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

For the Quarter Ended October 31, 2011

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 December 19, 2011 and covers the results of operations for the quarter ended October 31, 2011. This discussion should be read in conjunction with the audited Financial Statements for the year ended July 31, 2011 and notes thereto. These consolidated financial statements have been prepared in accordance with International *Financial Reporting Standards ("IFRS") and their interpretations adopted by the International Accounting Standards Board ("IASB"), as adopted by the European Union and with IFRS and their interpretations adopted by the IASB. The 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 principal activity of the Group is the development, mining and exploration of the Ming Copper-Gold Mine ('Ming Mine') located on Newfoundland and Labrador's Baie Verte Peninsula. Shortly after quarter end the Group was successful in bringing the mine into production with the first gold Dore being poured on December 12, 2011. See Appendix 1.

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

The Group has established the following three strategic goals:

1. Become a profitable copper and gold producer.
2. Increase existing Ming Mine resources and reserves through further exploration.
3. Selectively pursue growth opportunities within Atlantic Canada including joint ventures and acquisitions.

The Group's directors and management believe that focussing on these priorities will provide the best opportunity to build a successful and long term mining operation.

HIGHLIGHTS OF THE FIRST QUARTER

Management has been successful in their efforts to bring the historic Ming Mine back into production. Shortly after quarter end the Group began trucking gold ore from the mine to the Group's processing facilities at Nugget Pond and on December 12, 2011, the first gold Dore was poured and shipped for further refining and payment. While milling to date has been through the gold hydrometallurgical facility, subsequent to quarter end final construction on the new copper concentrator was completed which is now ready for 'live' commissioning. This period marks a significant milestone for the business with first revenues being produced from its 100% owned Ming Copper-Gold Mine meaning that Rambler Metals and Mining plc is now a production story.

Highlights of the first quarter of the 2012 fiscal year included:

Capital Development and Production

➔ Pre-production development to the various ore bodies is continuing with development into the upper levels of 1806 Zone being the current focus for the underground crews, given its proximity to surface. Development completed and planned to date has allowed access to 78,599 tonnes of material grading 4.10 g/t Au (10,360 Au oz contained) and 31.50 g/t Ag (87,182 Ag oz contained). This ore will be the first to be mined from the main ore body in 30 years and will represent a major milestone for the Company. The circa 80,000 tonnes of material will provide early revenues to the Company while the high grade 1807 copper zone is made available early in the New Year.

➔ Initial phase of commissioning of the copper concentrator began on October 17, 2011. This first phase includes the pressurizing of pipelines and hydrostatic testing of tanks to ensure they are functioning properly. To date the concentrator commissioning has been going well and Management anticipates "live" commissioning with Lower Footwall material in calendar Q1 2012.

➔ The 9,500 wet metric tonne concentrate storage facility at the Goodyear's Cove Port has been completed, with only building services and hook up remaining. A ship loading 850 tonnes per hour conveyor system with a 170 foot stack has also been ordered and is due for delivery in January 2012. The first shipment of copper concentrate will be in calendar Q2 2012 leaving this project ahead of both schedule and budget.

Financing & Off-take Agreement

➔ The Group drew down its first installment of CAD$5.0 million from the $10.0 million credit facility agreed to during the quarter. Interest will be payable at a fixed rate of 9.25% per annum, is repayable by March 29, 2013 and secured by a fixed and floating charge over the assets of the Group. Following the completion of a second visit from Sprott Resource Lending Partnership subsequent to quarter end, the final tranche of $5.0 million is now available at the Group's discretion upon the delivery of the executed off-take agreement.

HIGHLIGHTS OF THE FIRST QUARTER (Continued)

Financing & Off-take Agreement (Continued)

➔ A preferred off-taker has been chosen for the sale and marketing of the Ming Mine Concentrates; the Group continue to work towards finalizing the long term off-take agreement with a well-known international trading company for the sale/purchase of the full production from the Ming Mine ore body and the current capacity of the Nugget Pond processing facility. The agreement provides for an upfront provisional payment for the material as it is stored at the Goodyear's Cove Port facility. This provisional payment will provide the Company with steady cash flow prior to the first shipment of concentrate targeted for calendar Q2 2012.

