



UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

FOR THE THIRD QUARTER ENDED APRIL 30, 2016

The condensed interim financial information has been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and implemented in the UK and IFRS as issued by the IASB. The accounting policies, methods of computation and presentation used in the preparation of the interim financial information are the same as those used in the Group's audited financial statements for the year ended July 31, 2015, which this interim consolidated financial information should be read in conjunction with. The financial information has been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting.

The financial information in this statement does not constitute full statutory accounts within the meaning of Section 434 of the Companies Act 2006. The financial information for the three and nine months ended April 30, 2016 and April 30, 2015 is unaudited, and has not been reviewed by the auditors.

The financial information for the year ended July 31, 2015 has been derived from the Group's audited financial statements for the period as filed with the Registrar of Companies. It does not constitute the financial statements for that period. The auditor's report on the statutory financial statements for the year ended July 31, 2015 was unqualified and did not contain any statement under sections 498 (2) or (3) of the Companies Act 2006.

RAMBLER METALS AND MINING PLC

UNAUDITED CONSOLIDATED INCOME STATEMENT

**For the Quarter Ended April 30, 2016
(EXPRESSED IN CANADIAN DOLLARS)**

	Quarter ended April 30 2016	Quarter ended April 30 2015	Nine months ended April 30 2016	Nine months ended April 30 2015
	\$,000	\$,000	\$,000	\$,000
Revenue	10,504	9,186	30,034	32,011
Production costs	(7,212)	(6,323)	(21,488)	(22,039)
Depreciation and amortisation	(2,260)	(1,931)	(6,365)	(6,073)
Gross profit	1,032	932	2,181	3,899
Administrative expenses	(921)	(929)	(2,846)	(3,205)
Royalties receivable	35	-	35	-
Exploration expenses	(5)	1	(16)	(15)
Operating profit/(loss)	141	3	(646)	679
Bank interest receivable	8	19	38	78
Gain/(loss) on derivative financial instruments	152	1,017	1,821	(1,595)
Finance costs	(464)	184	(1,523)	(482)
Foreign exchange differences	1,796	692	418	(2,259)
Net financing expense	1,492	1,912	754	(4,258)
Profit (loss) before tax	1,633	1,916	108	(3,579)
Income tax (expense) credit	(502)	(595)	(157)	833
Profit (loss) for the period and attributable to owners of the parent	1,131	1,321	(49)	(2,746)

Earnings per share

	Quarter ended April 30 2016	Quarter ended April 30 2015	Nine months ended April 30 2016	Nine months ended April 30 2015
	\$	\$	\$	\$
Basic and diluted earnings per share	0.008	0.009	(0.000)	(0.028)

RAMBLER METALS AND MINING PLC

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Quarter Ended April 30, 2016
(EXPRESSED IN CANADIAN DOLLARS)

	Quarter ended April 30 2016	Quarter ended April 30 2015	Nine months ended April 30 2016	Nine months ended April 30 2015
	\$,000	\$,000	\$,000	\$,000
Profit/(loss) for the period	1,131	1,321	(49)	(2,746)
Other comprehensive (loss)/ income				
<i>Items that may be reclassified into profit or loss</i>				
Exchange differences on translation of foreign operations (net of tax)	(138)	(67)	(170)	13
Gain/(loss) on available for sale investment (net of tax)	630	431	334	(758)
Other comprehensive income/(loss) for the period	492	364	164	(745)
Total comprehensive income/(loss) for the period and attributable to the owners of the parent	1,623	1,685	115	(3,491)

RAMBLER METALS AND MINING PLC

UNAUDITED CONSOLIDATED BALANCE SHEET

As at April 30, 2016
(EXPRESSED IN CANADIAN DOLLARS)

