

30 May 2018

## **Rambler Reports Financial Results Quarter Ended March 31, 2018**

**London, England & Baie Verte, Newfoundland and Labrador, Canada** – Rambler Metals and Mining plc (TSXV: RAB, AIM: RMM) ('Rambler' or the 'Company'), a copper and gold producer operating in Newfoundland and Labrador, Canada, today reports its financial results and operational highlights for the quarter ended March 31, 2018.

### **YEAREND HIGHLIGHTS**

- Revenue for the quarter was US\$6.2 million (Q4/17: US\$8.4 million, Q1/17: US\$5.7 million);
- Production of 83,017 dry metric tonnes ('dmt') (Q4/17: 97,997 dmt, Q1/17: 75,438 dmt) with copper concentrate grade of 28% (Q4/17: 28%, Q1/17: 28%) and copper head grade of 1.07% (Q4/17: 1.17%, Q1/17: 1.13%);
- Direct cash costs net of by-product credits ('C1 costs') for the quarter were US\$3.99 (Q4/17: US\$2.84, Q1/17: US\$3.39);
- Operating loss of US\$4.4 million (Q4/17: US\$1.0 million, Q1/17: US\$3.5 million) and Earnings/(losses) before interest, taxes, depreciation, amortisation ('EBITDA') of US\$(3.3) million (Q4/17: US\$1.6 million, Q1/17: US\$(1.5) million);
- Completed all underground ventilation system upgrades in late March 2018 removing a significant bottleneck which had restricted development and production during the quarter. Subsequent to the quarter end, in April the mine delivered 34,201 tonnes of ore to the mill at an average grade of 1.19% copper and 0.63 g/t gold resulting in an average daily mill throughput rate of 1,228 tonnes per day, while in operation, a 22% increase over the Q1/18 throughput rate.

### **SUBSEQUENT EVENT**

- On May 22, 2018 the Company announced that it has entered into a subscription agreement for the private placement of 44,400,000 ordinary shares of £0.01 each at a price of £0.05 each for total proceeds of £2.22 million (approx. US\$3 million);
- CE Mining II Rambler Limited has indicated that they intend to exercise their remaining 65 million 5p warrants on or before June 2, 2018. Documentation for this transaction is currently in progress and the Company is awaiting formal notice of exercise.

**KEY ANNUAL FINANCIALS METRICS (\$US)**

|  | <i>Q1/18</i> | <i>Q4/17</i> | <i>Q1/17</i> |
|--|--------------|--------------|--------------|
| <b>Revenue</b>   | \$6.2 M      | \$8.4 M      | \$5.7 M      |
| <b>Cash Production Expenses</b>                                | \$7.5 M      | \$7.1 M      | \$6.5 M      |
| <b>G&amp;A</b>   | \$0.9 M      | \$1.0 M      | \$0.8 M      |
| <b>EBITDA</b>  | \$(3.3) M    | \$1.6 M      | \$(1.5) M    |
| <b>Operating loss</b>  | \$(4.4) M    | \$(1.0) M    | \$(3.5) M    |
| <b>(Loss)/profit before tax</b>                                | \$(6.1) M    | \$1.3 M      | \$(3.9) M    |
| <b>(Loss)/profit after tax</b>                                 | \$(4.3) M    | \$0.7 M      | \$(2.8) M    |
| <b>(Loss)/earnings per share (US\$)</b>                        | \$(0.008)    | \$0.001      | \$(0.005)    |
| <b>Cash Flows from Operations</b>                              | \$0.4 M      | \$0.7 M      | \$(2.1) M    |
| <b>Cash cost per lbs of copper, net of credits (C1) (US\$)</b> | \$3.99       | \$2.84       | \$3.39       |

**KEY ANNUAL OPERATING METRICS**

|   | <i>Q1/18</i> | <i>Q4/17</i> | <i>Q1/17</i> |
|---|--------------|--------------|--------------|
| <b>Concentrate Production (dry metric tonnes)</b> | 3,001        | 4,014        | 2,930        |
| <b>Copper (saleable dry metric tonnes)</b>        | 823          | 1,061        | 794          |
| <b>Gold (saleable ounces)</b>                     | 662          | 1,012        | 391          |
| <b>Concentrate Grade Copper (%)</b>               | 28.6         | 27.6         | 28.2         |
| <b>Gold Concentrate Grade (g/t)</b>               | 7.9          | 9.6          | 5.2          |
| <b>Copper Grades (%)</b>                          | 1.07         | 1.17         | 1.13         |
| <b>Gold Grades (g/t)</b>                          | 0.41         | 0.61         | 0.30         |
| <b>Avg. Copper Price (US\$ per pound)</b>         | 3.15         | 3.10         | 2.63         |
| <b>Avg. Gold Price (US\$ per ounce)</b>           | 1,334        | 1,279        | 1,221        |

