's length basis from 1 July 2015 to 30 June 2016.	<b>93,816</b>	90,968

An amount of \$13,935 has been prepaid to a related party of Mr Kennedy in relation to the leased property in Adelaide, South Australia which is receivable on completion of the lease term or upon termination.

There was no other amount receivable from or payable to directors and their related entities at reporting date.

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### 29 DEED OF CROSS GUARANTEE

Pursuant to Class Order 98/1418, wholly-owned subsidiary Mt Magnet Gold Pty Ltd (formerly Mt Magnet Gold NL) (Subsidiary) is relieved from the Corporations Act requirements for preparation, audit and lodgement of its financial reports.

As a condition of the Class Order, Ramelius and Mt Magnet Gold Pty Ltd (the Closed Group) entered into a Deed of Cross Guarantee on 15 December 2011 (Deed). The effect of the Deed is that Ramelius has guaranteed to pay any deficiency in the event of winding up of the abovementioned Subsidiary under certain provisions of the Corporations Act 2001. Mt Magnet Gold Pty Ltd has also given a similar guarantee in the event that Ramelius is wound up.

The Consolidated Statement of Comprehensive Income and Statement of Financial Position of the Closed Group are as follows:

Consolidated Statement of Comprehensive Income	Closed Group	
	2016 \$000's	2015 \$000's
Sales revenue	173,744	130,350
Cost of production	(140,839)	(104,111)
<b>Gross profit (loss)</b>	<b>32,905</b>	<b>26,239</b>
Other expenses	(7,303)	(5,605)
Other income	7	1,363
<b>Operating profit (loss) before interest income and finance cost</b>	<b>25,609</b>	<b>21,997</b>
Interest income	568	538
Finance costs	(834)	(1,375)
<b>Profit (loss) before income tax</b>	<b>25,343</b>	<b>21,160</b>
Income tax benefit (expense)	2,422	(4,611)
<b>Profit (loss) for the year</b>	<b>27,765</b>	<b>16,549</b>
<b>Other comprehensive income</b>		
Net change in fair value of available-for-sale assets	(202)	(93)
<b>Other comprehensive income for the year, net of tax</b>	<b>(202)</b>	<b>(93)</b>
<b>Total comprehensive income for the year</b>	<b>27,563</b>	<b>16,456</b>



# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

Consolidated Statement of Financial Position	Closed Group	
	2016 \$000's	2015 \$000's
<b>Current assets</b>		
Cash and cash equivalents	43,304	31,356
Trade and other receivables	1,772	3,864
Inventories	18,947	7,843
Derivative financial instruments	-	1,078
Other current assets	827	722
<b>Total current assets</b>	<b>64,850</b>	<b>44,863</b>
<b>Non-current assets</b>		
Available-for-sale financial assets	132	293
Trade and other receivables	1,330	976
Exploration and evaluation expenditure	7,784	7,734
Property, plant, equipment and development assets	81,173	70,662
Intangible assets	73	191
Derivative financial instruments	-	103
Deferred tax assets	35,410	28,664
<b>Total non-current assets</b>	<b>125,902</b>	<b>108,623</b>
<b>Total assets</b>	<b>190,752</b>	<b>153,486</b>
<b>Current liabilities</b>		
Trade and other payables	22,268	17,554
Borrowings	-	1,062
Provisions	3,392	2,074
<b>Total current liabilities</b>	<b>25,660</b>	<b>20,690</b>
<b>Non-current liabilities</b>		
Provisions	22,336	22,509
Derivative financial instruments	-	170
Deferred tax liabilities	16,604	12,474
<b>Total non-current liabilities</b>	<b>38,940</b>	<b>35,153</b>
<b>Total liabilities</b>	<b>64,600</b>	<b>55,843</b>
<b>Net assets</b>	<b>126,152</b>	<b>97,643</b>
<b>Equity</b>		
Share capital	125,080	124,251
Reserves	423	3,086
Retained earnings (losses)	649	(29,694)
<b>Total equity</b>	<b>126,152</b>	<b>97,643</b>

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

### 30 INVESTMENTS IN CONTROLLED ENTITIES

The consolidated financial statements incorporate assets, liabilities and results of the ultimate parent entity, Ramelius Resources Limited, and the following subsidiaries in accordance with the accounting policy described in Note 1(b).