See also 'Financial Results' section.

Exploration and evaluation

➔ Initiated a NI43-101 preliminary economic assessment to evaluate the profitability of mining the Group's Lower Footwall Zone. This study will assess the Ming Mine's transition from the current high grade low tonnage start-up operation into a bulk tonnage mining scenario utilizing all available resources from the LFZ.

Staffing

➔ Continued to strengthen the management team, recently appointing a Mill Operations Foreman with 16 years of flotation experience and a Mill Metallurgist as it prepares to run "live" feed through the copper concentrator.

➔ At quarter end a total of 98 full time employees were employed at the Ming Mine.

FINANCIAL RESULTS

➔ **Revenue**

- A total of 621 ounces of gold were processed from the Tilt Cove East Mine satellite deposit during the quarter generating revenue of $1,095,000. The Group suspended the ore processing in early August due to sodium cyanide supply issues and further postponed processing to make way for first production from Ming Mine ores.

- The Group generated further revenue of $124,000 through further refining of slag materials from the Nugget Pond Crown Pillar satellite deposit recovering an additional 74 ounces of gold.

➔ **Gross profit**

- During the quarter the Group generated gross profit of $545,000 from the sale of 621 ounces of gold from its Tilt Cove East Mine satellite deposit and 74 ounces of gold from the further refining of Nugget Pond Crown Pillar slag materials. This compared with a gross profit of $374,000 in Q1/11 resulting from a toll processing agreement at the Nugget Pond Mill.

➔ **Loss**

- The net loss for the quarter ended October 31, 2011 was $845,000 including an exchange loss of $721,000 or $0.007 per share which compares to a net profit of $577,000 for Q4/11 and a net loss of $268,000 for Q1/11.

➔ **Cash flow and cash resources**

- Cash flows generated from operating activities were $1,284,000 in Q1/12 compared to $573,000 in Q4/11 and cash flows utilized of $366,000 in Q1/11. The increase in the cash generated is due to changes in working capital.

- Cash resources (including short-term investments) as at October 31, 2011 were $8.2 million and as of December 19, 2011 had decreased to $3.2 million. A further $5.0 million is available under the Group's Credit Facility Agreement.

HEALTH AND SAFETY

- ➔ The Group completed the quarter with 1 lost time accidents and 2 medical aid injuries. The lost time accident was the first one ever recorded on the project's 6.3 year life and resulted while an employee was driving an underground haulage truck
- ➔ The Health and Safety of the Group's employees continues to be a high priority.
- ➔ There were no environmental incidents.

OUTLOOK

Management continue to pursue the following objectives:

- ➔ Bring the Ming Mine back into commercial production before the end of fiscal year 2012.
- ➔ Continue mining and milling the exposed 1806 workplaces for the generation of first revenues from the Ming Mine. Additional development focus will be put into preparing the high grade 1807 for processing during calendar Q1 2012. This new development will permit further exploration both up-dip and down-dip for inclusion in future resource estimates.
- ➔ Continue to evaluate the Ming Mine's expansion into the Lower Footwall Zone.
- ➔ Become a strategic long term low-cost producer on the Baie Verte Peninsula, and throughout Atlantic Canada, by selectively pursuing growth opportunities including joint ventures and acquisitions.

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

CAPITAL PROJECTS UPDATE

During the quarter the Group incurred $4,834,000 on Mineral Property, $4,833,000 on property, plant and equipment and $38,000 on exploration and evaluation of the Ming Mine.