	<i>Note</i>	Unaudited April 30 2016 \$,000	Audited July 31 2015 \$,000
Assets			
Intangible assets	4	21,384	18,376
Mineral properties	5	42,861	42,482
Property, plant and equipment	6	29,533	27,293
Available for sale investments	7	1,661	1,297
Restricted cash	11	3,255	3,255
Deferred tax		8,041	8,412
Total non-current assets		106,735	101,115
Inventory	8	2,419	2,389
Trade and other receivables		991	2,078
Derivative financial asset	9	2,155	312
Cash and cash equivalents		592	4,422
Total current assets		6,157	9,201
Total assets		112,892	110,316
Equity			
Issued capital		2,840	2,628
Share premium		76,877	75,505
Merger reserve		214	214
Translation reserve		366	536
Fair value reserve		159	(175)
Accumulated profits		(1,498)	(1,492)
Total equity		78,958	77,216
Liabilities			
Interest-bearing loans and borrowings	10	15,749	16,612
Provision	11	1,730	1,692
Deferred tax		547	-
Total non-current liabilities		18,026	18,304
Interest-bearing loans and borrowings	10	7,864	7,911
Trade and other payables		8,044	6,885
Total current liabilities		15,908	14,796
Total liabilities		33,934	33,100
Total equity and liabilities		112,892	110,316

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	Fair value reserve \$,000	Accumulated Profits/(Losses) \$,000	Total \$,000
Audited							
Balance at August 1, 2014	2,628	75,505	214	316	206	8,539	87,408
Comprehensive income							
Loss for the year	-	-	-	-	-	(10,153)	(10,153)
Foreign exchange translation differences	-	-	-	220	-	-	220
Loss on available for sale investments (net of tax)	-	-	-	-	(381)	-	(381)
Total other comprehensive income	-	-	-	220	(381)	-	(161)
Total comprehensive income for the year	-	-	-	220	(381)	(10,153)	(10,314)
Transactions with owners							
Share-based payments	-	-	-	-	-	122	122
Transactions with owners	-	-	-	-	-	122	122
Balance at July 31, 2015	2,628	75,505	214	536	(175)	(1,492)	77,216
Unaudited							
Balance at August 1, 2015	2,628	75,505	214	536	(175)	(1,492)	77,216
Comprehensive income							
Loss for the period	-	-	-	-	-	(49)	(49)
Foreign exchange translation differences	-	-	-	(170)	-	-	(170)
Gain on available for sale investments (net of tax)	-	-	-	-	334	-	334
Other comprehensive income/(loss)	-	-	-	(170)	334	-	164
Total comprehensive income/(loss) for the period	-	-	-	(170)	334	(49)	115
Transactions with owners							
Issue of shares	212	1,372	-	-	-	-	1,584
Share-based payments	-	-	-	-	-	43	43
Transactions with owners	212	1,372	-	-	-	43	1,627
Balance at April 30, 2016	2,840	76,877	214	366	159	(1,498)	78,958

RAMBLER METALS AND MINING PLC

UNAUDITED STATEMENTS OF CASH FLOWS

For the Quarter Ended April 30, 2016 (EXPRESSED IN CANADIAN DOLLARS)

	Quarter ended April 30 2016	Quarter ended April 30 2015	Nine months ended April 30 2016	Nine months ended April 30 2015
	\$,000	\$,000	\$,000	\$,000
Cash flows from operating activities				
Operating profit/(loss)	141	3	(646)	679
Depreciation and amortization	2,283	1,955	6,571	6,144
Profit on disposal of property, plant and equipment	-	21	(138)	21
Share based payments	9	25	43	105
(Increase)/decrease in inventory	104	(22)	(30)	1,851
(Increase)/decrease in receivables	792	688	1,117	953
(Decrease)/increase in derivative financial instruments	335	(1,066)	(21)	(2,252)
(Decrease)/increase in payables	(217)	423	765	1,675
Cash generated from operations	3,447	2,027	7,661	9,176
Interest paid	(80)	(118)	(295)	(359)
Net cash generated from operating activities	3,367	1,909	7,366	8,817
Cash flows from investing activities				
Interest received	8	19	38	78
Acquisition of subsidiary (net of cash)	-	-	28	-
Acquisition of available for sale investments	-	-	-	(375)
Acquisition of evaluation and exploration assets	(136)	(619)	(572)	(3,380)
Acquisition of mineral properties – net	(1,569)	(1,468)	(4,196)	(4,324)
Acquisition of property, plant and equipment	(1,393)	(600)	(3,226)	(2,255)
Disposal of property, plant and equipment	-	42	180	42
Net cash utilised in investing activities	(3,090)	(2,626)	(7,748)	(10,214)
Cash flows from financing activities				
Repayment of Gold loan (note 10)	(484)	(310)	(2,040)	(1,666)
Amount received under Advance Purchase Facility	-	-	1,370	-
Capital element of finance lease payments	(709)	(778)	(2,447)	(2,357)
Net cash utilised in financing activities	(1,193)	(1,088)	(3,117)	(4,023)
Net decrease in cash and cash equivalents	(916)	(1,805)	(3,499)	(5,420)
Cash and cash equivalents at beginning of period	1,677	6,233	4,422	9,535
Effect of exchange rate fluctuations on cash held	(169)	(281)	(331)	32
Cash and cash equivalents at end of period	592	4,147	592	4,147

