Rambler Metals and Mining plc Financial Results Year Ended 31 July 2012

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LONDON, UNITED KINGDOM and BAIE VERTE, NEWFOUNDLAND AND LABRADOR -- (Marketwire - Oct. 22, 2012) - Rambler Metals and Mining PLC (TSX VENTURE:RAB)(AIM:RMM) ("Rambler" or the "Company") is pleased to report its financial results and operational highlights for the year ended 31 July 2012. The Company is focused on ramping up production at the Ming Copper-Gold Mine ("Ming Mine") and the development and exploration of the asset located on Newfoundland and Labrador's Baie Verte Peninsula.

George Ogilvie, President and CEO, Rambler Metals & Mining commented;
"Commencing and accelerating production at our Ming Copper-Gold Mine has been a great achievement for the Company this year.Generating revenue and a consistent focus on reducing cash costs has given us a strong balance sheet which will further support organic growth and acquisitions.

The progress towards our goal of being the leading mine operator and resource developer in Atlantic Canada was further supported by the off-take agreement with Transamine and Tinma's strategic investment."

Operational Highlights

- Fiscal 2012 was a transformational year for the Company as it continues to work its way towards the declaration of commercial production, expected to be announced 2H 2012

- During the 12 month period 14,918 ounces of gold was produced and sold during commissioning of the Ming Mine at an average price of CAD$1,650, generating revenue of $25.2 million. Following the completion of construction and commissioning of the copper concentrator, first revenue of $3.0 million was realised from the sale of 1,271 tonnes of concentrate in July 2012

- Finalized off-take agreement with Transamine Trading S.A. for the sale of 85,000 tonnes of copper concentrate over the initial 6 years of mine production

- Announced the completion of a preliminary economic assessment ('PEA') to include all Lower Footwall Zone mineralization and evaluating the potential for an expansion of the Ming Mine into a 20+ year bulk tonnage operation

- Finalised construction of the 9,500 wet metric tonne concentrate storage facility at the Goodyear's Cove Port. At year end, 2,500 tonnes of copper concentrate was in storage at the facility generated during the commissioning of the new floatation facility

Financial Highlights (CAD$)

	2011	2012
Revenue	3,523,000	1,219,000
Cost of sales	1,754,000	674,000
Net Loss	53,000	3,367,000
Loss per share	(0.026)	(0.001)
Cash & Cash Equivalents	10.2 million	7.8 million

- The Company generated first revenue of $28.2 million from its Ming Mine project during the commissioning of the operation during fiscal 2012. Ming Mine revenues were credited to the Mineral Properties asset and will continue until commercial production is declared

- Revenue in fiscal 2011 ($3,523,000) and 2012 ($1,219,000) and related operating costs arose from tolling milling agreements and mining of the Company's Tilt Cove East Mine and Nugget Pond crown pillar satellite deposits

- During the year repayments of US$7,855,411 were made from the delivery of 4,774 ounces of gold. The payments satisfies the requirements in the gold loan agreement to repay a minimum of US$3.6 million in each of the first two 12 month periods of production

- At October 19, 2012 the Company had $6.5 million in cash and cash equivalents.

Corporate Highlights

- Accepted an offer from Tinma International Ltd. ('Tinma') to become a strategic shareholder through non-brokered private placements raising total proceeds of $8.71 million. Tinma now holds 16 per cent of the issued share capital of the Company

- Completed the acuisition of a total of 5,088,230 shares of Maritime Resources Corp (TSX VENTURE:MAE) ('Maritime') for a total of $1,135,000 providing Rambler with a 17% equity stake and an invitation to appoint a representative to join Maritime's Board of Directors

ABOUT RAMBLER METALS AND MINING

Rambler Metals and Mining plc is a copper and gold producer that has 100% ownership of the Ming Copper-Gold Mine in Baie Verte, Newfoundland and Labrador, Canada. Rambler's strategy is to become a mid-tier mining company by continuing the development of the Ming Mine, discovering new deposits and pursuing mergers and acquisitions.

REGISTERED NUMBER: 05101822 (ENGLAND AND WALES)
REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JULY 31, 2012
RAMBLER METALS AND MINING PLC

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RAMBLER METALS AND MINING PLC
COMPANY INFORMATION
FOR THE YEAR ENDED JULY 31, 2012
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RAMBLER METALS AND MINING PLC

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED JULY 31, 2012

We are pleased to report the results for the year ended July 31, 2012.

The principal activity of Rambler Metals and Mining plc ('the parent Company') and its subsidiaries (the 'Group', or 'Rambler') is the development, mining and exploration of the Ming Copper-Gold Mine ("Ming Mine") located on Newfoundland and Labrador's Baie Verte Peninsula.

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

The presentational currency of the Group's financial statements is Canadian dollars ($).

OPERATIONAL HIGHLIGHTS

The Group reached considerable milestones and other key achievements during the fiscal year. Highlights include:

Revenue generated from saleable material produced during commissioning through the sale of 14,918 ounces of gold and additional revenue from the sale of 1,271 tonnes of copper concentrate from its newly completed copper concentrator.

Accepted an offer from Tinma International Ltd. ('Tinma') to become a strategic shareholder through non-brokered private placements raising total proceeds of $8.71 million. Tinma now holds 16 per cent of the issued share capital of the Group.

Finalized an off-take agreement for the copper concentrate production.

Announced the completion of a preliminary economic assessment ('PEA') to include the Lower Footwall Zone mineralization evaluating the potential for an expansion of the Ming Mine into a 20+ year bulk tonnage operation.

FINANCIAL HIGHLIGHTS

The consolidated loss after taxation of the Company in respect of the year ended July 31, 2012 amounted to $3,367,000 (a loss per share of $0.026) versus a loss of $53,000 for the year ended 31 July 2011 (a loss per share of $0.001).