**Norman Williams, President and CEO, Rambler Metals & Mining commented:**

“The first quarter of 2018 was significant for the operation with the completion of the ventilation upgrade project in March 2018. Since the reversal of the ventilation system we have seen tremendous improvements at the operation. The operation’s success in completing the Phase II expansion is however 6 to 8 months behind the planned schedule which has resulted in a reduction in available working capital. The recent equity financing, combined with CE Mining II Rambler’s indication they intend to exercise their remaining warrants before expiry in early June, will provide necessary working capital as we continue forward with a focus on sustaining our Phase II production target of 1,250 mtpd.

“As we continue driving towards sustainability the Company will focus on productivity improvement initiatives, namely mine operations, mine maintenance and mine planning. These initiatives will build a solid platform for sustained long-term production from the mine, improve overall mill feed grade and most importantly lower the Company’s unit cost thereby returning to positive cash flows.”

## FINANCIAL RESULTS

- Earnings/(losses) before interest, taxes, depreciation, amortisation (“EBITDA”) were US\$(3.3) million for Q1/18 compared to US\$1.6 million in Q4/17 and US\$(1.5) million in Q1/17. The net loss after tax for Q1/18 was US\$4.3 million or US\$0.008 per share which compares with a profit of US\$0.7 million or US\$0.001 per share for Q4/17 and a loss of US\$2.8 million or US\$0.005 per share for Q1/17. The increase in losses from Q4/17 was mainly due to the lower production of saleable pounds of copper caused by production shortfalls experienced due to inadequate ventilation and the increase from Q1/17 was mainly due to a loss on the derivative financial instrument and exchange losses;
- Revenue was US\$6.2 million (Q4/17: US\$8.4 million, Q1/17: US\$5.7 million);
- A total of 3,075 dmt (Q4/17 – 3,984 dmt, Q1/17 - 3,249 dmt ) of concentrate was provisionally invoiced during the period at an average price of US\$3.15 (Q4/17 – US\$3.10, Q1/17 - US\$2.63) per pound copper and US\$1,334 (Q4/17 – US\$1,279, Q1/17 - US\$1,211) per ounce gold, generating US\$6.2 million in revenue (Q4/17: US\$8.4 million, Q1/17: US\$5.7 million);
- Cash flows generated from operating activities for Q1/18 were US\$0.4 million compared with cash generated of US\$0.7 million in Q4/17 and cash utilized of \$2.1 million in Q1/17. The generation of cash in operations for the quarter arose from a cash operating loss offset by changes in working capital.

## OPERATIONAL HIGHLIGHTS

### Ore and Concentrate Production Summary Quarter by Quarter

| PRODUCTION            | Q4/17  | Q1/18         |      | Q1/17  | Q1/18         |     |
|-----------------------|--------|---------------|------|--------|---------------|-----|
| Dry Tonnes Milled     | 97,997 | <b>83,016</b> | -15% | 75,438 | <b>83,016</b> | 10% |
| Copper Recovery (%)   | 96.1   | <b>96.8</b>   | 1%   | 96.6   | <b>96.8</b>   | 0%  |
| Gold Recovery (%)     | 61.0   | <b>67.7</b>   | 11%  | 64.0   | <b>67.7</b>   | 6%  |
| Copper Head Grade (%) | 1.17   | <b>1.07</b>   | -9%  | 1.13   | <b>1.07</b>   | -6% |
| Gold Head Grade (g/t) | 0.61   | <b>0.41</b>   | -32% | 0.30   | <b>0.41</b>   | 36% |

### CONCENTRATE

(Produced and Stored in Warehouse)

|                           |       |              |      |       |              |     |
|---------------------------|-------|--------------|------|-------|--------------|-----|
| Copper (%)                | 27.6  | <b>28.6</b>  | 3%   | 28.2  | <b>28.6</b>  | 1%  |
| Gold (g/t)                | 9.6   | <b>7.9</b>   | -18% | 5.2   | <b>7.9</b>   | 53% |
| Dry Tonnes Produced       | 4,014 | <b>3,001</b> | -25% | 2,930 | <b>3,001</b> | 2%  |
| Saleable Copper Metal (t) | 1,061 | <b>823</b>   | -22% | 794   | <b>823</b>   | 4%  |
| Saleable Gold (oz)        | 1,012 | <b>662</b>   | -41% | 391   | <b>662</b>   | 69% |

## **OUTLOOK**

Management continues to pursue the following objectives:

