

15 January 2019

## **Rambler Enters into Loan Transaction with CE Mining III Rambler Limited**

**London, England - Newfoundland and Labrador, Canada** – Rambler Metals and Mining plc (TSXV: RAB, AIM: RMM) (**Rambler** or the **Company**) announces that Rambler Metals and Mining Canada Limited (**RMMC**), a wholly-owned subsidiary of the Company, has entered into a loan agreement with CE Mining III Rambler Limited (**CEIII**) pursuant to which CEIII has made an unsecured loan in the amount of US\$1,000,000 to RMMC (the **Loan**). The obligations of RMMC under the Loan are guaranteed by the Company.

### **The Loan**

The principal sum under the unsecured Loan bears interest at a fixed rate of 10.0% per annum. The Loan is repayable by the payment to CEIII of all net proceeds realized from each fundraising (whether by way of the issuance of equity or debt by the Company) completed by the Company prior to the Final Repayment Date (as hereafter defined), until such time as the aggregate Loan amount has been repaid in full provided that any principal amount of the Loan remaining unpaid and all accrued but unpaid interest owing on the Loan will be repayable in full on the first business day falling 12 months after the date of the Loan (the **Final Repayment Date**). Interest on the Loan will accrue daily and compound annually. All accrued but unpaid interest remaining outstanding after the Final Repayment Date will be capitalised and compounded on a monthly basis and default interest will be charged at a rate of 5% per annum, compounded monthly (in addition to the standard loan interest).

In connection with the Loan, the Company will also pay CEIII an arrangement fee of US\$15,000 as well as the reasonable legal fees of CEIII's solicitors up to a cap of US\$5,000, plus applicable taxes in each case. These fees and expenses will be deducted from the amount loaned to the Company.

The proceeds of the Loan will be used by Rambler in support of short term working capital requirements at its Canadian operation.

### **Related Party Transaction**

CEIII is a wholly-owned subsidiary of CE Mining Fund III L.P., a Cayman Islands exempted limited partnership whose general partner is under common ownership with the general partner of CE Mining II L.P., whose subsidiary CE Mining II Rambler Limited (CEII) is a control person of Rambler. CE Mining Fund II L.P., the parent of CEII, is a specialised investment fund, established in 2015 to invest in hard asset mining and mineral projects. As of the most recent early warning report dated November 26, 2018, CEII beneficially own 396,363,636 ordinary shares in Rambler, representing approximately 60% of the issued and outstanding ordinary shares. Assuming conversion at maturity by CEIII of the US\$2million Convertible Loan issued to Rambler Metals and Mining plc at November 26, 2018, together, CEII and CEIII would have ownership and control over 449,275,636 Ordinary Shares of the Company, representing approximately 63% of the issued and outstanding Ordinary Shares. Accordingly, the Loan constitutes a "related party transaction" under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (MI 61-101) and for the purposes of Rule 13 of the AIM Rules for Companies.

In connection with the Loan, Rambler is relying on the exemptions in Section 5.5(a) and 5.7(1)(a) of MI 61-101 from the formal valuation and minority shareholder approval requirements, respectively, on the basis that the fair market value of the Loan is less than 25% of the market capitalization of the Company calculated in accordance with MI 61-101. A material change report with respect to the Loan

will be filed less than 21 days prior to the closing of the transaction. This time period is reasonable and necessary in the circumstances as Rambler wishes to complete the Loan in an expeditious manner.

The terms of the Loan were approved by the disinterested members of Rambler's board of directors (Norman Williams, Glenn Poulter, and Eason Chen) (the **Non-Investor Directors**) who unanimously determined that the Loan was in the best interests of the Company. The Non-Investor Directors, having consulted with the Company's nominated adviser, Cantor Fitzgerald Europe, consider that the terms of the Loan are fair and reasonable insofar as the Company's shareholders are concerned. In reaching this determination, the Non-Investor Directors considered, among other things, the liquidity the Loan would provide the Company with for its short-term working capital. No special committee was established in connection with the Loan.

This announcement has been posted on the Company's website at [www.ramblermines.com](http://www.ramblermines.com) and will be posted under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### **ABOUT RAMBLER METALS AND MINING**

Rambler is a mining and development company that in November 2012 brought its first mine into commercial production. Rambler has a 100 per cent ownership in the Ming Copper-Gold Mine, a fully operational base and precious metals processing facility and year round bulk storage and shipping facility; all located on the Baie Verte peninsula, Newfoundland and Labrador, Canada.

Following the completion of its recent productivity improvement initiative Rambler's focus is on sustaining mine and mill production at 1,250 metric tonnes per day. With a return to profitability and positive cash flow, Rambler will continue advancing Phase III engineering studies with a view to further increase production to 2,000 mtpd at the Ming Mine.

Along with the Ming Mine, Rambler also owns 100 per cent of the former producing Little Deer/Whales Back copper mines and has strategic investment in the former producing Hammerdown gold mine.

**Rambler is currently dual listed in London under AIM:RMM and in Canada under TSX-V:RAB.**

**Rambler has applied to voluntarily delist its ordinary shares from the TSX-V. Additional details are set out in the Company's news release dated January 7, 2019.**

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (MAR). Upon the publication of this announcement via Regulatory Information Service (RIS), this inside information is now considered to be in the public domain.

Neither TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

**Caution Regarding Forward Looking Statements:**

*Certain information included in this press release constitutes "forward-looking statements". Such forward-looking statements include, without limitation, statements regarding the Company's expected use of the funds made available under the Loan, statements and information relating to future financial or operation performance and other statements that express the expectations of management or estimates of future performance. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief are based on assumptions made in good faith and believed to have a reasonable basis. Such assumptions include, without limitation, the price of and anticipated costs of recovery of, copper concentrate, gold and silver, the presence of and continuity of such minerals at modeled grades and values, the capacities of various machinery and equipment, the availability of personnel, machinery and equipment at estimated prices, mineral recovery rates, the availability of capital, and others. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, interpretation and implications of drilling and geophysical results; estimates regarding timing of future capital expenditures and costs towards profitable commercial operations. Other factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, increases/decreases in production; volatility in metals prices and demand; currency fluctuations; cash operating margins; cash operating cost per pound sold; costs per tonne of ore; variances in ore grade or recovery rates from those assumed in mining plans; mineral reserves and/or resources; operational risks inherent in mining or development activities and legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals and environmental protection, the ability of the Company to repay the Loan and the availability to the Company of financing and credit alternatives and access to capital. Accordingly, undue reliance should not be placed on forward-looking statements and the forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement. The forward-looking statements contained herein are made as at the date hereof and the Company does not undertake any obligation to update publicly or revise any such forward-looking statements or any forward-looking statements contained in any other documents whether as a result of new information, future events or otherwise, except as required under applicable law.*