	Country of Incorporation	Percentage Owned (%) <sup>1</sup>	
		2016	2015
<b>Parent entity</b>			
Ramelius Resources Limited	Australia		
<b>Subsidiaries of Ramelius Resources Limited</b>			
Ramelius Milling Services Pty Ltd	Australia	100	100
Ramelius Nevada LLC <sup>2</sup>	United States	-	-
Mt Magnet Gold Pty Ltd	Australia	100	100

<sup>1</sup> Percentage of voting power is in proportion to ownership.

<sup>2</sup> Company dissolved 4 November 2014.

### 31 INTERESTS IN JOINT OPERATIONS

The group has the following direct interest in unincorporated joint operations at 30 June 2016 and 30 June 2015:

Joint operation project	Joint operation partner	Principal activities	Interest (%)	
			2016	2015
Tanami	Tychean Resources Ltd	Gold	85%	85%
Tomalla <sup>1</sup>	Private individual	Gold	-	80%
Cavanagh <sup>1</sup>	Unlisted entity	Nickel	-	70%
Condoblin <sup>1</sup>	Clancy Exploration Ltd	Gold	-	80%

<sup>1</sup> Represents joint operations from which Ramelius withdrew or relinquished its interest during the 30 June 2016 financial year.

The share of assets in unincorporated joint operations is as follows:

	Consolidated	
	2016	2015
	\$000's	\$000's
<b>Non-current assets</b>		
Exploration and evaluation expenditure (Note 18)	1,112	755

### 32 SUBSEQUENT EVENTS

The following events occurred since 30 June 2016.

Ramelius raised \$25,000,000 from the issuance of 50,000,000 shares at \$0.50 per share to various institutional investors.

A binding Share Sale Agreement was signed by Ramelius and Maximus Resources Limited (MXR), a director related entity, for the purchase of the Burbanks Processing Facility for \$2,500,000 which includes staged payments over a 24 month period.

Apart from the above, no matters or circumstances have arisen since 30 June 2016 that have significantly affected, or may significantly affect:

- The group's operations in future financial years,
- The results of operations in future financial years, or
- The group's state of affairs in future financial years.

# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

## 33 PARENT ENTITY INFORMATION

	Parent entity	
	2016 \$000's	2015 \$000's
<b>a) Summary of financial information</b>		
Financial statements for the parent entity show the following aggregate amounts:		
Current assets	37,906	24,886
Total assets	145,980	107,864
Current liabilities	(11,665)	(5,359)
Total liabilities	(22,311)	(13,478)
Net assets	123,669	94,386
Equity		
Share capital	125,080	124,251
Reserves		
Share-based payment reserve	84	2,545
Available-for-sale reserve	(295)	(93)
Retained losses	(1,200)	(32,317)
Total equity	123,669	94,386
<b>b) Income Statement</b>		
Profit (loss) after income tax	28,539	15,066
Total comprehensive income (loss)	28,337	14,973
<b>c) Commitments</b>		
<b>(i) Operating lease commitments</b>		
Future minimum rentals payable on non-cancellable operating leases due:		
Within 1 year	442	468
Later than 1 year but not later than 5 years	466	462
Total operating lease commitments	908	930
<b>(ii) Minimum exploration and evaluation commitments</b>		
In order to maintain current rights of tenure to exploration tenements, Ramelius is required to perform minimum exploration work to meet minimum expenditure requirements. These obligations are subject to renegotiation and may be farmed out or relinquished. These obligations are not provided for in the parent entity financial statements.		
Within 1 year	1,215	1,375
Later than 1 year but not later than 5 years	6,813	5,511
Later than 5 years	4,990	4,938
Total minimum exploration and evaluation commitments	13,018	11,824

# 2016 Annual Financial Report

## RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

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### **Significant operating leases include the following:**

The group has a 3 year non-cancellable operating lease for office space in Adelaide effective from December 2014 at a cost of \$91,067 per annum plus CPI adjustments.

The group has a 3 year non-cancellable operating lease for office space in Perth effective from May 2016 at a cost of \$144,075 per annum plus CPI adjustments.

### **(iii) Other commitments**

Ramelius Resources Limited has contractual obligations for various expenditures such as royalties, production based payments, exploration and the cost of goods and services supplied to the parent entity. Such expenditures are predominantly related to the earning of revenue in the ordinary course of business. These obligations are not provided for in the parent entity financial statements.

