RAMBLER
METALS & MINING PLC

Management's Discussion & Analysis ('MD&A')

For the Quarter Ended 30 April 2013

This MD&A, including appendices, is intended to help the reader understand Rambler Metals and Mining plc ('the parent company') and its subsidiaries (the 'Group' or 'Rambler'), our operations and our present business environment. It has been prepared as of 27 June 2013 and covers the results of operations for the quarter ended 30 April 2013. This discussion should be read in conjunction with the audited Financial Statements for the year ended 31 July 2012 and notes thereto. This consolidated financial information has been prepared in accordance with International *Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB"), as adopted by the European Union and with IFRS and their interpretations issued by the IASB. The presentation currency is Canadian dollars. These statements together with the following MD&A are intended to provide investors with a reasonable basis for assessing the potential future performance.*

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GROUP OVERVIEW

The strategic vision of the Company is to become Atlantic Canada's leading mine operator and resource developer. Its principal activity is the development, mining and exploration of the Ming Copper-Gold Mine ('Ming Mine') located on Newfoundland and Labrador's Baie Verte Peninsula, Canada. See map referenced in Appendix 1. On 27 March 2013 the Group announced profits from its first quarter as a commercial producer. During the third quarter of the 2013 fiscal year, the second quarter in commercial production, the Group reported revenue of $10.1 million from the sale of 4,667 wet metric tonnes ('wmt') of copper concentrate containing 1,146 tonnes of accountable copper metal, 797 and 3,040 ounces of accountable gold and silver respectively, and generated a profit of $193,000.

The parent Company's Ordinary Shares trade on the London AIM market under the symbol "RMM", the TSX Venture Exchange under the symbol "RAB".

The Group has established the following four strategic goals:

1. Continue as a profitable copper and gold producer by first optimizing concentrate production at the Nugget Pond concentrating facility then improving revenue through the integration of the gold hydromet plant into the production stream.
2. Increase available resources and reserves through further exploration both within the Ming mine and current land holdings.
3. Continue to investigate, through various optimization studies, development of the Lower Footwall Zone creating organic growth.
4. Selectively pursue growth opportunities within Atlantic Canada including joint ventures, acquisitions, strategic alliances and equity positions.

The Group's directors and management believe that focussing on these priorities will instil a solid foundation for Rambler and its shareholders, while providing the best opportunity to build a successful and long term mining company.

HIGHLIGHTS OF THE THIRD QUARTER

The third quarter ("three months ended 30 April 2013", "Q3/13", "Q3'13") marks the second full quarter of commercial production since first declaring in November 2012.

Highlights of the third quarter of the 2013 fiscal year included:

Capital Development and Production

- ➔ Produced a total of 4,996 wmt (Q2'13 – 4,350 wmt) of copper concentrate for a total of 14,301 wmt for fiscal year ending 31 July 2013 and 16,796 wmt since the start of copper production in May 2012. Concentrate produced during the third quarter averaged 28% copper with 7 g/t gold and 51 g/t silver (Q2'13: 28% copper with 7 g/t gold and 51 g/t silver) with milling recoveries for copper and gold averaging 92% and 65% respectively (Q2'13: 88% and 62% respectively).

- ➔ During the third quarter daily tonnage through the mill increased from 536 wmt during a difficult February, improved to 583 wmt in March and 590 wmt in April. The continued increase in throughput was evident in the increased tonnage of concentrate produced: February – 751 wmt; March – 1,594 wmt; and April – 2,651 wmt.

  Production was hampered in February with continued problems with fine grained ore freezing in the outside course ore bin. The problem was eventually overcome when the Companies short term action plans of installing an air cannon in the bin and placing additional heaters and vibrators on the outside of the bin took effect. The Company is now actively looking to re-engineer the course ore bin and thus provide a permanent solution to this freezing problem.

- ➔ A significant milestone was reached during the quarter, being the breakthrough of the independent 1807 ramp system. Ore from all developed levels of this high copper grade zone can now be accessed with larger 42 tonne haul trucks. Additional drill sites are also now available for continued exploration and extension drilling of the known mineralized areas.

HIGHLIGHTS OF THE THIRD QUARTER (Continued)

Capital development and production (continued)

➔ Shipped a second load of copper concentrate, totalling approximately 3,141 wmt via the Group's port facility at Goodyear's Cove, Newfoundland and Labrador.

Financing

➔ During the third quarter a repayment of US$291,579 (project to date US$8,916,148) was made on the Group's gold loan from the delivery of 156 ounces of gold representing the payable portion of gold contained within the concentrate provisionally invoiced to Transamine and 29 ounces of gold produced from the testing of floatation tails from the copper concentrator being reprocessed through the Group's gold processing facility (project to date 5,407 ounces have been delivered)

➔ Agreed terms for the extension of its $10 million secured credit facility to 31 March 2014. Under the amendment agreement the Group paid Sprott Resource Lending Partnership ('Sprott'), in shares, a 4% extension fee. Interest will continue to accrue at 9.25% and any drawdown on the facility will be subject to the 4% drawdown fee as per the original agreement. Of the initial $10 million credit facility made available, only $7.5 million was drawn with $500,000 repaid in November 2012. $3.0 million was made available under the amended credit facility and is available until 30 September 2013. On 30 April 2013 a payment of $500,000 and subsequent to the end of the third quarter a further payment of $600,000 was made on 31 May 2013. As of the date of this release the outstanding balance on the facility is $5,900,000.

