RAMBLER METALS & MINING PLC

UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

FOR THE QUARTER ENDED 31JANUARY 2012

The accompanying financial information for the quarter ended 31 January 2012 and 31 January 2011 has not been reviewed or audited by the Group's auditor and has an effective date of 22 March 2012.

RAMBLER METALS AND MINING PLC

UNAUDITED CONSOLIDATED INCOME STATEMENT

For the Quarter Ended 31 January 2012
(EXPRESSED IN CANADIAN DOLLARS)

	Quarter ended 31 January 2012 $,000	Quarter ended 31 January 2011 $,000	Six months ended 31 January 2012 $,000	Six months ended 31 January 2011 $,000
Revenue	-	266	1,219	1,251
Cost of sales	-	(198)	(674)	(809)
Gross profit	-	68	545	442
Administrative expenses	(783)	(698)	(1,477)	(1,381)
Exploration expenses	(6)	(31)	(12)	(59)
Operating loss	(789)	(661)	(944)	(998)
Bank interest receivable	20	14	53	32
Finance costs	(3)	(18)	(5)	(31)
Foreign exchange differences	(267)	81	(988)	145
Net financing (expense) income	(250)	77	(940)	146
Loss before tax	(1,039)	(584)	(1,884)	(852)
Income tax credit	-	29	-	29
Loss for the period and attributable to owners of the parent	(1,039)	(555)	(1,884)	(823)

Loss per share

	Quarter ended 31 January 2012 $	Quarter ended 31 January 2011 $	Six months ended 31 January 2012 $	Six months ended 31 January 2011 $
Basic and diluted loss per share	(0.008)	(0.006)	(0.015)	(0.009)

RAMBLER METALS AND MINING PLC

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Quarter Ended 31January 2012
(EXPRESSED IN CANADIAN DOLLARS)

	Quarter ended 31 January 2012 $,000	Quarter ended 31 January 2011 $,000	Six months ended 31 January 2012 $,000	Six months ended 31 January 2011 $,000
Loss for the period	(1,039)	(555)	(1,884)	(823)
Exchange differences on translation of foreign operations (net of tax)	(2)	(10)	10	(6)
Other comprehensive income for the period	(2)	(10)	10	(6)
Total comprehensive loss for the period and attributable to the owners of the parent	(1,041)	(565)	(1,874)	(829)

RAMBLER METALS AND MINING PLC

CONSOLIDATED BALANCE SHEET

As at 31January 2012
(EXPRESSED IN CANADIAN DOLLARS)

	Note	Unaudited 31January 2012 $,000	Audited 31 July 2011 $,000
Assets			
Intangible assets	*3*	16,913	16,627
Mineral properties	*4*	48,796	38,468
Property, plant and equipment	*5*	32,063	25,332
Total non-current assets		97,772	80,427
Inventory	*6*	894	934
Trade and other receivables		625	1,565
Cash and cash equivalents		3,974	10,170
Restricted cash		3,405	3,377
Total current assets		8,898	16,046
Total assets		106,670	96,473
Equity			
Issued capital		2,317	2,299
Share premium		66,420	65,934
Merger reserve		214	214
Translation reserve		145	135
Accumulated losses		(8,436)	(6,604)
Total equity		60,660	61,978
Liabilities			
Interest-bearing loans and borrowings	*7*	31,535	24,606
Provision	*8*	1,572	1,647
Total non-current liabilities		33,107	26,253
Interest-bearing loans and borrowings	*7*	4,561	2,282
Trade and other payables		8,342	5,960
Total current liabilities		12,903	8,242
Total liabilities		46,010	34,495
Total equity and liabilities		106,670	96,473