### **d) Contingent liabilities**

The directors are of the opinion that the recognition of a provision is not required in respect of the following matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

### **(i) Bank guarantees**

Ramelius has negotiated a number of bank guarantees in favour of various government authorities and service providers. The total nominal amount of these guarantees at the reporting date is \$2,578,145 (2015: \$2,291,916). These bank guarantees are fully secured by cash on term deposit.

### **e) Guarantees in relation to debts of subsidiaries**

Ramelius and Mt Magnet Gold Pty Ltd (the Closed Group) entered into a Deed of Cross Guarantee on 15 December 2011 (Deed) as noted in Note 29. The effect of the Deed is that Ramelius has guaranteed to pay any deficiency in the event of winding up of the abovementioned Subsidiary under certain provisions of the Corporations Act 2001. Mt Magnet Gold Pty Ltd has also given a similar guarantee in the event that Ramelius is wound up.

## **34 ASSETS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS**

During the financial year the Company decided to sell Ramelius Milling Services Pty Ltd which owns the Burbanks processing facility. This decision was taken in line with the Group's strategy to focus on its producing operations. Consequently, certain assets and liabilities allocable to Ramelius Milling Services Pty Ltd are classified as a disposal group.

Revenue and expenses, gains and losses relating to the discontinuation of this subgroup have been eliminated from profit or loss from the Group's continuing operations and are shown as a single line item on the face of the statement of profit or loss.

Ramelius Resources Limited and Maximus Resources Limited (ASX: MXR), a director related entity, signed a Purchase and Sale Agreement in August 2016 whereby Ramelius Milling Services Pty Ltd was sold for a total of \$2,500,000 which includes staged payments over a 24 month period.



# RAMELIUS RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$000's	2015 \$000's
Operating profit of Ramelius Milling Services Pty Ltd are shown below:			
<b>Profit and loss</b>			
Sales revenue		-	1,534
Cost of production		(534)	(4,413)
Other expenses		243	818
Net finance costs		(31)	(21)
<b>Profit (loss) from discontinued operations before tax</b>		<b>(322)</b>	<b>(2,082)</b>
Income tax benefit (expense)	7	97	624
<b>Profit (loss) for year from discontinued operations</b>		<b>(225)</b>	<b>(1,458)</b>

Assets and liabilities of Ramelius Milling Services Pty Ltd classified as held for sale are below:

<b>Statement of financial position</b>		
Current Inventories		560
Non-current plant and equipment		1,663
Non-current deferred tax assets		1,002
<b>Assets and disposal group classified as held for sale</b>		<b>3,225</b>
Non-current provisions		2,068
Non-current deferred tax liabilities		2
<b>Liabilities included in disposal group held for sale</b>		<b>2,070</b>

Cash flows generated by Ramelius Milling Services Pty Ltd are shown below :

Operating activities	(160)	(318)
<b>Net cash used in discontinued operations</b>	<b>(160)</b>	<b>(318)</b>

## 35 COMPANY DETAILS

Details of the principal place of business and registered office of Ramelius are as follows:

### Head Office

Level 1, 130 Royal Street  
East Perth, Western Australia 6004

### Registered Office

Suite 4, 148 Greenhill Road  
Parkside, South Australia 5063

# 2016 Annual Financial Report

## **RAMELIUS RESOURCES LIMITED**

DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2016

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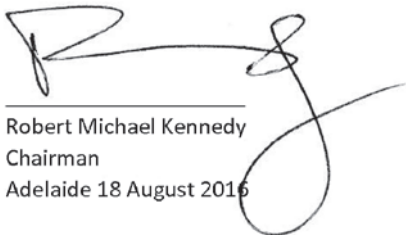
In the directors' opinion:

- a) the financial statements and notes set out on pages 77 to 123, are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the consolidated group's financial position as at 30 June 2016 and of its performance for the financial year ended on that date, and
- b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, and
- c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in Note 29 will be able to meet any obligations or liabilities to which they are, or may become, subject by the virtue of the deed of cross guarantee described in Note 29.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Australian Standards Board.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

The declaration is made in accordance with a resolution of the directors.