HIGHLIGHTS OF THE THIRD QUARTER (Continued)

Exploration and evaluation

- ➔ Capital development continued with the 1807 zone ramp being driven down gradient to the 481 and 485 levels. In Q4'13 the Company intends to complete a program of in-fill drilling moving inferred 1807 zone material into the measure and indicated categories with the medium term intention in fiscal 2014 of testing for new mineralization down plunge. All zones within the mine, including the 1807 Zone, remain open both up and down plunge.

- ➔ The Group finalized a purchase and sale agreement with a local exploration company for the exclusive rights to explore and develop the Krissy's Buckle gold/copper property located within 40 kilometres of the Group's Nugget Pond precious and base metal processing facility. The Group has exclusive rights to explore and develop the property while providing the vendors with a 2% net smelter royalty ('NSR') on any ore extracted. In addition to the NSR, advance royalty payments totalling $90,000 will be paid to the vendors over the first 4 years.

Staffing

- ➔ At the end of the third quarter a total of 136 full time employees were employed at the Ming Mine compared to 143 full time employees at 31 January 2013. Winter operations are more labour intensive and with the cold season now behind us further reductions in the labour force may be possible. The Group continues to evaluate current employment levels and look for opportunities to streamline its operations with the goal of improving overall efficiency.

FINANCIAL RESULTS

Revenue

➔ A total of 4,667 wmt of concentrate was provisionally invoiced during the period at an average price of $3.43 per pound copper, $1,580 per ounce gold and $28.31 per ounce silver, generating $10.0 million in revenue before final assay and weights were agreed on concentrates shipped in February 2013. An additional $174,000 in revenue was realized on the sale of 117 ounces of gold produced from the testing of floatation tails from the copper concentrator being reprocessed through the Group's gold processing facility.

➔ Revenue associated with the sale of copper concentrate is recognised when significant risks and rewards of ownership of the asset sold are transferred to the Group's off-taker, which is when the group receives provisional payment for each lot of concentrate invoiced. Where a provisional invoice is not raised, risks and rewards of ownership transfer when the concentrate passes over the rail of the shipping vessel. Adjustments arising due to differences in assays, from the time of provisional invoicing to the time of final settlement, are adjusted to revenue. Adjustments arising due to differences in commodity prices, from the time of provisional invoicing to the time of final settlement, are adjusted to Gain or loss on Derivative Financial Instruments.

➔ During the quarter the Group agreed final weights and assays on the second concentrate shipment with its off-take partner resulting in a $101,442 reduction in revenue bringing net revenue for the period to $10.1 million. Following the shipment of concentrate in February 2013, commodity prices began to fall. To reduce further losses the Group fixed a portion of its copper, gold and silver content resulting in a realized loss on derivative financial assets of $385,386 being the difference in the commodity prices at time of provisional invoicing, and actual commodity prices realized on the fixed portion of the shipment. The following summarizes provisional commodity prices versus actual commodity prices realized on price fixing:

	Average provisional commodity price (USD)	Actual commodity price fixed (USD)
Copper - $/lb	$3.66	$3.48
Gold - $/oz	$1,684	$1,572
Silver - $oz	$32	$29

➔ Revenue realized in Q1/13 during the testing and commissioning of the Ming Mine was credited against the mineral property asset.

FINANCIAL RESULTS (continued)

➔ **Profit**

The net profit for Q3/13 was $193,000 or $0.001 per share which compares with a loss of $281,000 or $0.002 per share for Q3/12. The increase in net profit during Q3/13 arose from the declaration of commercial production on 1 November 2012 resulting in revenue and operating expenditures reported on the unaudited consolidated income statement. Prior to 1 November 2012 revenue and operating expenditures were credited to the Mineral Property asset. Earnings before interest, taxes, depreciation, amortisation (“EBITDA”) was $1,553,000 and $4,497,000 for the three and nine months ended 30 April 2013.

➔ **Cash flow and cash resources**

Cash flows utilized in operating activities for Q3/13 were $380,000 compared with cash generated of $4,978,000 in Q2/13 and cash utilized of $752,000 in Q3/12. The generation of cash from operations for the nine months of $3,441,000 reflects the commencement of commercial production and a change in accounts receivable, inventory and account payable balances.

Cash resources as at 30 April 2013 were $3.5 million and as of 27 June 2013 had increased to $6.0 million. A further $3.0 million is available under the Group’s Credit Facility Agreement. Operating cash flows are anticipated to continue to build throughout the balance of the fiscal year following the move to commercial production at the beginning of Q2/13.

HEALTH AND SAFETY

➔ The Group completed the period with no lost time accidents and 2 medical aid injuries. The lost time accident frequency rate and medical aid frequency rate for the period and fiscal year to date was 0 and 4.9 respectively.

➔ The Health and Safety of the Group’s employees continues to be a high priority with prevention and hazard recognition being key components of the Group’s strategy.