Mineral Property (capital development)	**Q1/12**	**Q4/11**	**Q1/11**
	$,000	**$,000**	**$,000**
Labour costs	1,789	1,842	243
Contractors' and consultancy expenses	143	187	767
General materials and other costs	271	248	144
Surface development	64	185	48
Underground development	1,121	1,310	293
Sub-total	3,388	3,772	1,495
Finance costs	630	917	119
Depreciation	914	907	187
Reclamation and closure provision	(98)	224	811
Total	4,834	5,820	2,612

Mineral property costs reduced in Q1/12 compared to Q4/11 in line with a reduction of mine site surface construction and reduced underground consumable costs. Increased costs in Q1/12 and Q4/11 compared to Q1/11 relate to the ramp up in development following the decision to bring the Ming Mine back into production in Q1/11. Finance costs decreased in Q1/12 when compared to Q4/11 due to the timing of planned production reducing the interest charges on the Gold Loan liability, off-set by a reduction in reclamation and closure provision relating to the release of the financial assurance following completion of the Nugget Pond Crown Pillar. Included in the Q1/12 Mineral property cost is an estimated $390,000 in 1806 stockpile ores. Prior to the mine being considered substantially complete and ready for its intended use, all direct operating costs, including costs associated with stockpile ores, are capitalized within mineral property cost.

CAPITAL PROJECTS UPDATE (continued)

Mineral Property (capital development of by area, before finance cost, depreciation and reclamation)	Q1/12	Q4/11	Q1/11
	$,000	**$,000**	**$,000**
Surface	623	802	127
1806 ore zone	695	388	-
1807 ore zone	15	506	-
Lower Footwall ore zone	168	-	-
Ramp improvements	1,403	1597	210
Shaft manway rehab	20	76	946
Administrative	452	390	212
Port site	12	12	-
Total	3,388	3,772	1,495

Surface related costs decreased in Q1/12 compared to Q4/11 mainly due to construction timing of mine site works. Increased costs experienced on the 1806 ore zone in line with preparing the zone for the Group's first production mining. Ramp improvements decreased in Q1/12 compared to Q4/11 with increased focus on further development of the 1806 ore zone. 1807 ore zone expenditures decreased in Q1/12 compared to Q4/11 as a consequence of the increased focus previously noted. Lower Footwall ore zone expenditures in Q1/12 relate to development aimed at accessing ores for the commissioning of the Group's copper concentrator.

Property, plant and equipment	Q1/12	Q4/11	Q1/11
	$,000	**$,000**	**$,000**
Mill purchase and construction	4,160	2,139	439
Plant and equipment	72	521	166
Buildings	510	617	2
Other assets	91	104	69
Total	4,833	3,381	676

Property, plant and equipment increased during Q1/12 compared to Q4/11 reflecting the significant increase in mill purchase and construction due to timing of contractor related activity at the copper concentrator.

CAPITAL PROJECTS UPDATE (continued)

Exploration and evaluation costs (Ming Mine)	**Q1/12**	**Q4/11**	**Q1/11**
	$,000	**$,000**	**$,000**
Labour costs	-	-	126
Consultancy expenses	38	-	112
Operating costs	-	(31)	77
Finance costs	-	-	50
Depreciation	-	-	96
Total	38	(31)	461

Following the completion of the Ming Mine feasibility study, the Ming Mine project moved from pure Exploration & Evaluation into the Mine Development stage. Exploration expenditures incurred during Q1/12 related to the ongoing preliminary economic assessment of the Lower Footwall Zone of the Ming Mine.