Robert Michael Kennedy  
Chairman  
Adelaide 18 August 2016



Level 1,  
67 Greenhill Rd  
Wayville SA 5034

Correspondence to:  
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Adelaide SA 5001

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMELIUS RESOURCES LIMITED**

### **Report on the financial report**

We have audited the accompanying financial report of Ramelius Resources Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

### **Directors' responsibility for the financial report**

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

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## **Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

## **Auditor's opinion**

In our opinion:

- a the financial report of Ramelius Resources Limited is in accordance with the Corporations Act 2001, including:
  - i giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
  - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

**Report on the remuneration report**

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

**Auditor's opinion on the remuneration report**

In our opinion, the remuneration report of Ramelius Resources Limited for the year ended 30 June 2016, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP  
Chartered Accountants



J L Humphrey  
Partner

Adelaide, 18 August 2016



# SHAREHOLDER *Information*

## Ramelius Resources Limited

### Shareholder Information

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Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

#### *Shareholdings as at 14 September 2016*

##### **Substantial shareholders**

There were no shares held by substantial shareholders and their associates disclosed in substantial holding notices given to the Company as at 14 September 2016:

##### **Voting rights**

###### *Fully paid ordinary shares*

Subject to any rights or restrictions attached to any class of shares, at a meeting of members, on a show of hands, each member present (in person, by proxy, attorney or representative) has one vote and on a poll, each member present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

##### **Options**

Details of options on issue by the Company as at 14 September 2016 are as follows.

<b>Expiry date</b>	<b>Exercise price</b>	<b>Number of Options</b>
11/6/2017 ^	\$0.24869 *	1,500,000
11/6/2018 ^	\$0.29869 *	1,500,000
11/6/2019 #	\$0.20	1,500,000
11/6/2020 #	\$0.20	1,500,000

Option holders will be entitled on payment of the exercise price shown above to be allotted one ordinary fully paid share in the Company for each option exercised.

\* As result of 1:4 Rights issue in July 2014, exercise price reduced from \$0.25 and \$0.30 to \$0.24869 and \$0.29869 respectively in accordance with the terms of the options.

^ These options are exercisable in whole or in part at any time until the expiry dates. Any options not exercised before expiry will lapse.

# These options are subject to vesting conditions and once vested are exercisable in whole or in part at any time until the expiry dates. Any options not exercised before expiry will lapse.

#### **Distribution of equity security holders**

<b>Category</b>	<b>Holders of Quoted Ordinary shares</b>	<b>Holders of Unquoted 11 June 2017 \$0.24869 Options</b>	<b>Holders of Unquoted 11 June 2018 \$0.29869 Options</b>	<b>Holders of Unquoted 11 June 2019 \$0.20 Options</b>	<b>Holders of Unquoted 11 June 2020 \$0.20 Options</b>
1 – 1,000	894				
1,001 – 5,000	1,791				
5,001 – 10,000	1,222				
10,001 – 100,000	2,826				
100,001 and over	578	1	1	1	1
<b>Total number of security holders</b>	<b>7,311</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

The number of shareholders holding less than a marketable parcel of ordinary shares is 941.

All unquoted options are held by the Company's Managing Director and Chief Executive Officer, Mr Mark Zeptner.

#### **On market buy-back**

There is no current on-market buy-back.

## Ramelius Resources Limited

### Shareholder Information

#### Twenty largest shareholders

The names of the 20 largest holders of fully paid ordinary shares constituting a class of quoted equity securities on the Australian Securities Exchange Limited including the number and percentage held by those holders at 14 September 2016 are as follows.

Name	Number of fully paid ordinary shares held	Percentage held
HSBC Custody Nominees (Australia) Limited	70,198,750	13.36
Citicorp Nominees Pty Ltd	38,815,397	7.39
J P Morgan Nominees Australia Limited	29,177,341	5.56
CS Fourth Nominees Pty Limited <HSBC Cust Nom Au Ltd 11 a/c>	10,279,253	1.96
Bell Potter Nominees Ltd <BB Nominees a/c>	10,000,000	1.90
National Nominees Limited	8,818,006	1.68
Mandurang Pty Ltd	8,053,570	1.53
Mr Geoffrey Stuerzl & Mrs Alison Rae Stuerzl	6,000,000	1.14
West Trade Enterprises Pty Ltd	5,280,000	1.01
Guina Energy Pty Limited	5,200,000	0.99
Guina Global Investments Pty Limited	5,000,000	0.95
HSBC Custody Nominees (Australia) Limited GSCO ECA	4,352,312	0.83
Mr Richard Arthur Lockwood	4,250,000	0.81
Marich Nominees Pty Ltd <R Marich Superannuation a/c>	3,938,568	0.75
BNP Paribas Noms Pty Ltd <DRP>	3,887,627	0.74
Mr George Chien Hsun Lu & Mrs Jenny Chin Pao Lu	3,841,000	0.73
ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian a/c>	3,729,860	0.71
Brispot Nominees Pty Ltd <House Head Nominee No 1 a/c>	3,541,212	0.67
HSBC Custody Nominees (Australia) Limited - a/c 2	2,758,976	0.53
Citicorp Nominees Pty Limited <Colonial First State Inv a/c>	2,375,495	0.45
	229,497,367	43.69

#### Unquoted and restricted equity securities

##### Fully paid ordinary Shares

There are no unquoted restricted fully paid ordinary shares on issue.