The Group generated revenue from saleable material produced during commissioning of $25.2 million from the sale of gold and $3.0 million from the sale of copper concentrate during the year and offset this revenue against the Mineral Property asset as commercial production was not declared during the year.

The gross assets of the Company amounted to $107.2 million as at the end of the year. This included mineral properties of $44.5 million and intangible assets of $17.3 million which consisted of accumulated deferred exploration and evaluation expenditures on the Lower Footwall Zone at the Ming Mine.

Management is to be congratulated in commencing commissioning of the Ming Mine and generating early production. We looking forward to announcing commercial production before the end of the calendar year. My thanks to our employees, officers and directors for the progress which has been made during the year and I look forward to continued success in fiscal 2013.
DHW Dobson
Chairman
October 19, 2012

RAMBLER METALS AND MINING PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2012
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 October 19, 2012 and covers the results of operations for the quarter and year ended July 31, 2012. This discussion should be read in conjunction with the audited Financial Statements for the year ended July 31, 2012 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. See Forward Looking Statement disclosure in Appendix 5.

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. See Appendix 1. On November 28, 2011 the Group reached a significant milestone in commencing the testing and commissioning of the gold mill with 1806 gold ore, resulting in saleable material. A total of 14,918 ounces of gold was poured generating revenues of $25.2 million. In May 2012, following completion of construction of the copper concentrator the Group began the live commissioning of its new facility generating first revenue from the sale of copper concentrate in July 2012.

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:

Become a profitable copper and gold producer by maximizing the use of the Nugget Pond processing facility.
Increase existing Ming Mine resources and reserves through further exploration.
Selectively pursue growth opportunities within Atlantic Canada including joint ventures, acquisitions, strategic alliances and equity positions.

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

HIGHLIGHTS OF THE YEAR ENDED JULY 31, 2012

This was a significant year for the Group as Management successfully commenced commissioning the Ming Mine, first by producing gold during the commissioning and testing of the 1806 zone ores. Trucking of gold ore from the mine to the Group's gold processing facility at Nugget Pond began on November 28, 2011 followed by the Company's first gold doré bar being poured on December 12, 2011 resulting in first revenue from the Ming Mine project. Subsequently the Group reached its second significant milestone with the start-up of its newly constructed copper concentrator generating first revenue from copper concentrate sales before year end. Commercial production for the project is anticipated to be announced during the second half of calendar 2012.

Highlights of the 2012 fiscal year included:

Capital Development and Production

Produced a total of 14,918 ounces of gold while testing the 1806 zone ore and commissioning the gold milling facility. During a five month period commencing in November 2011 91,835 wet metric tonnes were processed with daily milling throughput ranging between 465 and 845 wet metric tonnes per day ('wmtpd'), with an overall average of 619 wmtpd. With an average grade of 4.94 grams per tonne gold the Group realized revenue of $25.2 million. For the period operating costs ranged between $900 and $1,000 per ounce.

Completed the construction and dry commissioning of the copper concentrator concurrent with the processing of 1806 zone ore. Following the live ore commissioning of the Group's new copper flotation facility in May 2012 the first copper concentrate was trucked from the Nugget Pond to Goodyear's Cove for storage. Lower Footwall Zone material, with a head grade of 1.30% copper, was used during early stage commissioning followed by gradual blending of high grade ore from the 1807 ore zone pushing the overall copper equivalent head grade to 2.76% at July year end. The quality of concentrate produced varied depending on the ore blending strategy used and concentrate grades ranged between 22% and 32% copper.

Development into the high grade 1807 copper zone continued throughout the year with ore being stockpiled as development progressed. With the majority of tonnes for the 2013 fiscal year coming from this zone, ore access on multiple levels was the main focus for underground development crews.

Finalized construction of the 9,500 wet metric tonne concentrate storage facility at the Goodyear's Cove Port. Building services and electrical hook up was concluded subsequent to year end. The installation of a ship loading 850 tonnes per hour conveyor system had begun during the year and is scheduled to be completed before the Group's first shipment of copper concentrate in the second half of calendar 2012. At year end approximately 2,500 wet metric tonnes of copper concentrate was in storage at the facility.

Financing, Royalty and Investment

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. On March 19, 2012 Rambler announced the closing of this private placement resulting in the issuance of 10,403,980 ordinary shares to Tinma at a placing price of $0.44 per ordinary share for total proceeds of $4.58 million. Subsequent to the completion of the initial placement the Group entered into a second subscription agreement with Tinma to subscribe for 7,118,012 ordinary shares by way of a non-brokered private placement at a price of CAD $0.58 per ordinary share for total proceeds of $4.13 million. Upon receipt of shareholder approval at the Company's General meeting on June 28, 2012 Rambler announced the closing of the second private placement. Immediately following the closing of the second placement Tinma's total shareholdings in Rambler was 22,736,992 being the total of both private placements plus any shares bought on the open market. Tinma is now a strategic shareholder of Rambler owning sixteen per cent of the issued share capital.

During the year repayments of US$7,855,441 were made from the delivery of 4,774 ounces of gold thereby satisfying requirements in the gold loan agreement to repay a minimum of US$3.6 million in each of the first two 12 month periods of production.

Completed an acquisition of 4,500,000 shares of Maritime Resources Corp (TSX VENTURE:MAE) ('Maritime') through a non-brokered private transaction priced at $0.23 per share for a total consideration of $1,035,000. Subsequently Rambler acquired an additional 588,230 shares through a non-brokered private transaction priced at $0.17 per share for a total consideration of $100,000 The acquisitions provided Rambler with a 17% equity stake and an invitation 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.

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.

Finalized an off-take agreement with Transamine Trading for the copper concentrate produced from the Ming Mine. The agreement includes the sale of 85,000 tonnes of concentrate over the initial 6 year mine life, at international spot rates and envisages a 90% provisional payment option for concentrate as it arrives at the Goodyear's Cove port facility. This is of particular significance as it will ensure steady cash flow to the Group during its early years of production.