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

1 Nature of operations and going concern

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

Historically the Group has been successful in accessing the equity and debt markets including equity to finance the initial acquisition of the Ming Mine site, a USD 20 million gold loan and a CAD 10 million credit facility to finance the construction of the mine and milling facilities and drawing USD 3 million of an advance purchase facility. In June 2016 the Group accessed approximately CAD 19 million in equity finance to improve working capital and to provide funds for the planned increase in production from the mine and improved capacity at the mill.

In future, the Group plans to fund operational requirements through internally generated cash flow, debt offerings and equity financing.

The Group continually reviews operational results, expenditures and additional financial opportunities in order to ensure adequate liquidity to support its growth strategy while maintaining or increasing production levels at the Ming Mine. However, there is no guarantee that the Group will have access to future capital or the ability to generate positive cash flows.

Based on the above management concludes the Group has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the financial statements.

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 July 31, 2015.

3 Acquisition of subsidiary

The Group acquired the entire share capital of Thundermin Resources Inc. by way of an amalgamation into 1948565 Ontario Inc. on January 12, 2016. The fair value of the assets acquired was as follows:

	Book value	Fair value adjustment	Fair value
	\$'000	\$'000	\$'000
Exploration and evaluation assets	3	2,433	2,436
Listed investments	29	-	29
Trade and other receivables	30	-	30
Cash at bank	28	-	28
Trade and other payables	(293)	-	(293)
Deferred tax	-	(547)	(547)
Net assets acquired	(203)	1,886	1,683
Issue of share capital			1,583
Deferred consideration			100
Total consideration			1,683

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. Intangible assets

	Exploration and evaluation costs		Total \$'000
	Ming Mine \$'000	Other Projects \$'000	
Cost			
Balance at 1 August 2014	17,964	550	18,514
Additions	3,779	274	4,053
Balance at 31 July 2015	21,743	824	22,567
Balance at 1 August 2015	21,743	824	22,567
Additions	572	-	572
On acquisition of subsidiary	-	2,436	2,436
Balance at April 30, 2016	22,315	3,260	25,575
Impairment			
Balance at 1 August 2014	-	-	-
Provision for impairment	4,191	-	4,191
Balance at July 31, 2015 and April 30, 2016	4,191	-	4,191
Carrying amounts			
At July 31, 2015	17,552	824	18,376
At April 30, 2016	18,124	3,260	21,384

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Mineral Property

	Mineral property \$'000
Cost	
Balance at August 1, 2014	58,282
Additions	<u>5,355</u>
Balance at July 31, 2015	<u>63,637</u>
Balance at August 1, 2015	63,637
Additions	<u>4,196</u>
Balance at April 30, 2016	<u>67,833</u>
Amortisation and impairment	
Balance at August 1, 2014	6,638
Amortisation charge	4,372
Provision for impairment	<u>10,145</u>
Balance at July 31, 2015	<u>21,155</u>
Balance at August 1, 2015	21,155
Amortisation charge	<u>3,817</u>
Balance at April 30, 2016	<u>24,972</u>
Carrying amounts	
At July 31, 2015	<u>42,482</u>
At April 30, 2016	<u>42,861</u>