- ✓ Sustaining production at 1,250 mtpd delivering improved grades from fiscal 2018 onward. Targeting grades between 1.3% to 1.5% Cu and 0.6 to 0.9 g/t Au in 2018 with copper grade continuing to improve as production moves further into the LFZ. As we continue to develop deeper into the LFZ, over the projected 20 year mine life, diamond drill results show that grades and mineralized thickness continue to strengthen at depth.
- ✓ Upon sustaining Phase II production targets, further evaluate the potential of a Phase III operation with increase in mine production and mill throughput to approximately 2,000 mtpd.
- ✓ Continuing with the underground exploration program to allow for further exploration of the mineralized trends both up-dip and down-dip with the goal to increase near-mine mine resource and reserves.
- ✓ Continue with the surface exploration diamond drilling program aimed to double the current plunge length of the known massive sulphide and LFZ mineralization.

For further information see Appendix 1 of this release. The unaudited financial statements and MD&A will be available on the Company's website at <http://www.ramblermines.com> and on SEDAR.

Tim Sanford, P.Eng., is the Qualified Person responsible for the technical content of this release and has reviewed and approved it accordingly. Mr. Sanford is an employee of Rambler Metals and Mining Canada Limited. Tonnes referenced are dry metric tonnes unless otherwise indicated.

**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.**

**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.**

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

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**Caution Regarding Forward Looking Statements:**

*Certain information included in this press release, including information relating to future financial or operating performance and other statements that express the expectations of management or estimates of future performance constitute "forward-looking statements". Such forward-looking statements include, without limitation, statements regarding copper, gold and silver forecasts, the financial strength of the Company, estimates regarding timing of future development and production and statements concerning possible expansion opportunities for the Company. 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, 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 ton of ore; variances in ore grade or recovery rates from those assumed in mining plans; reserves and/or resources; the ability to successfully integrate acquired assets; 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. 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 security law.*

**APPENDIX 1 – SUPPLEMENTAL FINANCIAL INFORMATION**

(See Company website [www.ramblermines.com](http://www.ramblermines.com) or SEDAR for Q1/18 Results)

**UNAUDITED CONSOLIDATED INCOME STATEMENT**

**For the Quarter Ended March 31, 2018  
(EXPRESSED IN US DOLLARS)**

|  | Quarter ended<br>March 31 2018<br>US\$'000 | Quarter ended<br>March 31 2017<br>US\$'000 |
|--|--|--|
| Revenue  | 6,244                                      | 5,725                                      |
| Production costs   | (7,493)                                    | (6,492)                                    |
| Depreciation and amortisation                                | (2,194)                                    | (1,900)                                    |
| Gross loss   | (3,443)                                    | (2,667)                                    |
| Administrative expenses                                      | (918)                                      | (863)                                      |
| Exploration expenses   | -  | (5)  |
| Operating loss   | (4,361)                                    | (3,535)                                    |
| Bank interest receivable                                     | 40   | 11   |
| Loss on derivative financial instruments                     | (690)                                      | (26)                                       |
| Finance costs  | (619)                                      | (557)                                      |
| Foreign exchange differences                                 | (503)                                      | 201  |
| Net financing expense  | (1,772)                                    | (371)                                      |
| Loss before tax  | (6,133)                                    | (3,906)                                    |
| Income tax credit  | 1,801                                      | 1,137                                      |
| Loss for the period and attributable to owners of the parent | (4,332)                                    | (2,769)                                    |

**Earnings per share**

|                                      | Quarter ended<br>March 31 2018<br>US\$'000 | Quarter ended<br>March 31 2017<br>US\$'000 |
|--------------------------------------|--|--|
| Basic and diluted earnings per share | (0.008)                                    | (0.005)                                    |