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EXPRESSED IN CANADIAN DOLLARS)	Share capital $,000	Share premium $,000	Merger reserve $,000	Translation reserve $,000	Accumulated Losses $,000	Total $,000
Group						
Audited						
Balance at 1 August 2010	1,863	51,532	214	25	(6,811)	46,823
Comprehensive loss						
Loss for the year	-	-	-	-	(53)	(53)
Foreign exchange translation differences	-	-	-	110	-	110
Other comprehensive loss	-	-	-	110	-	110
Total comprehensive loss for the year	-	-	-	110	(53)	57
Transactions with owners						
Issue of share capital	436	15,252	-	-	-	15,688
Share issue expenses	-	(850)	-	-	-	(850)
Share-based payments	-	-	-	-	260	260
Transactions with owners	436	14,402	-	-	260	15,098
Balance at 31 July 2011	2,299	65,934	214	135	(6,604)	61,978
Unaudited						
Balance at 1 August 2011	2,299	65,934	214	135	(6,604)	61,978
Comprehensive loss						
Loss for the period	-	-	-	-	(1,884)	(1,884)
Foreign exchange translation differences	-	-	-	10	-	10
Other comprehensive loss	-	-	-	10	-	10
Total comprehensive income for the period	-	-	-	10	(1,884)	(1,874)
Transactions with owners						
Issue of share capital	18	486	-	-	-	504
Share-based payments	-	-	-	-	52	52
Transactions with owners	18	486	-	-	52	556
Balance at 31 January 2012	2,317	66,420	214	145	(8,436)	60,660

RAMBLER METALS AND MINING PLC

UNAUDITED STATEMENTS OF CASH FLOWS

For the Quarter Ended 31January 2012
(EXPRESSED IN CANADIAN DOLLARS)

	Quarter ended 31 January 2012 $,000	Quarter ended 31 January 2011 $,000	Six months ended 31 January 2012 $,000	Six months ended 31 January 2011 $,000
Cash flows from operating activities				
Operating loss	(789)	(661)	(944)	(998)
Depreciation	54	18	103	57
Share based payments	16	45	47	143
Exchange differences	-	(62)	-	(115)
Decrease/(increase) in inventory	(262)	(26)	40	(109)
Decrease/(increase) in receivables	360	(388)	939	(949)
Increase/(decrease) in payables	94	84	574	511
Cash generated from/(utilised in) operations	(527)	(990)	759	(1,460)
Interest paid	(3)	(18)	(5)	(31)
Income tax received	-	29	-	29
Net cash generated from/(utilised for) operating activities	(530)	(979)	754	(1,462)
Cash flows from investing activities				
Interest received	20	14	53	32
Acquisition of bearer deposit note	-	(81)	(28)	(593)
Acquisition of evaluation and exploration assets	(286)	(17)	(313)	(251)
Acquisition of mineral properties	(2,578)	(3,888)	(5,936)	(4,589)
Acquisition of property, plant and equipment	(2,139)	(4,276)	(6,197)	(4,788)
Net cash utilised in investing activities	(4,983)	(8,248)	(12,421)	(10,189)
Cash flows from financing activities				
Proceeds from issue of share capital	-	6	-	6
Proceeds from exercise of share options	4	2	8	8
Proceeds from Loans (note 7)	2,446	6,685	6,970	8,697
Repayment of gold loan	(778)	-	(778)	-
Capital element of finance lease payments	(442)	(108)	(776)	(202)
Net cash from financing activities	1,230	6,585	5,424	8,509
Net decrease in cash and cash equivalents	(4,283)	(2,642)	(6,243)	(3,142)
Cash and cash equivalents at beginning of period	8,257	7,493	10,170	8,000
Effect of exchange rate fluctuations on cash held	-	14	47	7
Cash and cash equivalents at end of period	3,974	4,865	3,974	4,865

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

1 Nature of operations and going concern

The principal activity of the Group is the development and exploration programme of the Ming Copper-Gold Mine in Baie Verte, Newfoundland and Labrador, Canada.

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 current operations. To ensure sufficient working capital management has secured CAD$4.5 million through a non-brokered private placement (see note 12). Through the use of these placement funds, continued production during the commissioning phase and the unused credit facility balance of CAD $2.5 million, 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 delays in commissioning the copper concentrator and continued mine development. 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. 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.

2 Accounting policies

Details of the main accounting policies of the Group are included in note 2 of the financial statements for the year ended 31 July 2011.