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. 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 August 1, 2014	4,443	46	259	43,304	110	968	49,130
Additions	20	943	39	4,205	12	27	5,246
Disposals	(201)	-	-	(326)	-	-	(527)
Reclassification	-	(295)	-	295	-	-	-
Balance at July 31, 2015	4,262	694	298	47,478	122	995	53,849
Balance at August 1, 2015	4,262	694	298	47,478	122	995	53,849
Additions	183	1,104	-	3,744	4	1	5,036
Eliminated on disposals	-	-	-	(931)	-	-	(931)
Balance at April 30, 2016	4,445	1,798	298	50,291	126	996	57,954
Depreciation and impairment losses							
Balance at August 1, 2014	2,065	-	229	20,260	102	798	23,454
Depreciation charge for the year	378	-	35	3,037	8	86	3,544
Eliminated on disposals	(181)	-	-	(261)	-	-	(442)
Balance at July 31, 2015	2,262	-	264	23,036	110	884	26,556
Balance at August 1, 2015	2,262	-	264	23,036	110	884	26,556
Depreciation charge	300	-	16	2,370	6	62	2,754
Eliminated on disposals	-	-	-	(889)	-	-	(889)
Balance at April 30, 2016	2,562	-	280	24,517	116	946	28,421
Carrying amounts							
At July 31, 2015	2,000	694	34	24,442	12	111	27,293
At April 30, 2016	1,883	1,798	18	25,774	10	50	29,533

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Available for sale investments

	\$'000
Cost or valuation	
Balance at August 1, 2014	2,151
Acquisitions	376
Revaluation	(446)
Provision for impairment	(784)
Balance at July 31, 2015	<u>1,297</u>
Balance at August 1, 2015	1,297
On acquisition of subsidiary	29
Revaluation	335
Balance at April 30, 2016	<u>1,661</u>
Carrying amounts	
At July 31, 2015	<u>1,297</u>
At April 30, 2016	<u>1,661</u>

8. Inventories

	April 30 2016 \$,000	July 31 2015 \$,000
Metals in process	446	757
Operating supplies	1,973	1,632
	<u>2,419</u>	<u>2,389</u>

9. Derivative financial asset

	April 30 2016 \$,000	July 31 2015 \$,000
Concentrate receivables from off-taker	2,155	312

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. 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 14.

	April 30 2016 \$,000	July 31 2015 \$,000
Non-current liabilities		
Finance lease liabilities	1,734	1,722
Advance purchase facility	442	-
Gold Loan	13,573	14,890
	15,749	16,612
Current liabilities		
Current portion of finance lease liabilities	2,280	2,930
Advance purchase facility	3,465	2,452
Current portion of Gold Loan	2,119	2,529
	7,864	7,911

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Minimum lease Payments			Minimum lease Payments		
	Interest	Principal		Interest	Principal	
	April 30 2016 \$,000	April 30 2016 \$,000		July 31 2015 \$,000	July 31 2015 \$,000	
Less than one year	2,420	140	2,280	3,075	145	2,930
Between one and five years	1,762	28	1,734	1,774	52	1,722
	4,182	168	4,014	4,849	197	4,652

Under the terms of the lease agreements, no contingent rents are payable. The finance lease liabilities are secured on the underlying assets.

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.

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Interest-bearing loans and borrowings (continued)

For this, in each production year following the first year of production, until 175,000 ounces of payable gold has been produced, the Group has agreed to sell a percentage equal to $25\% \times (85\% \text{ divided by the actual percentage of metallurgical recovery of gold realized in the immediately preceding production year})$ 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 175,000 ounces of payable gold has been produced, the Group has agreed to sell a percentage equal to $12\% \times (85\% \text{ divided by the actual percentage of metallurgical recovery of gold realized in the immediately preceding production year})$ 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.

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 quarter the Group recorded an unrealized exchange gain of \$1,793,000 (Q3/15: \$960,000) on the Gold Loan as a result of the weakening of the US Dollar against the Canadian Dollar.

Total interest of \$79,000 (Q3/15: \$(327,000)) was charged/(credited) during the period.

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

Advance Purchase Agreement

In July 2015 the Group entered into a purchase agreement with Transamine Trading S.A. ("Transamine") wherein Rambler has extended its off-take agreement with Transamine with respect to concentrate from the Ming Copper-Gold Mine until December 31, 2021.