OUTLOOK

Management continue to pursue the following objectives:

- ➔ Continue to utilize cash flow from operations to pay down credit facility debt by the end of calendar 2013 maximizing shareholder value by reducing the Groups expensive finance costs

- ➔ Continue mining and milling the exposed 1807 workplaces for the generation of copper concentrate revenue from the Ming Mine. Place additional development focus into preparing this high grade zone for further exploration both up-dip and down-dip for inclusion in future resource and reserve estimates.

- ➔ Optimize the mining and processing of ores from the Ming Mine that would allow an expansion to 1,000 mtpd; which in turn would allow the gold hydromet to be operated independently and/or simultaneously with the copper concentrator.

- ➔ Continuing to evaluate Optimization Opportunities for a possible future expansion into the Lower Footwall Zone.

- ➔ Become a strategic long term low-cost producer in Atlantic Canada, by selectively pursuing growth opportunities including joint ventures and acquisitions, including the Group's investment in Maritime Resources Corp.

- ➔ Increase exposure and liquidity both on London's AIM and on Toronto's Venture Exchange through an increased marketing and investor relations campaign.

See 'Forward Looking Information' for a description of the factors that may cause actual results to differ from forecast.

CAPITAL PROJECTS UPDATE

During the third quarter the Group incurred expenditures of $1,768,000 on Mineral Property and $389,000 on property, plant and equipment. Prior to the mine being considered substantially complete and ready for its intended use, all direct operating costs, including costs associated with stockpile ores and concentrate, were capitalized within the Mineral Property asset and offset by revenue generated from on-going production. Following the declaration of commercial production on 1 November 2012 revenue and direct operating costs incurred at the Ming Mine are charged directly to the Group's Income Statement. Costs associated with stockpile ores and concentrate are charged to Inventory on a monthly basis. Expenditures incurred on underground capital development are charged to Mineral Property and offset by amortisation calculated on a unit of production basis.

Mineral Property

Mineral Property (capital development - Ming Mine)	**Q3/13 $,000**	**Q2/13 $,000**	**Q3/12 $,000**
Labour costs – capital	857	1,105	2,297
Contractors' and consultancy expenses	-	-	78
General materials and other costs	-	-	234
Surface development	-	-	128
Underground capital development	911	1,040	2,132
Processing and ore transportation	-	-	1,983
Sub-total	1,768	2,145	6,852
Other Charges			
Finance costs	-	-	2,337
Depreciation	-	-	1,023
Royalties	-	-	668
Reclamation and closure provision	-	-	23
Total	1,768	2,145	10,903
Revenue recognized from sale of concentrate	-	-	(14,136)
Transfer to inventory on commercial production	-	(2,130)	-
Mineral property - amortisation	(695)	(578)	-
Net	1,073	(563)	(3,233)

CAPITAL PROJECTS UPDATE (continued)

Mineral Property (capital development - Ming Mine by area, before other charges)	**Q3/13**	**Q2/13**	**Q3/12**
	$,000	**$,000**	**$,000**
Surface, including electrical & mechanical support staff	218	274	1,251
1806 ore zone	20	194	1,113
1807 ore zone	1,170	1,450	1,206
Lower Footwall ore zone	-	37	441
Ramp improvements & ongoing maintenance	-	-	619
Ventilation bulk head refurbishment/Shaft manway	248	63	134
Technical support staff	112	127	447
Port site	-	-	107
Nugget Pond Mill	-	-	1,534
Total before other charges & amortization	1,768	2,145	6,852

Total mineral property costs before other charges and amortisation decreased in Q3/13 compared to Q2/13 in line with the breakthrough of the independent 1807 ramp system in February thereby reducing overall capital development during the balance of Q3/13. The decrease in Q2/13 compared to Q3/12 is in line with the declaration of commercial production at 1 November 2012. Capital expenditures decreased over the previous quarter as operating expenditures were charged directly to the Group's income statement during the three months ended 31 January 2013 and 30 April 2013. Both operating and capital costs were charged to mineral property costs during the three months ended 31 October 2013. The majority of capital expenditures incurred during Q3/13 related to the capital development in the 1807 zone including the independent 1807 ramp system which will provide access to 1807 stoping and future access to lower levels of the Ming Mine ore body. With effect from the start of commercial production, accumulated mineral property costs are amortised on a unit of production basis. Revenue recognized since the declaration of commercial production is recognized as income rather than to being offset against mineral property costs.

CAPITAL PROJECTS UPDATE (continued)

Property, plant and equipment

	Q3/13	Q2/13	Q3/12
	$,000	$,000	$,000
Mill purchase and construction	8	12	383
Plant and equipment	366	515	1,053
Buildings	-	7	-
Other assets	15	52	1
Total	389	586	1,437

Plant and equipment decreased during Q3/13 compared to Q2/13 due to the purchase of less underground and mobile equipment at the Ming Mine. Mill purchase and construction decreased during Q2/13 compared to Q3/12 in-line with final commissioning and a move to commercial production on 1 November 2012.