3. Intangible assets

	Exploration and evaluation Costs $,000
Cost	
Balance at 1 August 2010	37,051
Acquisitions	478
Transfer to mineral properties	(20,902)
Balance at 31 July 2011	16,627
Balance at 1 August 2011	16,627
Acquisitions	286
Balance at 31 January 2012	16,913
Carrying amounts	
At 31 July 2011	16,627
At 31 January 2012	16,913

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. Mineral Properties

	Mineral Property $,000
Cost	
Balance at 1 August 2010	-
Transfer from exploration and evaluation costs	20,902
Acquisitions	17,566
Balance at 31July2011	38,468
Balance at 1 August 2011	38,468
Acquisitions	10,328
Balance at 31January 2012	48,796
Carrying amounts	
At 31July 2011	38,468
At 31 January 2012	48,796

Included in current period acquisitions are $2.479 million in gold sales realized as part of the commissioning of 1806 ores through the Nugget Pond Mill.

5. Property, plant and equipment

	Land and buildings $,000	Assets under construction $,000	Motor vehicles $,000	Plant and equipment $,000	Fixtures, fittings and equipment $,000	Computer equipment $,000	Total $,000
Cost							
Balance at 1 August 2010	1,096	5,200	118	6,038	56	540	13,048
Acquisitions	1,845	10,110	74	8,127	34	130	20,320
Disposals	-	-	(39)	-	-	-	(39)
Balance at 31 July 2011	2,941	15,310	153	14,165	90	670	33,329
Balance at 1 August 2011	2,941	15,310	153	14,165	90	670	33,329
Additions	662	5,831	85	2,161	3	83	8,825
Disposals	-	-	(39)	-	-	(7)	(46)
Balance at 31 January 2012	3,603	21,141	199	16,326	93	746	42,108
Depreciation and impairment losses							
Balance at 1 August 2010	775	-	51	4,382	44	335	5,587
Depreciation charge	151	-	40	2,070	13	156	2,430
Eliminated on disposals	-	-	(20)	-	-	-	(20)
Balance at 31 July 2011	926	-	71	6,452	57	491	7,997
Balance at 1 August 2011	926	-	71	6,452	57	491	7,997
Depreciation charge	160	-	48	1,777	8	81	2,074
On disposals	-	-	(20)	-	-	(6)	(26)
Balance at 31 January 2012	1,086	-	99	8,229	65	566	10,045
Carrying amounts							
At 31 July 2011	2,015	15,310	82	7,713	33	179	25,332
At 31 January 2012	2,517	21,141	100	8,097	28	180	32,063

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. Inventories

	31January 2012 $,000	31 July 2011 $,000
Metals in process	-	540
Operating supplies	894	394
	894	934

7. Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate and foreign currency risk, see note 11.

	31January 2012 $,000	31 July 2011 $,000
Non-current liabilities		
Bank loan	24	26
Finance lease liabilities	6,019	5,326
Gold Loan	18,995	19,254
Credit Facility	6,497	-
	31,535	24,606
Current liabilities		
Current portion of bank loan	3	3
Current portion of finance lease liabilities	1,808	1,630
Current portion of Gold Loan	2,750	649
	4,561	2,282

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Minimum lease Payments 31 January 2012 $,000	Interest 31 January 2012 $,000	Principal 31 January 2012 $,000	Minimum lease Payments 31 July 2011 $,000	Interest 31 July 2011 $,000	Principal 31 July 2011 $,000
Less than one year	2,155	347	1,808	1,965	335	1,630
Between one and five years	6,635	616	6,019	5,918	592	5,326
	8,790	963	7,827	7,883	927	6,956

Under the terms of the equipment lease agreements, no contingent rents are payable.

The bank loan is secured by way of a fixed charge over a property and is repayable in monthly instalments of $384 over 12 years.

7. Interest-bearing loans and borrowings (continued)

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, the Group has agreed to sell 32% of the payable gold in the first year of production. 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.

A 4.5% cash commission was payable with each payment received under the agreement.

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 (November 28, 2011), the Ming Mine has not produced and sold a minimum of 24,000oz of payable gold then a portion of the US$20 million will be repayable based on the shortfall of payable gold.