Pursuant to the terms of the Purchase Agreement, Transamine agreed to purchase in advance, at Rambler's option, up to USD \$5 million of concentrate (the "Advance Purchase Payments"). to be used for working capital requirements along with the development and construction of Rambler's Lower Footwall Zone optimisation plan (Phase II) at the Ming Mine.

The Company drew down USD \$3 million of Advance Purchase Payments and further advances are no longer available under the agreement.

At April 30, 2016 the balance was USD \$3,112,064 which, following an addendum to the Purchase Agreement, is repayable by a USD \$1,000,000 lump sum payment on or before June 17, 2016 which has now been paid with the balance repayable in twelve monthly instalments of USD \$176,005 plus interest at 3 month LIBOR plus 7.5% commencing on July 15, 2016.

The advance purchase payments of USD \$3,000,000 have been accounted for as a financial liability carried at amortised cost.

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. Provisions

	April 30 2016 \$,000	July 31 2015 \$,000
Reclamation and closure provision		
Opening balance	1,692	1,903
Credit to Mineral Property	-	(261)
Unwinding of discount	38	50
Ending balance	<u>1,730</u>	<u>1,692</u>

The reclamation and closure provision has been made in respect of costs of land restoration and rehabilitation of all three sites associated with the Ming Mine project and is 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 Group is required to hold Letters of Credit in favour of the Government of Newfoundland and Labrador which is secured by the restricted cash of \$3,255,155.

12. Transactions with key management personnel

Total key management personnel compensations were as follows:

	Quarter ended April 30 2016 \$,000	Quarter ended April 30 2015 \$,000	Nine months ended April 30 2016 \$,000	Nine months ended April 30 2015 \$,000
Salaries	117	161	356	587
Share based payments	1	11	20	60
	<u>118</u>	<u>172</u>	<u>376</u>	<u>647</u>

13. Share-based payments

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

	Weighted average exercise price April 30 2016 \$	Number of options April 30 2016 No. 000	Weighted average exercise price July 31 2015 \$	Number of options July 31 2015 No. 000
Outstanding at the beginning of the period	0.48	5,190	0.47	5,506
Granted during the period	0.88	243	-	-
Cancelled during the period	0.82	(294)	0.52	(316)
Outstanding at the end of the period	<u>0.47</u>	<u>5,139</u>	<u>0.48</u>	<u>5,190</u>
Exercisable at the end of the period	<u>0.48</u>	<u>4,962</u>	<u>0.45</u>	<u>4,795</u>

The options outstanding at April 30, 2016 have an exercise price in the range of \$0.18 to \$1.11 and a weighted average remaining contractual life of 4.6 years (July 31, 2015: 5.3 years).

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. Share-based payments (continued)

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.

Fair value of share options and assumptions	Quarter ended Apr. 30 2016 \$,000	Quarter ended Apr. 30 2015 \$,000	Nine months ended Apr. 30 2016 \$,000	Nine months ended Apr. 30 2015 \$,000
Fair value at measurement date of options granted in the period	0.04	-	0.13	-
Weighted average fair value per option granted in period				
Share price (weighted average)	0.06	-	0.21	-
Exercise price (weighted average)	0.88	-	0.21	-
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes model)	92.98	-	80.24%	-
Expected option life (years)	3	-	5	-
Expected dividends (%)	0%	-	0%	-
Risk-free interest rate (based on national government bonds)	0.51%	-	0.73%	-

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 Apr. 30 2016 \$,000	Quarter ended Apr. 30 2015 \$,000	Nine months ended Apr. 30 2016 \$,000	Nine months ended Apr. 30 2015 \$,000
Total expense recognised as employee costs	9	25	43	105

14. Financial risk management

The Group's principal financial assets comprise: cash and cash equivalents, restricted cash, available for sale investments, derivative financial instruments and other receivables. The Group's financial liabilities comprise: trade payables; other payables; accrued expenses and 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 with the exception of available for sale investments and derivative financial instruments.

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. Financial risk management (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 liquidity risk, credit risk and market risk which includes foreign currency risk, interest rate risk and commodity price risk each of which is discussed below.

Liquidity risk

With finite cash resources 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 on-going 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.