FINANCIAL REVIEW

Q1/12 Results ($000's)	Commentary	Comparatives Q4/11	*B/ (W)**	Q1/11	B/ (W)
1,219	**Revenue** was generated through gold sales from the Group's Tilt Cove East Mine and the further refining of slag materials from the Nugget Pond Crown Pillar satellite deposits. Revenue in Q1/11 was from toll processing agreements.	2,088	*(42)%*	985	*24%*
674	**Operating Costs** related to the processing, mining, royalty and general and administrative costs associated with the Group's satellite deposits decreased compared to Q4/11 due to the completion of the Tilt Cove East Mine deposit early in Q1/12. Q1/11 costs were incurred from a toll processing agreement.	770	*12%*	611	*(10)%*
694	**General and administrative expenses** were lower than the previous quarter by $61,000. Employment costs reduced by $15,000 including a reduction of $31,000 in share based payment charges, investor relations costs reduced by $25,000 and travel and entertaining costs by $25,000 as a result of the focus on bringing the Ming mine into production. In comparison to Q1/11 administrative expenses increased by $11,000. Employment costs reduced by $17,000, travel and entertaining costs by $25,000 offset by an increase in security and general office expense of $47,000 due to the addition of security personnel at the mine site and the move to the new office and dry facility and further offset by increased depreciation charges of $11,000.	755	*8%*	683	*(2%)*
(721)	**Foreign exchange (losses)/gains** arising on the Gold Loan increased in Q1/12 as a result of the weakening of the Canadian dollar against the US dollar during the quarter.	(84)	*(758)%*	64	*(1,226)%*
6	**Exploration costs** decreased compared to the previous quarters as a result of reduced activity relating to the various opportunities in the Ming Mine area.	5	*(20)%*	28	*79%*
4,834	**Mineral Properties.** The group incurred costs of $4.8 million in the quarter including labour costs of $1.8 million, contractor and material costs of $0.4 million, underground development costs of $1.1 million depreciation of $0.9 million and finance costs of $0.6 million. Q1/12 mineral properties decreased compared to Q4/11 due to construction timing of mine site works and were higher when compared to Q1/11 due to the initiate ramp up commencing part way through Q1/11.	5,820	*24%*	2,612	*(70)%*
4,833	**Capital spending on property, plant and equipment** increased during the quarter compared to the previous quarter reflecting the continued spending on equipment and equipment installation for the Copper Concentrator at the Nugget Pond processing facility, construction of the port storage facility and other purchases related to the preparation of the Ming Mine for production. The increase from Q1/11 is due to the reasons outlined above.	3,342	*(45)%*	676	*(615)%*
38	**Capital spending on exploration and evaluation costs** remained at a low level during the quarter following the commencement of mine development on September 1, 2010.	(31)	*(222)%*	461	*92%*

***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 2012				
Revenue				1,219
Net Income/ (loss)				(845)
Loss per Share (Basic & Diluted)				(0.007)
Fiscal 2011				
Revenue	2,089	183	266	985
Net Income/ (loss)	577	193	(555)	(268)
Earnings/(loss) per Share (Basic & Diluted)	0.008	0.002	(0.006)	(0.003)
Fiscal 2010				
Revenue	-	-	-	
Net Income/ (loss)	(676)	(644)	(591)	
Loss per Share (Basic & Diluted)	(0.008)	(0.008)	(0.007)	

Losses for the second quarter of 2010 increased as a result of increased legal and professional charges in connection with financing options and the AGM. The continued weakening of the GB Pound against the Canadian Dollar resulted in a further increase in losses in the third quarter of 2010. Losses in the fourth quarter of 2010 increased as a result of an unrealised exchange loss offset by reductions in legal and professional charges and staff costs. Losses in the first quarter of 2011 reduced as a result of revenue from toll processing and rose again in the second quarter of 2011 following the completion of a toll processing agreement in November 2010. The profit arising in Q3 2011 included an exchange gain of $0.8 million arising on the retranslation of the Gold Loan following the weakening of the US Dollar against the Canadian Dollar during the quarter. 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 Q1/12 as a result of an exchange loss of $0.7 million and reduced sales activity due to the completed processing of the Group's satellite deposits.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION

To date the Group has 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 after production at the Ming Mine commences; however, there is no guarantee that expenses will not exceed income particularly during the 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 has taken a very risk averse approach to management of cash resources and Management and Directors monitor events and associated risks on a continuous basis. Cash and short-term investment resources (cash, cash equivalents and short-term investments) were as follows:

Resource	**October 31, 2011 $'000**	**July 31, 2011 $'000**
Cash $CDN	7,488	8,661
Cash $US	54	770
Cash GBP	163	47
Short-term Investments $CDN	25	25
Short-term Investments GBP	527	667
Total	8,257	10,170

Sales of gold and copper are likely to be made 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. Interest of 0.95% was received on Canadian dollar deposits during the quarter.