(ii) Within the first 36 months of commercial 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

The Gold Loan is accounted for as a financial liability carried at amortised cost. In determining the effective interest rate implicit in the cash flows arising from the loan the cash flows are forecast at each quarter end based on management's best estimates of the time of delivery of payable gold, the total amount of gold expected to be produced over the mine life and the timing of that production.

During the period, repayments of US$767,872 were made from the delivery of 467oz of gold.

7. Interest-bearing loans and borrowings (continued)

Total interest of $1,595,252 was accrued during the period. $nil (2011: $49,906) was included in exploration and evaluation expenditure and $1,595,252 (2011: $1,451,371) charged to mineral properties.

The Gold Loan is secured by a fixed and floating charge over the assets of the Group.

Credit Facility

On September 29, 2011 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. Subsequent to amending the agreement in December 2011 the facility is available in three instalments; the first instalment of $5 million was drawn on October 29, 2011, the second instalment of $2.5 million was drawn on January 30, 2012 and the final instalment for the balance up to $10 million is available until August 31, 2012. Interest will accrue at a fixed rate of 9.25% per annum, principle 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

8. Provisions

	31January 2012	31 July 2011
	$,000	$,000
Reclamation and closure provision		
At 1 July 2011	1,647	559
(Released)/provided during the period	(121)	1,007
Unwinding of discount	46	81
At 31January 2012	1,572	1,647

The reclamation and closure provision has been made in respect of costs of land restoration and rehabilitation expected to be incurred at the end of the Ming Mine's useful life. The provision has been calculated based on the present value of the expected future cash flows associated with reclamation and closure activities as required by the Government of Newfoundland and Labrador. The provision relates to restoration of all three sites associated with the Ming Mine project: mill, mine and port sites. The liability is secured by Letters of Credit for $3,255,155.

9. Related parties

Transactions with key management personnel

Total key management personnel compensation was as follows:

	Quarter ended 31 January 2012	Quarter ended 31 January 2011	**Six months ended 31 January 2012**	Six months ended 31 January 2011
	$,000	$,000	**$,000**	$,000
Short term employee benefits	178	130	336	233
Share based payments	-	15	13	40
	178	145	349	273

10. Share-based payments

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 31January 2012	Number of options 31January 2012	Weighted average exercise price 31 July 2011	Number of options 31 July 2011
	$	No. 000	$	No. 000
Outstanding at the beginning of the period	0.484	4,167	0.467	3,952
Granted during the period	0.476	284	0.506	647
Exercised	0.187	(67)	0.186	(52)
Cancelled during the period	0.766	(431)	0.379	(380)
Outstanding at the end of the period	0.454	3,953	0.484	4,167
Exercisable at the end of the period	0.444	3,481	0.495	3,077

The options outstanding at 31 January 2012 have an exercise price in the range of $0.16 to $1.10 and a weighted average remaining contractual life of 7.2 years (31 July 2011: 8 years).

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the Black-Scholes model. The contractual life of the option (10 years) is used as an input into this model. Expectations of early exercise are incorporated into the Black-Scholes model.

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Share-based payments

Fair value of share options and assumptions	**Quarter ended 31 January 2012**	Quarter ended 31 January 2011	**Six months ended 31 January 2012**	Six months ended 31 January 2011
	$,000	$,000	**$,000**	$,000
Fair value at measurement date of options granted in the period	20	16	79	116
Weighted average fair value per option granted in period	0.249	0.380	0.279	0.275
Share price (weighted average)	0.435	0.600	0.476	0.452
Exercise price (weighted average)	0.435	0.600	0.476	0.452
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes model)	68.8%	80.0%	69.6%	75.5%
Expected option life	5	5	5	5
Expected dividends	0	0	0	0
Risk-free interest rate (based on national government bonds)	1.23%	2.50%	1.87%	2.50%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There are no performance or market conditions associated with the share option grants.

	Quarter ended 31 January 2012	Quarter ended 31 January 2011	**Six months ended 31 January 2012**	Six months ended 31 January 2011
	$,000	$,000	**$,000**	$,000
Total expense recognised as employee costs	16	45	47	143

11. Financial risk management

The Group's principal financial assets comprise: cash and cash equivalents and other receivables. The Group financial liabilities comprise: trade payables; other payables; and accrued expenses. The Group's financial liabilities also include interest bearing loans and borrowings.