The Group drew down its first installment of $5.0 million from the $10.0 million credit facility agreed to in September 2011. 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. Upon the completion of a second site visit from Sprott Resource Lending Partnership and execution of the off-take agreement the final tranche of $5.0 million was made available. On January 30, 2012 the Group drew down a second installment of $2.5 million. A remaining $2.5 million was available until August 2012 and was not drawn.

Exploration and evaluation

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 of the Ming Mine to first optimize the current high grade operation and available infrastructure followed by a transition into a 20+ year bulk tonnage operation through a four year ramp-up period. Production throughput will increase from the current 630 mtpd to 1,000 mtpd at Nugget Pond, then 3,500 mtpd at a newly constructed milling facility at the Ming Mine site. Future optimization and engineering studies will focus on improving the business case to ensure the project will benefit from additional upside of the existing operation. PEA results currently envisage: a pre-tax net present value of US$251 million (discount 5%); an internal rate of return of 18%, an undiscounted pre-tax cash flow from operations of $861 million and initial capital requirements of US$231 million.

Exploration diamond drilling in the 1806 gold zone, beyond current mining blocks, has reported visible gold and significant assayed intersections. Of particular importance are drill holes MMUG12-34 and MMUG12-51 with uncut gold intersections of 5.10 metres grading 227.65 g/t (21.19 g/t cut) and 4.45 metres grading 49.69 g/t (7.57 g/t cut) respectively.

Staffing

Continued to strengthen the operations team, including the appointment of a Mill Operations Foreman with 16 years of flotation experience and a Mill Metallurgist as it prepared to run "live" feed through the copper concentrator.

Coinciding with the start of testing and commissioning, the Nugget Pond facility was staffed through the addition of 14 employees to the operating, electrical and maintenance fields. The mine operation continued to fill underground staffing positions as dictated by production and development requirements.

At year end a total of 130 full time employees were employed at the Ming Mine compared to 111 full time employees at July 31, 2011.

FINANCIAL RESULTS

Revenue

A total of 14,918 ounces of gold were sold from the Ming Mine during the year at an average price of CAD$1,650 generating revenue of $25.2 million. Additional revenue of $3.0 million was realized on the sale 1,271 tonnes of copper concentrate in July 2012. Revenue realized during the testing and commissioning of the Ming Mine are credited to the Mineral Property asset until commercial production is achieved. During the year a total of $28.2 million was credited to Mineral Property.

A total of 621 ounces of gold were processed from the Tilt Cove East Mine satellite deposit during the first 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. Further revenue of $124,000 generated through further refining of slag materials from the Nugget Pond Crown Pillar satellite deposit recovering an additional 74 ounces of gold. Revenue from satellite deposits totalling $1,219,000 was recorded in the Company's consolidated statement of income and offset by operating costs of $674,000 resulting in a gross profit of $545,000 for the fiscal year.

Loss

The net loss for the year was $3,367,000 compared with a loss of $53,000 for the year ended July 31, 2011. The net loss for the quarter ended July 31, 2012 was $1,202,000 or $0.009 per share which compares to $281,000 for Q3/12 and a net profit of $577,000 for Q4/11.

Cash flow and cash resources

Cash flows utilized for operating activities were $1,209,000 compared with $1,352,000 in the previous fiscal year. Cash flows utilized in operating activities were $1,211,000 in Q4/12 compared to $752,000 in Q3/12 and cash generated of $573,000 in Q4/11. The increase in the cash utilized relates to changes in working capital and an increase in operating loss.

Cash resources (including short-term investments) as at July 31, 2012 were $7.8 million and as of October 19, 2012 had reduced to $6.5 million.

HEALTH AND SAFETY

The Group completed the year with 1 lost time accident and 9 medical aid injuries. The lost time accident was the first one ever recorded on the project's 7 year life and resulted when an employee drove an underground haulage truck over a large rock on the roadway causing the employee to jar their back.

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

OUTLOOK

Management continue to pursue the following objectives:

Move the Ming Mine into commercial production before the end of calendar year 2012.

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

Optimize the mining and processing of ores from the Ming Mine in addition to continuing to evaluate opportunities for a possible future 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, including the Group's investment in Maritime Resources Corp.

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

CAPITAL PROJECTS UPDATE

During the year the Group incurred expenditures of $37,821,000 on Mineral Property which were offset by revenue of $28,225,000 from gold and copper concentrate sales, $10,451,000 on property, plant and equipment and $633,000 on exploration and evaluation of the Ming Mine.

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 and offset by revenues generated from on-going production.
Mineral Property (capital development of Ming Mine) Total Q4/12 Q3/12 Q2/12 Q1/12

$,000 $,000 $,000 $,000 $,000
Labour costs 8,449 2,332 2,297 2,031 1,789
Contractors' and consultancy expenses 336 27 78 88 143
General materials and other costs 972 217 234 250 271
Surface development 591 228 128 171 64
Underground development 7,324 2,405 2,132 1,666 1,121
Processing and ore transportation 5,546 2,340 1,983 1,223 -
Concentrate transportation & other allowances 241 241 - - -
Sub-total 23,459 7,790 6,852 5,429 3,388
Other Charges
Finance costs 9,320 4,945 2,337 1,408 630
Depreciation 4,092 1,099 1,023 1,056 914
Royalties 784 59 668 57
Reclamation and closure provision 166 218 23 23 (98)
Total 37,821 14,111 10,903 7,973 4,834
Revenue recognized from gold and copper concentrate sales (28,225) (11,610) (14,136) (2,479) -
Net 9,596 2,501 (3,233) 5,494 4,834

Total mineral property costs before other charges increased in Q4/12 compared to Q3/12 in line with an increase in underground capital development, start-up of the copper concentrator at the Nugget Pond processing facility and the trucking of copper concentrate to the Goodyear's Cove storage facility. Labour and underground development costs increased over the comparable quarters as the result of hiring additional full time operators for the copper concentrator and increased development of the Ming Mine's 1807 ore zone. Processing and ore transportation expenditures increased in Q4/12 due to more ore tonnes being trucked to Nugget Pond ahead of starting the copper concentrator. Concentrate transportation and other allowances were incurred following the start of the copper concentrator and include trucking expenditures, treatment, refining and freight charge allowances.