## UNAUDITED CONSOLIDATED BALANCE SHEET

**As at March 31, 2018**  
**(EXPRESSED IN US DOLLARS)**

|                                       | Note | Unaudited<br>March 31 2018<br>US\$'000 | Audited<br>December 31<br>2017<br>US\$'000 |
|---------------------------------------|------|--|--|
| <b>Assets</b>                         |      |  |  |
| Intangible assets                     | 3    | 3,325                                  | 3,397                                      |
| Mineral properties                    | 4    | 38,021                                 | 38,834                                     |
| Property, plant and equipment         | 5    | 28,552                                 | 28,443                                     |
| Available for sale investments        | 6    | 663                                    | 610  |
| Deferred tax                          |      | 15,373                                 | 13,851                                     |
| Restricted cash                       |      | 3,436                                  | 3,530                                      |
| <b>Total non-current assets</b>       |      | <b>89,370</b>                          | <b>88,665</b>                              |
| Inventory                             | 7    | 2,437                                  | 2,467                                      |
| Trade and other receivables           |      | 819                                    | 829  |
| Derivative financial asset            | 8    | -                                      | 1,830                                      |
| Cash and cash equivalents             |      | 1,319                                  | 3,351                                      |
| <b>Total current assets</b>           |      | <b>4,575</b>                           | <b>8,477</b>                               |
| <b>Total assets</b>                   |      | <b>93,945</b>                          | <b>97,142</b>                              |
| <b>Equity</b>                         |      |  |  |
| Issued capital                        |      | 8,061                                  | 8,061                                      |
| Share premium                         |      | 89,309                                 | 89,309                                     |
| Share warrants reserve                |      | 859                                    | 859  |
| Merger reserve                        |      | 180                                    | 180  |
| Translation reserve                   |      | (16,171)                               | (14,584)                                   |
| Fair value reserve                    |      | 157                                    | 86   |
| Retained profits                      |      | (23,776)                               | (19,479)                                   |
| <b>Total equity</b>                   |      | <b>58,619</b>                          | <b>64,432</b>                              |
| <b>Liabilities</b>                    |      |  |  |
| Interest-bearing loans and borrowings | 9    | 16,772                                 | 16,696                                     |
| Provision                             | 10   | 1,922                                  | 1,961                                      |
| <b>Total non-current liabilities</b>  |      | <b>18,694</b>                          | <b>18,657</b>                              |
| Interest-bearing loans and borrowings | 9    | 7,708                                  | 6,739                                      |
| Derivative financial liability        | 8    | 176                                    | -  |
| Trade and other payables              |      | 8,748                                  | 7,314                                      |
| <b>Total current liabilities</b>      |      | <b>16,632</b>                          | <b>14,053</b>                              |
| <b>Total liabilities</b>              |      | <b>35,326</b>                          | <b>32,710</b>                              |
| <b>Total equity and liabilities</b>   |      | <b>93,945</b>                          | <b>97,142</b>                              |

## UNAUDITED STATEMENTS OF CASH FLOWS

**For the Quarter Ended March 31, 2018  
(EXPRESSED IN US DOLLARS)**

|  | Quarter ended<br>March 31 2018<br>US\$'000 | Quarter ended<br>March 31 2017<br>US\$'000 |
|--|--|--|
| <b>Cash flows from operating activities</b>                        |  |  |
| Operating loss   | (4,361)                                    | (3,535)                                    |
| Depreciation and amortisation                                      | 2,201                                      | 1,907                                      |
| Loss on disposal of property, plant and equipment                  | 66   | -  |
| Share based payments   | 35   | 23   |
| Foreign exchange difference  | 138  | (116)                                      |
| Decrease in inventory  | 30   | 150  |
| Decrease/(increase) in debtors                                     | 10   | (4)  |
| Decrease/(increase) in derivative financial instruments            | 1,318                                      | (526)                                      |
| Increase in creditors  | 1,097                                      | 56   |
| Cash generated/(utilised in) from operations                       | 534  | (2,045)                                    |
| Interest paid  | (99)                                       | (78)                                       |
| <b>Net cash generated from /(utilised in) operating activities</b> | <b>435</b>                                 | <b>(2,123)</b>                             |
| <b>Cash flows from investing activities</b>                        |  |  |
| Interest received  | 40   | 11   |
| Acquisition of evaluation and exploration assets                   | (21)                                       | (7)  |
| Acquisition of mineral properties - net                            | (1,055)                                    | (1,162)                                    |
| Acquisition of property, plant and equipment                       | (1,089)                                    | (798)                                      |
| <b>Net cash utilised in investing activities</b>                   | <b>(2,125)</b>                             | <b>(1,956)</b>                             |
| <b>Cash flows from financing activities</b>                        |  |  |
| Share issue proceeds   | -  | 8,407                                      |
| Share issue expenses   | -  | (119)                                      |
| Loans received   | 366  | -  |
| Repayment of Gold loan (note 9)                                    | -  | (145)                                      |
| Repayment of Loans   | -  | (563)                                      |
| Capital element of finance lease payments                          | (710)                                      | (588)                                      |
| <b>Net (cash utilised in)/generated from financing activities</b>  | <b>(344)</b>                               | <b>6,992</b>                               |
| Net (decrease)/increase in cash and cash equivalents               | (2,034)                                    | 2,913                                      |
| Cash and cash equivalents at beginning of period                   | 3,351                                      | 2,156                                      |
| Effect of exchange rate fluctuations on cash held                  | 2  | 25   |
| <b>Cash and cash equivalents at end of period</b>                  | <b>1,319</b>                               | <b>5,094</b>                               |