Net proceeds from financing activities during the quarter amounted to $4.2 million from receipts from a credit facility of $4.5 million net of financing fees offset by finance lease repayments of $0.3 million.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION (continued)

Cash flows used in investing activities amounted to $7.4 million for the quarter. Investments included $3.4 million in mine development, $3.2 million on the Nugget Pond Mill and $0.8 million on property, plant and equipment. The group is required to hold a Letter 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 quarter end the Group holds bearer deposit notes totalling $3.26 million.

The Group's ability to continue as a going concern, and the recoverability of its mineral properties, is dependent on copper and gold prices, its ability to fund its development and exploration programs, and to manage and generate positive cash flows from operations in the future. In line with the extended terms of the Gold Loan, if by December 31, 2011 the Ming Mine has not reached production, then amounts advanced will become repayable on demand, however management consider that if there were delays in the commencement of production an extension of the deadline could be secured. To ensure sufficient working capital management has secured a CAD$10 million credit facility, of which CAD$5 million has been drawn, and 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 such that the plant may not be commissioned within the timescales envisaged, giving rise to the possibility that additional working capital may be required to fund delays in start-up and/or additional capital expenditure not originally envisaged which may require other sources of finance to be considered in order to satisfy short term working capital requirements as production commences. Should additional working capital be required, the Directors consider that further sources of finance could be secured in the required timescale. On this basis, the Directors have concluded that the Group is a going concern. However there is no certainty that these funds will be forthcoming or that the extension to the Gold Loan will be granted. 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.

At December 19, 2011 the Group has $3.2 million in cash and cash equivalents.

Financial Instruments

The Group’s financial instruments as at October 31, 2011 comprised of financial assets of 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.

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 11 of the consolidated financial information for the nine months ended October 31, 2011. There were no derivative instruments outstanding at October 31, 2011.

COMMITMENTS AND LOANS

At October 31, 2011, capital commitments made to third parties included:

Capital Commitments	$000
Property, Plant and Equipment	1,952
TOTAL	1,952

These commitments together with the ongoing evaluation and development of the mine will be partially financed from existing cash reserves and from funds drawn down under the Group's credit facility agreement disclosed above.

The Group agreed a Credit Facility of up to CAD$10 million with Sprott Resource Lending Partnership ('Sprott') for use as additional funding for the development of the Ming Mine. The facility is available in two instalments; the first instalment of $5 million was drawn on October 29, 2011 and the final instalment for the balance up to $10 million is available until August 31, 2012 subject to the delivery of the Group's executed off-take agreement. Interest will be payable at a fixed rate of 9.25% per annum, is repayable by March 29, 2013 and secured by a fixed and floating charge over the assets of the Group. In connection with the Credit Facility, a Structuring Fee of CAD$100,000 and a 3% Commitment Fee of CAD$300,000 were paid to Sprott in cash. Pursuant to the terms of the Credit Facility, the Company issued CAD$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 is to be satisfied by the issue of ordinary shares by the Company.

At October 31, 2011, interest bearing loans and borrowings comprised a Gold Loan of $21,187,000, finance lease commitments of $6,622,000, a credit facility of $4,024,000 and a bank loan of $28,000.

SUBSEQUENT EVENTS

On November 28, 2011, in line with plans to maximize revenue and profits, the Group began processing the first ore from the 1806 high-grade gold zone through the hydrometallurgical facility at Nugget Pond. After two weeks of processing the Group was successful in producing gold dore marking a significant milestone for the business with first revenues being produced from its 100% owned Ming Copper-Gold Mine. Also, subsequent to quarter end construction of the new copper concentrator was completed along with pre-rock commissioning. The new plant is now ready to process base metal material from the Ming Mine once the first workplaces in the 1806 zone are mined and all gold has been recovered.