Finance costs increased in Q4/12 compared to Q3/12 due to adjustments in the timing of planned production affecting the effective interest charge on the Gold Loan liability. Royalty expenditures decreased in Q4/12 directly related to the CAD$600,000 purchase of a 2% net smelter royalty held on the Ming Copper-Gold Mine project in Q3/12. Revenue recognized in Q4/12 decreased compared to Q3/12 marking the completion of 1806 gold zone processing and switch over to the copper concentrator commissioning.
Mineral Property (capital development of Ming Mine by area, before other charges) Total Q4/12 Q3/12 Q2/12 Q1/12

$,000 $,000 $,000 $,000 $,000
Surface 4,037 1,166 1,251 997 623
1806 ore zone 4,126 878 1,113 1,440 695
1807 ore zone 3,561 2,128 1,206 212 15
Lower Footwall ore zone 965 253 441 103 168
Ramp improvements & ongoing maintenance 3,840 530 619 1,288 1,403
Shaft manway rehab 188 26 134 8 20
Administrative 1,786 460 447 427 452
Port site 592 433 107 40 12
Nugget Pond Mill 4,364 1,916 1,534 914 -
Total 23,459 7,790 6,852 5,429 3,388

Surface related costs fluctuated through fiscal 2012 quarters due to a timing of ore trucking to the Nugget Pond Mill. Decreased costs experienced on the 1806 ore zone are in line with completion of production drilling and underground development towards the end of Q3/12. Current quarter expenditures are represented mainly by final drilling and ore haulage activities. 1807 ore zone expenditures increased in Q4/12 compared to Q3/12 in line with a ramp up in development and production as the Group began the commissioning of the copper concentrator. Lower Footwall ore zone expenditures decreased in Q4/12 compared to Q3/12 as fewer low grade tonnes were mined during the quarter. Q3/12 and Q2/12 expenditures in this zone related to on-going development aimed at accessing ores for the commissioning of the Group's copper concentrator. Ramp improvements & maintenance decreased further in Q4/12 in line with the move towards increased development in the 1807 zone and a reduction in required maintenance. Nugget Pond Mill expenditures increased in Q4/12 as operating expenditures were incurred during the clean out of 1806 zone ore production at the gold mill and the start of commissioning at the newly construction copper concentrator in May 2012.
Property, plant and equipment Total Q4/12 Q3/12 Q2/12 Q1/12
$,000 $,000 $,000 $,000 $,000
Mill purchase and construction 6,189 (25) 383 1,671 4,160
Plant and equipment 3,378 164 1,053 2,089 72
Buildings 733 71 - 152 510
Other assets 151 (21) 1 80 91
Total 10,451 189 1,437 3,992 4,833

Property, plant and equipment reduced during Q4/12 compared to Q3/12 reflecting the significant increase in underground equipment purchased during Q3/12. Mill purchase and construction decreased during Q4/12 in line with bringing the Group's copper concentrator on-line in May 2012.
Exploration and evaluation costs (Ming Mine) Total Q4/12 Q3/12 Q2/12 Q1/12
$,000 $,000 $,000 $,000 $,000
Consultancy expenses 633 10 337 248 38
Total 633 10 337 248 38

Effective September 1, 2010, following completion of the Ming Mine feasibility study, the Ming Mine project moved from pure Exploration & Evaluation into the Mine Development stage. Exploration expenditures incurred related to updating and validating of the Footwall Zone resources.

FINANCIAL REVIEW
Comparatives

Fiscal Commentary Fiscal
2012 2011 B/(W)*
($000's) ($000's)

1,219 Revenue of $1.2 million 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. This compared with revenue of $3.5 million in the prior year on the sale of gold from the Group's satellite deposits and toll

processing agreements.
3,523

(65)%

674 Operating Costs of $674,000 relate to the processing, mining, royalty and general administrative costs associated with the completion of the Group's Tilt Cove satellite deposit during Q1/12. Fiscal 2011 expenditures represent similar expenditures incurred on the Group's Tilt Cove East Mine and Nugget Pond Crown Pillar satellite deposits and toll processing agreements.

1,754

62%

3,022 General and administrative expenses were higher than the previous year by $272,000. Employment costs increased $69,000 as a result of key management promotions and the recruitment of additional administrative staff, travel and investor relation costs increased $42,000 and security and general office expenses increased $156,000 due to the addition of security personnel at the mine site and the move to the new office and dry facility.
2,750

(10)%

(959) Foreign exchange losses arising on the Gold Loan increased in the year as a result of the weakening of the Canadian dollar against the US dollar during the year. 897
(207)%

24 Exploration costs decreased compared to the previous year as the Group's main focus was on the construction and development of the Ming Mine. As the Group moves towards and in through commercial production Management will revisit various exploration opportunity in the area.
79

70%

Mineral Properties The group incurred costs of $37.8 million in the year offset by revenue on gold production of $28.2 million (see further below). The costs include labour of $8.4 million, contractor and material costs of $0.3 million, underground development costs of $7.3 million, depreciation of $4.1 million and finance costs of $9.3 million. Finance costs include $7.9 million in effective interest charges arising on the gold loan due to higher than estimated gold prices and actual gold ounces delivered during the year as well as changes to future gold pricing and volume estimates. Finance costs include actual cash cost of $1.4 million relating to interest on the Group's Credit Facility and equipment capital leases.
9,596 17,566 45%
Ming Mine Revenue of $28.2 million was realized in the year on the sale of 14,918 ounces of gold and 1,271 tonnes of copper concentrate. Processing and ore transportation costs of $5.5 million and concentrated transportation & other allowances of $241,000 were incurred to generate this revenue. Revenue realized during the testing and commissioning of the Ming Mine has been credited against Mineral Properties and will continue until commercial production is announced.