Exploration and evaluation costs (Ming Mine)

	Q3/13	Q2/13	Q3/12
	$,000	$,000	$,000
Consultancy & Contractor expenses	-	-	337
Total	-	-	337

No expenditures were incurred during the current period as capital development first had to be undertaken before the drilling platforms could be made available. Several drilling platforms are now available with diamond drilling resuming in Q4. Exploration expenditures incurred during Q3/12 related to the completion of the Lower Footwall Zone preliminary economic assessment at the Ming Mine.

FINANCIAL REVIEW

Q3/13 Results ($000's)	Commentary	Comparatives Q2/13	*B/ (W)**	Q3/12	B/ (W)
10,087	**Revenue** in Q3/13 was generated through the sale of 4,667 wmt of copper concentrate containing 1,146 tonnes of accountable copper metal and 797 ounces of accountable gold compared with $11.4 million from the sale of 5,353wmt of copper concentrate in Q2/13. The decrease in revenue can be attributed to declining commodity prices during Q3/13 and a reduction in concentrate produced and thus sold during the quarter as a result of the Course Ore Bin freezing in the month of February. Revenue realized in Q1/13 during the testing and commissioning of the Ming Mine was credited against the Mineral Property asset.	11,407	*(12)%*	-	*N/a*
6,435	**Production costs** relate to the processing and mining costs associated with Group's Ming Mine production and include processing and mining costs of $1.7 million (Q2/13: $1.9 million) and $4.7 million (Q2/13: $5.4 million) respectively and in line with the reduced production noted above. Operating costs associated with mining and processing of Ming Mine ores were capitalized to Mineral Property prior to commercial production being achieved.	7,328	*12%*	-	*N/a*
998	**General and administrative expenses** were higher than the previous quarter by $73,000. The increase is substantially due to an increase in investor relations and travel expenses. In comparison to Q3/12 administrative expenses increased by $237,000. Administrative salaries increased by $78,000, investor relations and travel expenses by $40,000, legal and professional expenses by $43,000 and office costs increased by $37,000.	925	*(8)%*	761	*(31)%*
(858)	**Gain (loss) on derivative financial instruments.** During the quarter as commodity prices began to fall the Group fixed a portion of its copper, gold and silver concentrate to reduce further losses ahead of final settlement on its second concentrate shipment. A loss of $385,000 was realized being the difference in commodity prices at the time of provisional invoicing and actual commodity prices realized on the fixed portion of the shipment. A further unrealized loss of $473,000 was booked during the quarter being the difference in commodity prices at the time of provisional invoicing concentrates in shipment three (shipment subsequently on 28 May 2013) and the anticipated future commodity price at time of final settlement. Q2/13 gain arose as the Group fixed a portion of its first shipment at higher commodity prices than originally invoiced.	541	*(259%)*	-	*N/a*
(243)	**Foreign exchange differences** arising on the Gold Loan resulted in a loss in Q3/13 as a result of the weakening of the Canadian dollar against the US dollar during the quarter.	(11)	*(2110)%*	476	*(151)%*
1,768	**Mineral Properties.** The group incurred costs of $1.8 million in the quarter. The cost includes labour costs of $0.9 million and development costs of $0.9 million mainly related to underground capital development associated with 1807 ramp system. Compared to Q3/12, net mineral properties expenditures increased in Q3/13 reflecting the commencement of commercial production and the recognition of revenue in the income statement.	2,145	*18%*	(3,233)	*(155)%*
389	**Capital spending on property, plant and equipment** reduced during the quarter compared to Q2/13. The main expenditure in the quarter related to ventilation, electrical and underground mobile equipment. The decrease from Q3/12 relates to less underground mining equipment purchases.	586	*34%*	1,437	*73%*
-	**Capital spending on exploration and evaluation costs** remained on hold in Q3/13 as the Group concentrated on the commencement of commercial production and capital development to allow the establishment of drilling stations.	-	*N/a*	337	*(100)%*

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

SUMMARY OF QUARTERLY RESULTS

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

Quarterly Results *(All amounts in 000s of Canadian Dollars, except Loss per share figures)*	**4th Quarter**	**3rd Quarter**	**2nd Quarter**	**1st Quarter**
Fiscal 2013				
Revenue		10,087	11,407	-*
Net Income/ (loss)		193	1,958	(718)
Earnings/(loss) per Share (Basic)		0.001	0.014	(0.005)
Fiscal 2012				
Revenue	-*	-*	-*	1,219
Net Income/ (loss)	(1,202)	(281)	(1,039)	(845)
Earnings/(loss) per Share (Basic & Diluted)	(0.009)	(0.002)	(0.008)	(0.007)
Fiscal 2011				
Revenue	2,089			
Net Income/ (loss)	577			
Earnings/(loss) per Share (Basic & Diluted)	0.008			

**gold and copper sales resulting from the testing and commissioning of the Ming Mine were credited to Mineral Properties until commercial production was achieved*

The profit arising in Q4 2011 arose from the profits realised on the sale of gold from the Group's satellite deposits. Losses increased in first quarter of 2012 and further increased in the second quarter of 2012 as a result of an exchange loss of $0.7 million and $0.30 million respectively and reduced sales activity due to the processing of the Group's satellite deposits completed in the first quarter of 2012. The fluctuation in losses in the third and fourth quarters of 2012 and the first quarter of 2013 reflects exchange gains and losses on the retranslation of the Gold Loan. The profit in the second quarter of 2013 reflects the successful move into commercial production on 1 November 2012. The reduced profit in the third quarter of 2013 was due to a decline in copper and gold prices and invoicing of less copper concentrate when compared to the second quarter of 2013.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION