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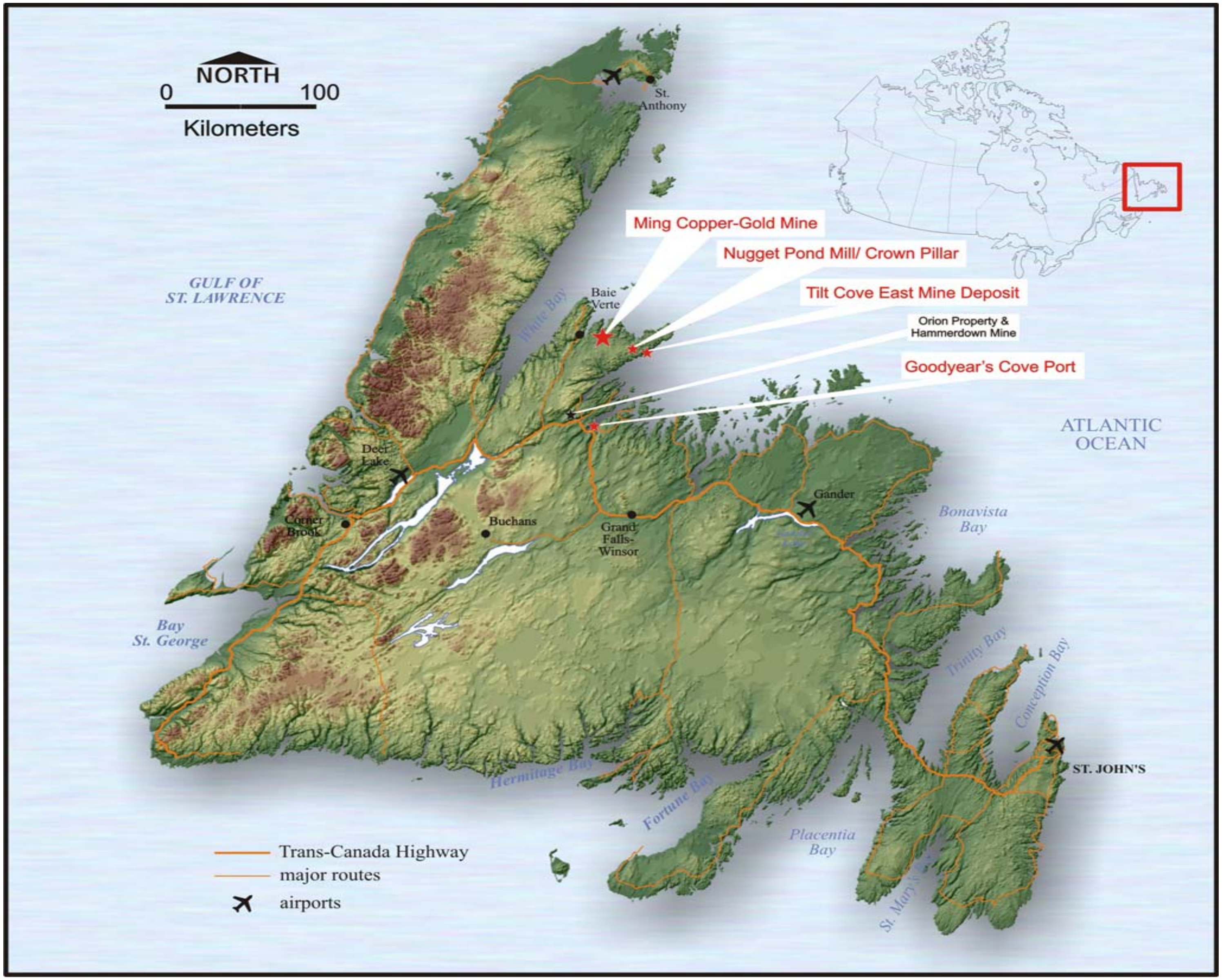
APPENDIX 1 – LOCATION MAP