10,451 Capital spending on property, plant and equipment decreased during the year reflecting the substantial completion of the copper concentrator at the Nugget Pond gold and base metal milling facility, a reduction in the amount of new equipment being leased and substantial completion of the Goodyear's Cove Storage Facility. 20,320 49%

633 Capital spending on exploration and evaluation costs increased in the year as a result of consultancy

expenditure incurred on the preliminary economic assessment of the Lower Footwall Zone at the Ming Mine. 478 (32)%

*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 4th 3rd 2nd 1st
(All amounts in 000s of Canadian Dollars, Quarter Quarter Quarter Quarter
except Loss per share figures)
Fiscal 2012
Revenue -* -* -* 1,219
Net Income/ (loss) (1,202) (281) (1,039) (845)
Earnings/(loss) per Share (Basic & Diluted) (0.009) (0.002) (0.008) (0.007)
Fiscal 2011
Revenue 2,089 183 266 985
Net Income/ (loss) 577 193 (555) (268)
Earnings/(loss) per Share (Basic & Diluted) 0.008 0.002 (0.006) (0.003)
*gold and copper sales resulting from the testing and commissioning of the Ming Mine are credited to Mineral Properties until commercial production is achieved

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 first quarter of 2012 and further increased in the second quarter of 2012 as a result of an exchange loss of $0.7 million and $0.30 million respectively and reduced sales activity due to the processing of the Group's satellite deposits completed in the first quarter of 2012. The reduction in losses in the third quarter of 2012 reflects exchange gains on the retranslation of the Gold Loan with the increase in losses in the fourth quarter of 2012 reflecting a reversal of such exchange gains.

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 commercial 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 takes a very risk averse approach to management of cash resources and Management and Directors monitor events and associated risks on a continuous basis. Cash and short-term investment resources (cash, cash equivalents and short-term investments) were as follows:
Resource July 31, 2012 July 31, 2011
$'000 $'000
Cash $CDN 7,394 9,431
Cash GBP 77 47
Short-term Investments $CDN - 25
Short-term Investments GBP 355 667
Total 7,826 10,170

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

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

Cash flows utilised from investing activities amounted to $7.1 million for the year. Net cash of $4.5 million was incurred on the Group's Mineral Property ($28.2 million proceeds received from the sale of gold and copper concentrate less $32.7 million in mine development). $10.0 million was spent on property, plant and equipment, $0.7 million on Exploration and Evaluation of the Lower Footwall Zone and $1.1 million invested in Maritime Resources Corp.

Cash flows generated from financing activities during the year amounted to $5.9 million and included receipt of $8.7 million from the placing of 17,521,992 Ordinary Shares to Tinma and net proceeds of $7.0 million from the Group's credit facility both offset by gold loan repayments of $7.9 million and finance lease repayments of $1.7 million.

The group is required to hold Letters of Credit in favour of the Government of Newfoundland and Labrador in respect of the reclamation and closure liability at the existing Nugget Pond Mill and Ming Mine. At year 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 future trends in copper and gold prices, its ability to fund its development and exploration programs, and to manage and generate positive cash flows from current operations. Through the use of current cash reserves and continued production during the commissioning phase, 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 and the repayment of loans falling due for repayment in March 2013. 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.

At October 19, 2012 the Group has $6.5 million in cash and cash equivalents.

Financial Instruments

The Group's financial instruments as at July 31, 2012 comprised of financial assets of available for sale investments, cash and cash equivalents and trade and other receivables and financial liabilities comprised of trade payables; other payables; accrued expenses and interest bearing loans and borrowings.

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

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 21 of the financial statements for the year ended July 31, 2012. There were no derivative instruments outstanding at July 31, 2012.

COMMITMENTS AND LOANS

At July 31, 2012, there were no capital commitments made to third parties.

Gold Loan

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

For this, 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.

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

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 (14,918 oz produced to July 31, 2012) then a portion of the US$20 million will be repayable based on the shortfall of payable gold, and/or;
Within the first 36 months of production of gold any shortfall in the value of payable gold below the following amounts will be required to be paid in cash:
within the first 12 months - US$3.6 million
within the second 12 months - US$3.6 million
within the third 12 months - US$3.1 million

During the first eight months of commissioning, repayments of US$7,855,441 were made from the delivery of 4,774 ounces of gold thereby satisfying the requirement to repay a minimum of US$3.6 million cash during the first and second 12 month periods and partially meeting the requirements for the third 12 months.

Credit Facility

On September 29, 2011 the Group agreed a Credit Facility of up to $10 million with Sprott Resource Lending Partnership ('Sprott') for use as additional funding for the development of the Ming Mine. Subsequent to amending the agreement in December 2011 the facility is available in three instalments; the first instalment of $5 million was drawn on 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 was available until August 31, 2012. Interest will accrue at a fixed rate of 9.25% per annum. Principal 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 $100,000 and a 3% Commitment Fee of $300,000 were paid to Sprott in cash. Pursuant to the terms of the Credit Facility, the Company issued $300,000 of ordinary shares of 1p each in the capital of the Company to Sprott in exchange for the repayment of the previously paid cash Commitment Fee. In addition, a further 4% Drawdown Fee on all amounts drawn under the Credit Facility was satisfied by the issuance of ordinary shares by the Company.

Loan and lease balances

At July 31, 2012, interest bearing loans and borrowings comprised a Gold Loan of $20,889,000, finance lease commitments of $7,689,000, a Credit Facility of $7,500,000 and a bank loan of $26,000. The Group entered into finance lease commitments of $2,442,000 to finance the acquisition of a mine truck, scoop tram and conveyor in the year.