Since announcing commercial production, the Group has generated cash flows to finance its operational and development requirements. Prior to Q3/13 the Group relied on private placement financings of equity securities, a Gold Loan facility, capital leases and a credit facility (see 'Commitments and Loans' section) to finance its development requirements. Positive cash flows are expected to continue following commercial production at the Ming Mine; however, there is no guarantee that expenses will not exceed income again during this start-up phase. If this is the case, the liquidity risk could be material, even with current cash resources.

The Group's holding of cash balances is kept under constant review. Given the current climate, the Group takes a very risk averse approach to management of cash resources and Management and Directors monitor events and associated risks on a continuous basis. Cash and short-term investment resources (cash, cash equivalents and short-term investments) were as follows:

Resource	30 April 2013 $'000	31 January 2013 $'000	31 October 2012 $'000	31 July 2012 $'000
Cash $CDN	1,082	4,981	4,442	7,394
Cash GBP	102	195	85	77
Cash $USD	2,311	2,149	205	-
Short-term Investments GBP	-	-	161	355
Total	3,495	7,325	4,893	7,826

Sales of copper concentrate are in US dollars and the majority of the Group's expenses are incurred in Canadian dollars. The Group's principal exchange rate risk relates to movements between the Canadian and US dollar. The Gold Loan is repayable in US dollars from future sales of gold mitigating the exchange risk. Management will closely monitor exchange fluctuation and consider the use of forward exchange contracts as required.

Interest rates on the capital leases and short term borrowings are fixed, eliminating interest rate risk.

Cash flows utilised in investing activities amounted to $2.1 million in the quarter. Cash of $1.8 million was spent on the Group's Mineral Property and $0.3 million was spent on property, plant and equipment.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION (continued)

Cash flows utilized in financing activities during the quarter amounted to $1.4 million reflecting gold loan repayments of $0.3 million, payment of $0.5 million against the credit facility and finance lease repayments of $0.6 million.

The group is required to hold Letters of Credit in favour of the Government of Newfoundland and Labrador in respect of the reclamation and closure liability at the existing Nugget Pond Mill and Ming Mine. At period end the Group holds bearer deposit notes totalling $3.2 million.

The Group's ability to continue as a going concern, and the recoverability of its mineral properties, is dependent on future trends in copper and gold prices, and its ability to continue generating positive cash flows from current operations. Through the use of current cash reserves and continued production management is satisfied that the Group has sufficient working capital for the forthcoming 12 months. However, there are risks associated with the commencement of a new mining and processing operation, which may give rise to the possibility that additional working capital may be required to fund unanticipated delays at the copper concentrator and continued mine production and the repayment of loans falling due for repayment in March 2014. Should additional working capital be required, the Directors consider that further sources of finance could be secured in the required timescale; however, there is no certainty that these funds will be forthcoming. On this basis, the Directors have concluded that the Group is a going concern. These financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary should the going concern assumption be inappropriate, and these adjustments could be material.

See further comments in the Commitments and Loan section, page 16.

At 27 June 2013 the Group had $6.0 million in cash and cash equivalents. A further $3.0 million is available under the Group's Credit Facility Agreement.

Financial Instruments

The Group's financial instruments as at 30 April 2013 comprised of financial assets, comprising available for sale investments, cash and cash equivalents and trade and other receivables and financial liabilities comprised of trade payables, other payables, accrued expenses and interest bearing loans and borrowings.

All of the Group's financial liabilities are measured at amortised cost.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION (continued)

The Board of Directors determines, as required, the degree to which it is appropriate to use financial instruments and hedging techniques to mitigate risks. The main risks for which such instruments may be appropriate are foreign currency risk, liquidity risk, credit risk, interest rate risk and commodity price risk each of which is discussed in note 13 of the financial statements for the quarter ended 30 April 2013.

COMMITMENTS AND LOANS

At 30 April 2013 there were no capital commitments to third parties.

Gold Loan

In March 2010, the Group entered into an agreement ("Gold Loan") with Sandstorm to sell a portion of the life-of-mine gold production from its Ming Mine. Under the terms of the agreement Sandstorm made staged upfront cash payments for the gold to the Group totalling US$20 million.

For this, in each production year following the first year of production, until 175,000oz of payable gold has been produced, the Group has agreed to sell a percentage equal to 25% x (85% divided by the actual percentage of metallurgical recovery of gold realized in the immediately preceding production year) provided that, if the payable gold production in any production year after the third production year is less than 15,000 ounces, then in each such production year, Sandstorm payable gold shall not be less than 25% of the payable gold. In each production year following the first year of production, after 175,000oz of payable gold has been produced, the Group has agreed to sell a percentage equal to 12% x (85% divided by the actual percentage of metallurgical recovery of gold realized in the immediately preceding production year) provided that, if the payable gold production in any production year after the third production year is less than 15,000 ounces, then in each such production year, Sandstorm payable gold shall not be less than 12% of the payable gold for the remainder of the period ending 40 years after the date of the agreement. After the expiry of the 40 year term, the agreement is renewable in 10 year terms at the option of Sandstorm.