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,**		
	October 31, 2011	**July 31, 2011**	**October 31, 2010**
Gold sales (Ounces)	695	1,399	-
Average price (per ounce)	1,700	1,492	-
Revenue	1,219	2,088	985
Operating Expenses	(674)	(770)	(611)
Exploration Expenditure	(6)	(5)	(28)
Administrative expenses	(694)	(755)	(683)
Net (loss) Income	(845)	577	(268)
Cash Flow generated by/used in operating activities	1,284	573	(366)
Cash Flow used in investing activities	(7,438)	(7,590)	(1,941)
Cash Flow from financing activities	4,194	14,726	1,924
Net (decrease)/increase in cash	(1,960)	7,693	(383)
Cash and cash equivalents at end of period	8,257	10,170	7,493
Total Assets	102,449	96,473	58,219
Total Liabilities	(40,769)	(34,496)	(11,555)
Working Capital	4,664	7,804	7,115
Weighted average number of shares outstanding	123,361	102,282	95,485
(Loss)/Earnings per share	(0.007)	0.008	(0.003)

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 the copper and gold prices, its ability to fund its development and exploration programs, and to manage and generate positive cash flows from operations in the future. 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.

The Group's ability to continue as a going concern, and the recoverability of its mineral properties, is dependent on copper and gold prices, its ability to fund its development and exploration programs, and to manage and generate positive cash flows from operations in the future. In line with the extended terms of the Gold Loan, if by December 31, 2011 the Ming Mine has not reached production, then amounts advanced will become repayable on demand, however management consider that if there were delays in the commencement of production an extension of the deadline could be secured. To ensure sufficient working capital management has secured a CAD$10 million credit facility (see note 7), of which CAD$5 million has been drawn, and 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 such that the plant may not be commissioned within the timescales envisaged, giving rise to the possibility that additional working capital may be required to fund delays in start-up and/or additional capital expenditure not originally envisaged which may require other sources of finance to be considered in order to satisfy short term working capital requirements as production commences. Should additional working capital be required, the Directors consider that further sources of finance could be secured in the required timescale. On this basis, the Directors have concluded that the Group is a going concern. However there is no certainty that these funds will be forthcoming or that the extension to the Gold Loan will be granted. 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 10 of the financial statements for the period ended October 31, 2011.

APPENDIX 3 - CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

Gold Loan

The Group calculates the effective interest rate on the Gold Loan based on estimates of future cash flows arising from the sale of payable gold (see note 7 to the Unaudited Consolidated Financial Information for the three months ended October 31, 2011).The cash flows will be dependent on the production of gold and its selling price at the time of delivery which have been estimated in line with the mine plan, future prices of gold and reserve estimates. Management's estimates of these factors are subject to risk and uncertainties affecting the amount of the interest charge. Any changes to these estimates may result in a significantly different interest charge which would affect the carrying value of the exploration and evaluation costs and the corresponding Gold Loan liability.

The financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

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 quarter 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)

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 July 31, 2012:

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	August 1, 2012
IFRS 9	Financial instruments: Classification and Measurement	No change to accounting policy, therefore, no impact	January 1, 2013	August 1, 2013
IFRS 10	Consolidated Financial Statements	No change to accounting policy, therefore, no impact	January 1, 2013	January 1, 2013
IFRS 11	Joint Arrangements	No change to accounting policy, therefore, no impact	January 1, 2013	January 1, 2013
IFRS 12	Disclosure of Interests in Other Entities	No change to accounting policy, therefore, no impact	January 1, 2013	January 1, 2013
IFRS 13	Fair Value Measurement	No change to accounting policy, therefore, no impact	January 1, 2013	January 1, 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 July 31, 2011

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	124,461,006	--
Options	4,053,000*	$0.45

*if all options have fully vested

Mr. Peter Mercer assumed the role of Corporate Secretary on January 1, 2011. For future assistance Mr. Mercer 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 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

APPENDIX 5 – OTHER MATTERS (continued)

Forward Looking Information (continued)

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.