SUBSEQUENT EVENTS

On October 9, 2012 the Company announced the purchase of a 1% net smelter royalty ('NSR') held over the Ming Mine by Ming Minerals Inc. for a total consideration of $500,000. The mine was initially encumbered by a combined 4.5% NSR held by four separate groups. Of the four net smelter royalties, two included a buyout clause allowing the Company to purchase 3% of the total NSR for a combined payment of $1,100,000. This is the second royalty Rambler purchased since starting commissioning at the Ming Mine leaving a combined net smelter royalty of 1.5% on the Ming Mine.

APPENDIX 1 - LOCATION MAP: http://media3.marketwire.com/docs/RMMAppendix1.jpg

APPENDIX 2 ‐ SELECTED FINANCIAL INFORMATION & REVIEW OF OVERALL PERFORMANCE
Financial Highlights Year ended July 31,
(All amounts in 000s of Canadian Dollars,
except shares and per share figures)
2012 2011 2010
Gold sales (Ounces)1 15,6132 1,399 -
Copper concentrate sales (dmt)1 1,271 - -
Average price (per ounce) 1,654 1,492 -
Revenue 1,2192 3,523 -
Operating Expenses (674) (1,754) -
Exploration Expenditure (24) (79) (91)
Administrative expenses (3,022) (2,750) (2,172)
Net Income (loss) (3,367) (53) (2,426)
Cash Flow used in operating activities (1,209) (1,352) (2,107)
Cash Flow used in investing activities (7,075) (25,092) (9,705)
Cash Flow from (used in) financing activities 5,903 28,623 17,725
Net increase (decrease) in cash (2,381) 2,179 5,913
Cash and cash equivalents at end of period 7,826 10,170 8,000
Total Assets 110,718 96,473 54,162
Total Liabilities (43,317) (34,495) (7,338)
Working Capital (7,625) 7,804 8,462

Weighted average number of shares outstanding 128,477 102,282 83,581
Loss per share (0.026) (0.001) (0.029)
1 gold and copper concentrate sales relating to the testing and commissioning of the Ming Mine are credited to Mineral Properties until commercial production is achieved.
2 includes 621 ounces from the Group's Tilt Cove East Mine satellite deposit and 74 ounces from further refining of slag materials from the Nugget Pond Crown Pillar satellite deposit generating $1.219 million in revenue.

APPENDIX 3 ‐ FINANCIAL REVIEW FOR THE QUARTER ENDED JULY 31, 2012
Q4/12 Comparatives
Results Commentary
($000's) Q3/12 B/(W)* Q4/11 B/(W)

- Revenue in Q4/11 was generated through gold sales from the Group's satellite deposits. Revenues realized in Q4/12 during the testing and commissioning of the Ming Mine have been credited against Mineral Property and will continue until commercial production is achieved (see 'Ming Mine Revenue' below).
-

N/a

2,088

(100)%

- Operating Costs in Q4/11 relate to the processing, mining and general and administrative costs associated with Groups satellite deposits. -
N/a
770
100%

General and administrative expenses were higher than the previous quarter by $24,000. Promotional and travel costs reduced by $13,000 and security and general office expenses increased by $37,000.
785 761 (3)% 755 (4)%
In comparison to Q4/11 administrative expenses increased by $30,000. Promotional and travel costs increased by $23,000, and security and general office expenses by $33,000 offset by reduced depreciation costs of $19,000.

(447) Foreign exchange differences arising on the Gold Loan resulted in a loss in Q4/12 as a result of the weakening of the Canadian dollar against the US dollar during the quarter. 476 (110)% (84) 432%

Mineral Properties The group incurred costs of $14.1 million in the quarter offset by revenue on gold and copper concentrate sales of $11.6 million (see further below). The cost includes labour costs of $2.3 million, underground development costs of $2.4 million, processing and ore transportation of $2.3 million, depreciation of $1.1 million and finance costs of $4.9 million. Finance costs include actual cash cost of $0.5 million relating to interest on the Group's Credit Facility and equipment capital leases and a non-cash cost of $4.4 million in effective interest charges arising on the gold loan due to higher than estimated gold prices and actual ounces delivered as well as changes to future gold pricing and volume estimates. Net mineral properties expenditures increased in Q4/12 resulting from a decrease in the number of gold ounces sold during the quarter as compared to Q3/12 following the switch over and commissioning of the Group's copper concentrator.
2,501 (3,233) (177)% 5,820 52%
Ming Mine Revenue in Q4/12 included $3.0 million from the sale of 1,271 tonnes of copper concentrate and $8.6 million from the sale and settlement of 5,263 ounces of gold compared with $14.1 million in Q3/12 on the sale and settlement of 8,194 ounces of gold with the Group's third party refinery. Revenues realized during the testing and commissioning of the Ming Mine have been credited against Mineral Property and will continue until commercial production is achieved.

189 Capital spending on property, plant and equipment decreased during the quarter compared to Q3/12 reflecting the substantial completion of the copper concentrator at the Nugget Pond gold and base metal milling facility, fewer capital lease acquisitions on plant and equipment and substantial completion of the Goodyear's Cove Storage Facility. The decrease from Q3/12 is due to the reasons outlined above and the

overall movement from capital development into production.

1,437

87%

3,342

94%

10 Capital spending on exploration and evaluation costs reduced in Q4/12 compared to Q3/12 representing the final expenditure on the preliminary economic assessment completed on the Lower Footwall Zone of the Ming Mine. 337 97% (31)

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

APPENDIX 4 ‐ CRITICAL ACCOUNTING POLICIES AND ESTIMATES

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

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

Going Concern

The Group's ability to continue as a going concern, and the recoverability of its mineral properties, is dependent on future trends in copper and gold prices, its ability to fund its development and exploration programs, and to manage and generate positive cash flows from current operations. Through the use of current cash reserves and continued production during the commissioning phase, 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 and the repayment of loans falling due for repayment in March 2013. 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.