COMMITMENTS AND LOANS (Continued)

The remaining circumstances in which the Gold Loan may be repaid earlier than by the delivery of payable gold are as follows:

(i) If within 24 months of the date that gold is first produced (28 November 2011), the Ming Mine has not produced and sold a minimum of 24,000oz of payable gold (17,425 oz produced to 30 April 2013) then a portion of the US$20 million will be repayable based on the shortfall of payable gold, and/or;

(ii) Within the first 36 months of production of gold any shortfall in the value of payable gold below the following amounts will be required to be paid in cash:

- within the first 12 months – US$3.6 million
- within the second 12 months – US$3.6 million
- within the third 12 months – US$3.1 million

During the first seventeen months of production, repayments of US$8,916,148 were made from the delivery of 5,407 ounces of gold thereby satisfying the requirement to repay a minimum of US$3.6 million cash during the first and second 12 month periods and partially meeting the requirements for the third 12 months.

Credit Facility

On 29 September 2011 the Group agreed a Credit Facility of up to $10 million with Sprott Resource Lending Partnership ('Sprott') for use as additional funding for the development of the Ming Mine. Subsequent to amending the agreement in December 2011 the facility is available in three instalments; the first instalment of $5 million was drawn on 29 October 2011, the second instalment of $2.5 million was drawn on 30 January 2012 and the final instalment for the balance up to $10 million was available until 31 August 2012. The Company did not draw on this $2.5 million final available instalment. Interest will accrue at a fixed rate of 9.25% per annum. In connection with the Credit Facility, a Structuring Fee of $100,000 and a 3% Commitment Fee of $300,000 were paid to Sprott in cash. Pursuant to the terms of the Credit Facility, the Company issued $300,000 of ordinary shares of 1p each in the capital of the Company to Sprott in exchange for the repayment of the previously paid cash Commitment Fee. In addition, a further 4% Drawdown Fee on all amounts drawn under the Credit Facility was satisfied by the issuance of ordinary shares by the Company. On 26 March 2013 this agreement was amended such that the principal is repayable by 31 March 2014 and secured by a fixed and floating charge over the assets of the Group. Upon amending the credit facility an amendment fee of $400,000 was paid to Sprott in ordinary shares of 1p each. On 30 April 2013 and subsequently on 31 May 2013 the Group made repayments of

COMMITMENTS AND LOANS (Continued)

Credit Facility (continued)

$500,000 and $600,000 respectively to Sprott thereby reducing the outstanding balance to $5,900,000. Under the amended agreement $3,000,000 remains available for drawn until 30 September 2013.