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

	April 30, 2016	July 31, 2015
	\$'000	\$'000
Due within one year	8,413	8,366
Due within one to two years	3,974	4,543
Due within two to three years	2,789	2,669
Due within three to four years	2,801	2,563
Due within four to five years	2,711	2,625
Due after five years	18,419	18,746
	39,107	39,512

Fixed rate financial liabilities

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

	April 30, 2016	July 31, 2015
	\$'000	\$'000
Fixed rate liabilities		
Due within one year	2,420	3,075
Due within one to two years	1,031	1,467
Due within two to three years	383	279
Due within three to four years	298	26
Due within four to five years	50	2
	4,182	4,849

The average fixed interest rate for the finance leases and hire purchase contracts outstanding at April 30, 2016 was 5.11%.

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. Financial risk management (continued)

Credit risk

The Group generally 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's maximum exposure to credit risk at April 30, 2016 was represented by receivables and cash resources.

Market risk

Foreign currency risk

The Group's cash resources are held in Canadian dollars, GB pounds and US Dollars and certain receivables and the Gold Loan are denominated 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 10. Repayment is envisaged in payable gold which is denominated in US dollars. Exposure to this foreign currency risk has been mitigated since the commencement of production. Any weakening of the US dollar would however result in a reduction in revenue and receivables in Canadian dollar terms. The Group has not hedged its exposure to currency fluctuations.

The policy in relation to the translation of foreign currency assets and liabilities is set out in note 2(d), 'Accounting Policies Foreign Currency' to the consolidated financial statements.

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	
	April 30, 2016	July 31, 2015
	\$'000	\$'000
10% strengthening of GB pound	(108)	(61)
10% weakening of GB pound	98	56
10% strengthening of US dollar	(2,853)	(1,729)
10% weakening of US dollar	824	1,572

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. Financial risk management (continued)

Market risk (continued)

Foreign currency risk (continued)

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

	Floating rate Assets	Total
At April 30, 2016		
	\$'000	\$'000
Canadian \$	237	237
US \$	336	336
Sterling	19	19
	592	592
At July 31, 2015		
	\$'000	\$'000
Canadian \$	1,573	1,573
US \$	2,741	2,741
Sterling	108	108
	4,422	4,422

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 10.

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.

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	
	April 30, 2016	July 31, 2015
	\$'000	\$'000
10% increase in the price of gold	(1,569)	(1,742)
25% decrease in the price of gold	3,923	4,355

RAMBLER METALS AND MINING PLC

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. Financial risk management (continued)

Market risk (continued)

Commodity price risk (continued)

Receivables in respect of the sale of copper concentrate which contain an embedded derivative linking them to future commodity prices are measured at fair value through profit and loss and are treated as derivative financial assets or liabilities. In estimating the value of the derivative the following table details the Group's sensitivity to a 5% increase and a 5% decrease in the price of copper, gold and silver. These percentages represent management's assessment of the reasonable possible exposure.

	Gross assets	
	April 30, 2016 \$'000	July 31, 2015 \$'000
5% increase in the price of copper, gold and silver	619	566
5% decrease in the price of copper, gold and silver	(619)	(566)

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.

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.

15. Issue of share capital

On January 12, 2016 the Company issued 7,142,857 Ordinary shares of £0.01 for \$1,500,000 and on February 2, 2016 the Company issued 1,614,981 Ordinary shares of £0.01 each in lieu of payment in accordance with the change of control provisions in connection with the acquisition of Thundermin Resources Inc.

16. Subsequent Events

On April 21, 2016 the Company announced details of a subscription to raise approximately GBP 10.45 million (approximately CAD \$19.05 million at time of announcement) by way of an issue of 261,363,636 new Ordinary Shares at a subscription price of 4 pence per Subscription Share by CE Mining II Rambler Limited, 100 per cent owned by CEII GP on behalf of CEII, a specialized mining and mineral investment fund, advised by Plinian. Subsequently, on May 27, 2016 the Company announced that all resolutions as set out in the Notice of General Meeting were duly passed at its General Meeting. On June 3, 2016 the new Ordinary Shares were admitted to trading on AIM, at which time, the Board changes set out in the Circular become effective and warrants over 200,000,000 new Ordinary Shares with an aggregate exercise price of GBP 10.00 million were issued to CE Mining II Rambler Limited on terms set out in the Circular.