All of the Group's financial liabilities are measured at amortised cost and their financial assets are classified as loans and receivables and 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 exchange risk, interest rate risk, credit risk and liquidity risk each of which is discussed below. There were no derivative instruments outstanding at 31 January 2012.

11. Financial risk management (continued)

Foreign currency risk

The Group's cash resources are held in GB pounds and Canadian Dollars and the Gold Loan is repayable in US dollars. The Group has a downside exposure to any strengthening of the GB pound as this would increase expenses in Canadian dollar terms. This risk is mitigated by reviewing the holding of cash balances in GB pounds. Any weakening of the GB pound would however result in the reduction of the expenses in Canadian dollar terms and preserve the Group's cash resources. In addition, any such movements would affect the Consolidated Balance Sheet when the net assets of the Parent Company are translated into Canadian dollars. The Group has a downside exposure to any strengthening of the US dollar as this would increase the amount repayable on the Gold Loan in Canadian dollar terms. This risk, however, is relevant only should the Gold Loan be repaid in cash under terms set out in note 7. Repayment is envisaged in payable gold which is denominated in US dollars. Once the Mine is in production, this will mitigate this foreign currency risk.

The Group does not hedge its exposure of foreign investments held in foreign currencies. There is no significant impact on profit or loss from foreign currency movements associated with the Parent company's assets and liabilities as the foreign currency gains or losses are recorded in the translation reserve.

Exchange rate fluctuations may adversely affect the Group`s financial position and results. The following table details the Group`s sensitivity to a 10% strengthening and weakening in the GB pound against the Canadian/US Dollar. 10% represents management's assessment of the reasonable possible exposure.

	Equity	
	31 January 2012	31 July 2011
	$,000	$,000
10% strengthening of GB pound	28	64
10% weakening of GB pound	(26)	(57)
10% strengthening of US dollar	(2,174)	(1,920)
10% weakening of US dollar	1.977	1,746

Liquidity risk

Prior to Q3 2010 the Group had relied on shareholder funding to finance its operations. During Q3, 2010 the Group entered into a financing arrangement in US dollars (gold loan) and a Credit Facility arrangement (see note 7). With finite cash resources and no material income, the liquidity risk is significant. This risk is managed by controls over expenditure and concentrating on achieving the payment milestones under the financing arrangement. Success will depend largely upon the outcome of ongoing and future exploration and development programmes. Given the nature of the Group's current activities the entity will remain dependent on a mixture of debt and equity funding in the short to medium term until such time as the Group becomes self-financing from the commercial production of mineral resources.

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. Financial risk management (continued)

The Group's trade payables, other payables and accrued expenses are generally due between one and three months and the Group's financial liabilities are due as follows:

Financial liabilities	31 January 2012 $,000	31 July 2011 $,000
Due within one year	4,561	2,282
Due within one to two years	10,655	3,608
Due within two to three years	4,844	4,814
Due within three to four years	2,678	2,272
Due within four to five years	1,560	2,030
Due after five years	11,798	11,882
	36,096	26,888

Fixed rate financial liabilities

At the period end the analysis of finance leases, hire purchase contracts and loans which were all due in Canadian Dollars and are at fixed interest rates was as follows:

Fixed rate liabilities	31 January 2012 $,000	31 July 2011 $,000
Due within one year	1,811	1,633
Due within one to two years	8,381	1,465
Due within two to three years	1,854	1,508
Due within three to four years	1,834	1,478
Due within four to five years	460	888
Due after five years	11	13
	14,351	6,985

The average fixed interest rate for the finance leases and hire purchase contracts outstanding at 31 January 2012 was 5.90%.

Credit risk

The Group holds the majority of its cash resources in Canadian Dollars given that the majority of the Group's outgoings are denominated in this currency. 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. There is little perceived credit risk in respect of trade and other receivables. The Group and Company's maximum exposure to credit risk at January 31, 2012 was represented by receivables and cash resources.

Interest rate risk

The Group's policy is to retain its surplus funds on the most advantageous term of deposit available up to twelve month's maximum duration. Details of the Group's borrowings are described in note 7.If the interest rate on deposits were to fluctuate by 1% there would be no material effect on the Group's and Company's reported results.