##### Options

Details of options on issue as at 14 September 2016 which are unquoted restricted securities are as follows.

Date until securities are restricted	Number of unquoted option securities on issue	Number of holders
11 June 2017 *	1,500,000	1
11 June 2018 **	1,500,000	1
11 June 2019 ^	1,500,000	1
11 June 2020 ^^	1,500,000	1

\* These securities are exercisable at \$0.24869 by 11 June 2017 and may not be transferred or used as collateral.

\*\* These securities are exercisable at \$0.29869 by 11 June 2018 and may not be transferred or used as collateral.

^ These securities are subject to vesting conditions until 11/6/2017 and once vested are exercisable at \$0.20 by 11 June 2019 and may not be transferred or used as collateral.

^^ These securities are subject to vesting conditions until 11/6/2018 and once vested are exercisable at \$0.20 by 11 June 2020 and may not be transferred or used as collateral.

# CORPORATE *Directory*

## **PRINCIPAL REGISTERED OFFICE:**

RAMELIUS RESOURCES LIMITED  
Suite 4, 148 Greenhill Road PARKSIDE SA 5063  
PO Box 506 UNLEY SA 5061  
Telephone: (08) 8271 1999  
Facsimile: (08) 8271 1988  
Email: [info@rameliusresources.com.au](mailto:info@rameliusresources.com.au)  
Website: [www.rameliusresources.com.au](http://www.rameliusresources.com.au)

## **PERTH OPERATIONS OFFICE:**

Level 1, 130 Royal Street EAST PERTH WA 6004  
PO Box 6070 EAST PERTH WA 6892  
Telephone: (08) 9202 1127

## **DIRECTORS, SENIOR MANAGEMENT AND CONSULTANTS:**

ROBERT MICHAEL KENNEDY  
KSJ, ASAIT, Grad. Dip. (System Analysis),  
Dip. Financial Planning, Dip Financial Services,  
FCA, AGIA, Life Member AIM, FAICD, FTI  
Independent Non-Executive Chairman

MARK WILLIAM ZEPTNER  
BEng (Hons) Mining, MAusIMM, MAICD  
Managing Director and Chief Executive Officer

KEVIN JAMES LINES  
BSc (Geology), MAusIMM, MAICD  
Independent Non-Executive Director

MICHAEL ANDREW BOHM  
BAppSc (Mining Engineering), MAusIMM, MAICD  
Independent Non-Executive Director

DOMENICO ANTONIO FRANCESE  
BEc, FCA, FFin, ACIS, AGIA  
Company Secretary

SIMON IACOPETTA  
BCom (Corporate Finance),  
CA, GCertAppFin (Finsia)  
Chief Financial Officer

DUNCAN COUTTS  
BEng (Hons) Mining, MAusIMM, MAICD  
Chief Operating Officer

KEVIN MARK SEYMOUR  
BSc, (Geology), MAusIMM,  
General Manager, Exploration &  
Business Development

## **AUSTRALIAN SECURITIES EXCHANGE:**

Code: RMS  
Listed on Australian Securities Exchange Limited  
Exchange Centre, 20 Bridge Street  
SYDNEY, NSW, 2000

## **SHARE REGISTRAR:**

### **Location of Share Register**

Computershare Investor Services Pty Limited  
Level 5, 115 Grenfell Street  
ADELAIDE SA 5000  
Telephone: 1300 556 161 (within Australia),  
+61 3 9415 4000 (outside Australia)  
Facsimile: 1300 534 987 (within Australia),  
+61 3 9473 2408 (outside Australia)  
Enquiries: [www.investorcentre.com/contact](http://www.investorcentre.com/contact)

## **AUDITORS:**

Grant Thornton  
Chartered Accountants  
67 Greenhill Road  
WAYVILLE SA 5034

## **LAWYERS:**

DMAW Lawyers Pty Ltd  
Level 3, 80 King William Street  
ADELAIDE SA 5000