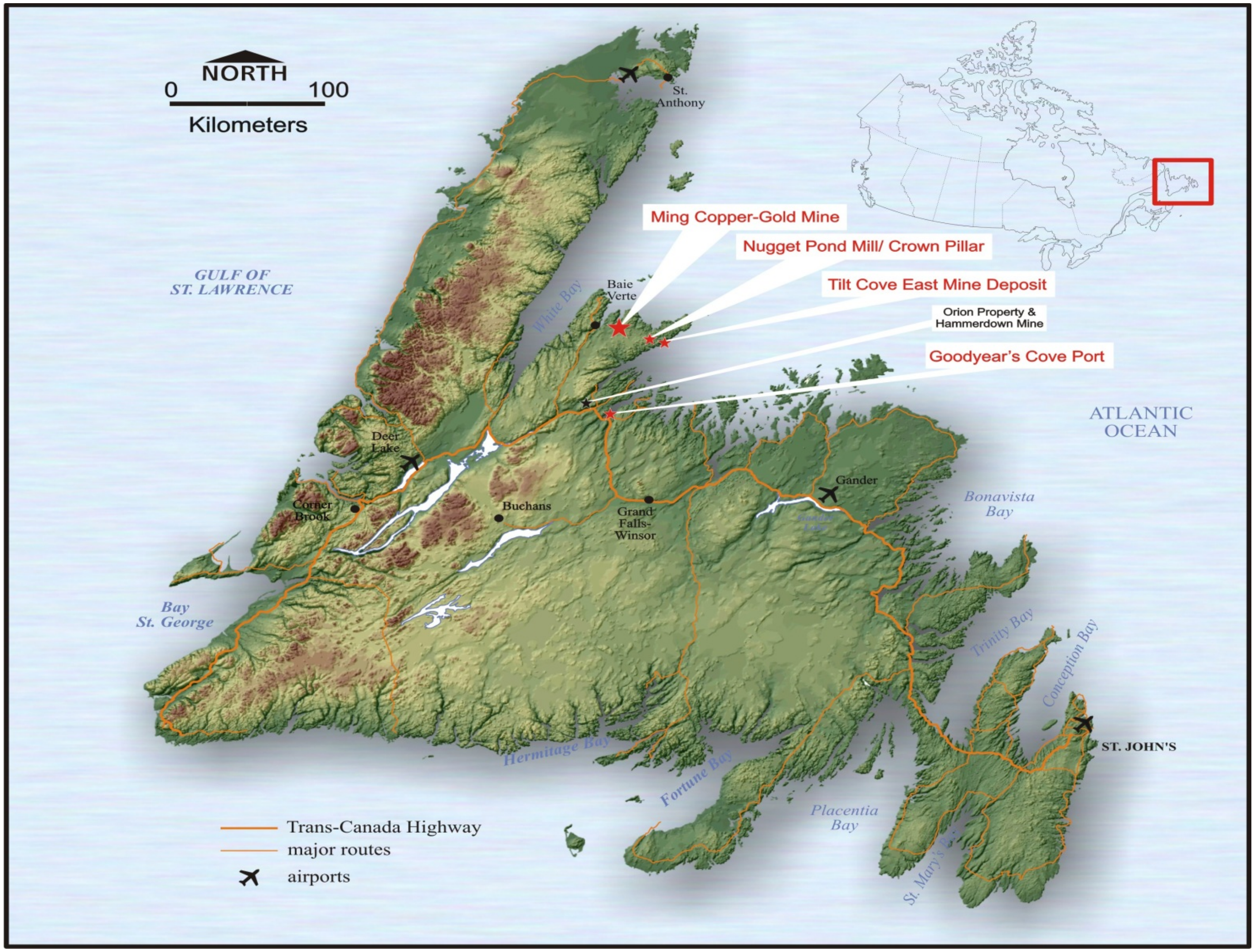
Loan and lease balances

At 30 April 2013 interest bearing loans and borrowings comprised a Gold Loan of $18,565,000, finance lease commitments of $7,093,000, a Credit Facility of $6,500,000 and a bank loan of $23,000. During the quarter the Group entered into finance lease commitments of $34,000 to finance the acquisition of mobile equipment for its port warehouse facility.

SUBSEQUENT EVENTS

On 31 May 2013 the Group made a further repayment of $600,000 against the Credit Facility reducing the outstanding balance to $5,900,000 with plans to continue reducing the balance over the coming months.

APPENDIX 1 – LOCATION MAP



APPENDIX 2 - SELECTED FINANCIAL INFORMATION & REVIEW OF OVERALL PERFORMANCE

Financial Highlights *(All amounts in 000s of Canadian Dollars, except shares and per share figures)*	**Three months ended,**			
	30 April 2013	**31 January 2013**	**31 October 2012**	**30 April 2012**
Gold sales (ounces)	117	-	-	8,194[1]
Average price (per ounce)	1,479	-	-	1,672
Concentrate sales (dmt)	4,274	4,899	4,331[1]	-
Average provisional price (per tonne Cu, Ag & Au concentrate)	2,343	2,378	2,185	-
Revenue	10,087	11,407	-	-
Production costs	6,435	7,328	-	-
Depreciation & amortisation	2,190	2,040	-	-
Administrative expenses	998	925	817	761
Net Income/(loss)	193	1,958	(718)	(281)
Cash Flow generated from/(used in) operating activities	(380)	4,978	(1,157)	(732)
Cash Flow from/(used in) investing activities	(2,099)	(1,158)	(1,005)	1,903
Cash Flow from/(used in) financing activities	(1,353)	(1,413)	(789)	(264)
Net (decrease)/increase in cash	(3,832)	2,407	(2,933)	907
Cash and cash equivalents at end of period	3,495	7,325	4,893	4,849
Total Assets	108,178	111,967	109,229	106,678
Total Liabilities	(38,385)	(42,734)	(42,335)	(41,933)
Working Capital	(6,226)	(6,072)	(8,820)	(7,482)
Weighted average number of shares outstanding	142,469	142,380	142,369	125,217
Earnings/(loss) per share	0.001	0.014	(0.005)	(0.002)

[1] *gold and copper concentrate sales relating to the testing and commissioning of the Ming Mine were credited to Mineral Properties until commercial production is achieved.*

APPENDIX 3 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The details of the Group's accounting policies are presented in accordance with International Financial Reporting Standards as set out in Note 2 to the financial statements. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year.

The following estimates are considered by management to be the most critical for investors to understand some of the processes and reasoning that go into the preparation of the Group's financial statements, providing some insight also to uncertainties that could impact the Group's financial results.

Going Concern
The Group's ability to continue as a going concern, and the recoverability of its mineral properties, is dependent on future trends in copper and gold prices, and its ability to continue generating positive cash flows from current operations. Through the use of current cash reserves and continued production management is satisfied that the Group has sufficient working capital for the forthcoming 12 months. However, there are risks associated with the commencement of a new mining and processing operation which may give rise to the possibility that additional working capital may be required to fund unanticipated delays at the copper concentrator and continued mine production and the repayment of loans falling due for repayment in March 2014. Should additional working capital be required, the Directors consider that further sources of finance could be secured in the required timescale; however, there is no certainty that these funds will be forthcoming. On this basis, the Directors have concluded that the Group is a going concern. These financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary should the going concern assumption be inappropriate, and these adjustments could be material.