11. Financial risk management (continued)

Commodity price risk

Commodity price risk is the risk that the Group's future earnings will be adversely impacted by changes in the market prices of commodities. The Group is exposed to commodity price risk as its future revenues will be derived based on contracts with customers at prices that will be determined by reference to market prices of copper and gold at the delivery date.

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. In estimating the cash flows the following table details the Group's sensitivity to a 10% increase and a 25% decrease in the price of gold. These percentages represent management's assessment of the reasonable possible exposure.

	Gross assets	
	31January 2012	31 July 2011
	$,000	$,000
10% increase in the price of gold	528	292
25% decrease in the price of gold	(1,418)	(783)

Financial assets

The floating rate financial assets comprise interest earning bank deposits at rates set by reference to the prevailing LIBOR or equivalent to the relevant country. Fixed rate financial assets are cash held on fixed term deposit.

At the period end the cash and short term deposits were as follows:

At 31January 2012	Fixed rate assets	Floating rate Assets	Total	Average period for which rates are fixed	Average interest rates for fixed rate assets
	$,000	**$,000**	**$,000**	**Months**	**%**
GB Pounds	473	28	501	1	0.25
US $	-	62	62	-	-
Canadian $	-	3,411	3,411	-	-
	473	3,501	3,974		
At 31 July 2011					
	$,000	$,000	$,000	**Months**	**%**
GB Pounds	667	47	714	1	0.25
Canadian $	25	9,431	9,456	1.3	0.95
	692	9,478	10,170		

Fair values

In the directors' opinion there is no material difference between the book value and fair value of any of the group's financial instruments.

12. Subsequent Events

On February 8, 2012 the Group announced the purchase of Ming Mine's 2% net smelter royalty held by Philippine Metals Inc., formerly Meridian Mining Corporation, for CAD$600,000. Before the buyout the mine had a 4.5% combined net smelter royalty held by four separate groups. Arrangements are also being considered to buyout a further 1% net smelter royalty for CAD$500,000. Following the buyout of the 1% net smelter royalty the Ming Mine's net smelter royalty will be 1.5%.

On February 15, 2012 the Group completed an acquisition of 4,500,000 shares of Maritime Resources Corp (TSXV: MAE) ('Maritime') through a non-brokered private transaction priced at $0.23 per share for a total consideration of $1,035,000. The acquisition gives Rambler a 17% equity stake and an invite to appoint a representative to join Maritime's Board of Directors. Maritime continues to advance the Green Bay portfolio of properties, specifically the Hammerdown mine, and the Orion and Lochinvar deposits.

On March 6, 2012 Rambler announced that it had accepted an offer from Tinma International Ltd. ('Tinma'), a wholly-owned subsidiary of a China-based investor, to become a strategic shareholder in Rambler through a non-brokered private placement by entering into a conditional subscription agreement. Subsequently on March 19, 2012 Rambler announced the closing of the private placement resulting in the issuance of 10,403,980 ordinary shares to Tinma at a placing price of CAD $0.44 per ordinary share for gross proceeds of $4.58 million. Combined with current holdings this placement brings Tinma's total shareholdings in Rambler to 13,388,980 ordinary shares representing approximately 9.9 per cent of the issued share capital of Rambler, on a post-closing basis.

On March 15, 2012 the Group announced the completion of a preliminary economic assessment ('PEA') to include the Lower Footwall Zone mineralization in its mine plan. This assessment evaluated the potential for an expansion program at the Ming Mine to first optimize the current high grade operation followed by a transition into a 20+ year bulk tonnage operation through a four year ramp-up period increasing the current ore throughput of 630 mtpd to 3,500 mtpd. Numerous opportunities exist to improve the business case. It is these areas that future optimization and engineering studies will focus on to ensure that if or when the decision is made to proceed with the expansion, the project will benefit from the upside of the existing operation. PEA results include: pre-tax Net present value of US$251 million; internal rate of return of 18%, undiscounted pre-tax cash flow from operations of $861 million and initial capital requirements of US$231 million.