Share-based payments

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

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

Mineral Property and Exploration and Evaluation Costs

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

Closure Costs

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

Revenue

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

Available for sale investment

Management consider that they do not have significant influence over the financial and policy decisions of Maritime and therefore have included the investment as an available for sale investment.

Commercial production

The Group monitors the on-going testing and commissioning of its copper concentrate milling facility to assess when commercial production has been achieved. Commercial Production is the assessment that the mill is capable of operating in the manner intended was defined by management at the onset of development to be 60 days of continuous production from both the mill and mine, being 85% of target rates envisaged in the Group's Feasibility Study. Prior to commercial production being declared costs and revenues are offset to the Mineral Properties asset and post commercial production will be charged to the Group's income statement. Commercial production was not achieved at July 31, 2012.

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 Application date
standard 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, 2015 August 1, 2015
IFRS 10 Consolidated Financial Statements No change to accounting policy,
therefore, no impact January 1, 2013 August 1, 2013
IFRS 11 Joint Arrangements No change to accounting policy,
therefore, no impact January 1, 2013 August 1, 2013
IFRS 12 Disclosure of Interests in
Other Entities No change to accounting policy,
therefore, no impact January 1, 2013 August 1, 2013
IFRS 13 Fair Value Measurement No change to accounting policy,
therefore, no impact January 1, 2013 August 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, 2012.

APPENDIX 5 - OTHER MATTERS

Outstanding Share & Option Data

As at the date of this MD&A the following securities are outstanding:
Security Shares issued or Weighted Average Exercise Price
Issuable
Common Shares 142,360,240 --
Options 3,966,000* $0.46
*if all options have fully vested

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

Forward Looking Information

This MD&A contains "forward-looking information" which may include, but is not limited to, statements with respect to the Group's objectives and strategy, future financial or operating performance of the Group and its projects, exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining exploration and development, environmental risks, title disputes or claims and limitations of insurance coverage. All statements, other than statements of historical fact, are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonably by the Company, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.
Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; availability and cost of credit; fluctuations in Canadian dollar interest rates; fluctuations in the relative value of United States dollars, Canadian dollars and British Pounds; changes in planned parameters as plans continue to be refined; fluctuations in the market and forward prices of copper, gold, silver or certain other commodities; possible variations of ore grade or recovery rates; failure of equipment; accidents and other risks of the mining exploration industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Risk Factors" in the Report of Directors. Although the Group has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Unless stated otherwise, forward-looking statements contained herein are made as of the date of this MD&A. Other than as required by applicable securities law, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Further information

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

RAMBLER METALS AND MINING PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED JULY 31, 2012

The Directors present their report with the audited financial statements of the Group for the year ended July 31, 2012.

PRINCIPAL ACTIVITY

The principal activity of the Group is the development, mining and exploration of the Ming Copper-Gold Mine located in Baie Verte, Newfoundland and Labrador, Canada. The principal activity of the parent company is that of a holding company.

REVIEW OF BUSINESS

A review of the Group's business and prospects is set out in the Management's Discussion and Analysis.

FUTURE DEVELOPMENTS

The Group is looking forward to becoming a profitable copper and gold producer with the continued commissioning of its newly producing copper concentrator and underground mine throughout calendar Q4 2012 and continue its growth through the selective pursuit of opportunities within the region and Atlantic Canada as a whole including joint ventures and acquisitions.

DIVIDENDS

No dividends will be distributed for the year ended July 31, 2012.

DIRECTORS

The Directors during the period under review were:
T S Chan (appointed 26 March 2012)
D H W Dobson
L D Goodman
B Hinchcliffe
S Neamonitis
G Ogilvie
J M Roberts
J Thomson
J A Baker (resigned 13 October 2011)
B F Dalton (resigned 13 October 2011)

POLICY ON PAYMENT OF CREDITORS

It is the Group's and Company's policy to settle all amounts due to creditors in accordance with agreed terms of supply and market practice in the relevant country.

The Group's average creditor payment period at July 31, 2012 was 74 days (2011: 39 days). The Company's average creditor payment period at July 31, 2012 was 62 days (2011: 33 days).

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable donations of $2,950 (2011: $2,988) to various charities in the Baie Verte area.

SUBSTANTIAL SHARE INTERESTS

At October 19, 2012 the parent Company was aware of the following substantial share interests:
Number of Ordinary Shares % of Share Capital

Tinma International Ltd. 22,807,322 16.02 %
Legal and General Investment Management 17,575,000 12.35 %

HSBC Nominee (UK) Limited 13,825,530 9.71 %
The Bank of New York (Nominees) Limited 11,665,487 8.19 %
Whitmill Trust (Zila Corporation) 8,838,000 6.21 %
Vidacos Nominees Limited 8,744,962 6.14 %
Henderson Global Investors 6,889,605 4.84 %
Vestra Nominees Limited 5,632,651 3.96 %
TD Direct Investing Nominees Limited 4,883,552 3.43 %
Hargreaves Lansdown (Nominees) Limited 4,591,761 3.23 %

FINANCIAL INSTRUMENTS

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, liquidity risk, credit risk, interest rate risk and commodity price risk, each of which is discussed in note 21 to the financial statements. There were no derivative instruments outstanding at July 31, 2012.

SUBSEQUENT EVENTS

Details of subsequent events are set out in the Management's Discussion and Analysis.

RISKS AND UNCERTAINTIES

An investment in Rambler should be considered highly speculative due to its present stage of development, the nature of its operations and certain other factors. An investment in Rambler's securities should only be made by persons who can afford the total loss of their investment. The risk factors which should be taken into account in assessing Rambler's activities and an investment in securities of Rambler include, but are not limited to, those set out below. Should any one or more of these risks occur, it could have a material adverse effect on the value of securities of Rambler and the business, prospects, assets, financial position or operating results of Rambler, any one of which may have a significant adverse effect on the price or value of any securities of Rambler.