Share-based payments
The Group calculates the cost of share based payments using the Black-Scholes model. Inputs into the model in respect of the expected option life and the volatility are subject to management estimate and any changes to these estimates may have a significant effect on the cost. The assumptions used in calculating the cost of share based payments are explained in note 5 of the financial statements for the year ended 31 July 2012.

APPENDIX 3 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

Gold Loan

The Group calculates the balance outstanding on the Gold Loan based on estimates of future cash flows arising from the sale of payable gold (see note 19 of the financial statements for the year ended 31 July 2012). The cash flows will be dependent on the production of gold and its selling price at the time of delivery which have been estimated in line with the mine plan, future prices of gold and resource and reserve estimates. Management's estimates of these factors are subject to risk and uncertainties affecting the amount of the interest charge. Any changes to these estimates may result in a significantly different interest charge which would affect the carrying value of the mineral properties costs and the corresponding Gold Loan liability.

Mineral Property and Exploration and Evaluation Costs

The directors have assessed whether there are any indicators of impairment in respect of mineral property and exploration and evaluation costs. In making this assessment they have considered the Group's business plan which includes resource estimates, future processing capacity, the forward market and longer term price outlook for copper and gold. Resource estimates have been based on the most recently filed NI43-101 report and its opportunities economic model which includes resource estimates and conversion of its inferred resources. Management's estimates of these factors are subject to risk and uncertainties affecting the recoverability of the Group's mineral property and exploration and evaluation costs. Any changes to these estimates may result in the recognition of an impairment charge with a corresponding reduction in the carrying value of such assets. After consideration of the above factors, the directors do not consider that there are any indicators that mineral property and exploration and evaluation costs are impaired at the year end.

Closure Costs

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

APPENDIX 3 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

Revenue

Revenues are subject to variation after the date of sale due to assay, price and foreign exchange fluctuations. Management monitors these changes closely and at the end of the period the directors will consider whether the effect of these variations are material on the whole and determine whether an adjustment is therefore appropriate.

Commercial production

The Group monitors the on-going testing and commissioning of its copper concentrate milling facility to assess when commercial production has been achieved. Commercial Production is the assessment that the mill is capable of operating in the manner intended and was defined by management at the onset of development to be 60 days of continuous production from both the mill and mine, being 85% of target rates envisaged in the Group's Feasibility Study. Prior to commercial production being declared, costs and revenues are offset to the Mineral Properties asset and post commercial production will be charged to the Group's income statement. Commercial production was achieved at 1 November 2012.

APPENDIX 3 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

CHANGES IN ACCOUNTING POLICIES

In the current quarter, new and revised standards which have been adopted have not affected the disclosures presented in these financial statements.

No standards issued but not yet effective have been adopted early.

International Financial Reporting Standards that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ended 31 July 2013:

IFRS /Amendment	Title	Nature of change to accounting policy	Application date of standard	Application date for Group
Various	Annual Improvements to IFRSs	No change to accounting policy, therefore, no impact	Various	1 August 2013
IFRS 9	Financial instruments: Classification and Measurement	No change to accounting policy, therefore, no impact	1 January 2015	1 August 2015
IFRS 10	Consolidated Financial Statements	No change to accounting policy, therefore, no impact	1 January 2013	1 August 2013
IFRS 11	Joint Arrangements	No change to accounting policy, therefore, no impact	1 January 2013	1 August 2013
IFRS 12	Disclosure of Interests in Other Entities	No change to accounting policy, therefore, no impact	1 January 2013	1 August 2013
IFRS 13	Fair Value Measurement	No change to accounting policy, therefore, no impact	1 January 2013	1 August 2013

Management have reviewed the impact of the above standards and interpretations and have concluded that they will not result in any material changes to reported results.

Details of the main accounting policies of the Group are included in note 2 of the financial statements for the year ended 31 July 2012.

APPENDIX 4 – OTHER MATTERS

Outstanding Share & Option Data

As at the date of this MD&A the following securities are outstanding:

Security	Shares issued or Issuable	Weighted Average Exercise Price
Common Shares	143,235,614	--
Options	4,113,000*	$0.45

*if all options have fully vested

For further assistance Mr. Peter Mercer, Corporate Secretary can be reached directly at +1-709-800-1929 ext.500 or pmercer@ramblermines.com.

Forward Looking Information

This MD&A contains “forward-looking information” which may include, but is not limited to, statements with respect to the Group’s objectives and strategy, future financial or operating performance of the Group and its projects, exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining exploration and development, environmental risks, title disputes or claims and limitations of insurance coverage. All statements, other than statements of historical fact, are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonably by the Company, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; availability and cost of credit; fluctuations in Canadian dollar interest rates; fluctuations in the relative value of United States dollars, Canadian dollars and British Pounds; changes in planned parameters as plans continue to be refined; fluctuations in the market and

APPENDIX 4 – OTHER MATTERS (continued)

Forward Looking Information (continued)

forward prices of copper, gold, silver or certain other commodities; possible variations of ore grade or recovery rates; failure of equipment; accidents and other risks of the mining exploration industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Risk Factors" in the Report of Directors. Although the Group has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Unless stated otherwise, forward-looking statements contained herein are made as of the date of this MD&A. Other than as required by applicable securities law, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Further information

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