The risks noted below do not necessarily comprise all those faced by Rambler and are not intended to be presented in any assumed order of likelihood or magnitude of consequences.

Mining risks

Mining operations are inherently risky. These operations are subject to all hazards and risks encountered in the exploration for, and development and production of underground ore, including formation pressures, seismic activity, rock bursts, fires, power outages, cave-ins, flooding, explosions and other conditions involved in the drilling and removal of material. Any of these events could result in serious damage to the mine and other infrastructure, damage to life or property, environmental damage and possible legal liability.

The Company's profitability will depend, in part, on the economic returns and actual costs of developing its mining projects, which may differ from the estimates made by the Company. Events such as delays in construction, commissioning, and technical difficulties may result in the Company's current or future project target dates being delayed or additional capital expenditure being incurred.

Copper and Gold Price Volatility

The Group's revenues are expected to be derived from the extraction and sale of copper and gold concentrate. The prices of copper and gold have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Group's control including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased global production due to new extraction developments and improved extraction and production methods. In recent years the price of copper has been affected by changes in the worldwide balance of copper supply and demand, largely resulting from economic growth and political conditions in China and other major developing economies. While this demand has resulted in higher prices for copper in recent years, if Chinese economic growth slows, it could result in lower demand for copper. The effect of these factors on the price of copper and gold cannot be accurately predicted. Any material decrease in the prevailing price of copper in particular for any significant period of time would have an adverse and material impact on the Group's economic evaluations and on the Group's results of operations and financial condition.

Additional Requirement for Capital

The Group may need to raise additional capital in due course to fund anticipated future development and on-going operations. Future development of the Ming Mine, future acquisitions, base metal prices, environmental rehabilitation or restitution, revenues, taxes, capital expenditures and operating expenses and geological and processing successes are all factors which will have an impact on the amount of additional capital required.

Any additional equity financing may be dilutive to shareholders and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Group. If the Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, forfeit its interests in some or all of its properties, incur financial penalties and reduce or terminate its operations.

Uncertainty in the estimation of mineral resources and mineral reserves

The calculation of mineral reserves and mineral resources and related grades mined has a degree of uncertainty. Until such a time as the mineral reserves and mineral resources are actually mined and processed, the quantity of grades must be considered as estimates only. The mineral reserves estimates of the Company have been determined based on assumed metal prices, cut-off grades and costs that may prove to be inaccurate. Any material change in these variables, along with differences in actual metal recoveries when compared to laboratory test results, may affect the economic outcome of current and future projects.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group's Auditor for the purposes of their audit and to establish that the Auditor is aware of that information. The Directors are not aware of any relevant audit information of which the Auditor is unaware.

AUDITOR

The auditor, PKF (UK) LLP, will be proposed for re-appointment in accordance with Section 489 of the Companies Act 2006.

ON BEHALF OF THE BOARD:
P Mercer
Company Secretary
October 19, 2012

RAMBLER METALS AND MINING PLC

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have, as required by the AIM Rules of the London Stock Exchange, elected to prepare the group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and have also elected to prepare the parent company financial statements in accordance with those standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

In preparing these financial statements the directors are required to:

select suitable accounting policies and then apply them consistently;
make judgments and accounting estimates that are reasonable and prudent;
state whether the financial statements have been prepared in accordance with IFRSs as adopted by the European Union; and
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

RAMBLER METALS AND MINING PLC

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED JULY 31, 2012

In formulating the Group's corporate governance procedures the Board of Directors takes due regard of the principles of good governance set out in the UK Corporate Governance Code issued by the Financial Reporting Council in September 2012 (as appended to the Listing Rules of the Financial Services Authority) and the size and development of the Group. The Group also has regard to the Quoted Companies Alliance (QCA) Guidelines on Corporate Governance for AIM Companies.

The Board of Rambler Metals and Mining PLC is made up of one executive Director and seven non-executive Directors. D H W Dobson is the senior non-executive director and G Ogilvie is the Group's President and Chief Executive. It is the Board's policy to maintain independence by having at least half of the Board comprising non- executive directors. The structure of the Board ensures that no one individual or group dominates the decision making process.

The Board ordinarily meets no less than quarterly providing effective leadership and overall control of the Group's affairs through the schedule of matters reserved for its decision. This includes the approval of budgets and business plans, items of major capital expenditure, risk management policies and the approval of the financial statements. Formal agendas, papers and reports are sent to the directors in a timely manner, prior to Board meetings. The Board also receives a summary financial report before each Board meeting. The Board delegates certain of its responsibilities to Board committees which have clearly defined terms of reference. Between the Board meetings, the executive Director, the Chief Financial Officer and some of the non-executive directors meet on a regular basis to review and discuss progress.

All Directors have access to the advice and services of the company secretary, who is responsible for ensuring that all Board procedures are followed. Any Director may take independent professional advice at the Group's expense in the furtherance of his duties.

The Audit Committee, which meets not less than quarterly and considers the Group's financial reporting (including accounting policies) and internal financial controls, is chaired by J M Roberts, the other members being L Goodman and J S Thomson. The committee receives reports from management and from the Group's auditor. The Group has in place a series of procedures and controls designed to identify and prevent the risk of loss. These procedures are formally documented and are reported on regularly. The Audit Committee has reviewed the systems in place and considers these to be appropriate.

The Remuneration Committee, which meets at least once a year and is responsible for making decisions on directors' remuneration packages, is chaired by L Goodman. J M Roberts and J S Thomson are the other committee members.

Remuneration of executive Directors is established by reference to the remuneration of executives of equivalent status both in terms of time commitment, level of responsibility of the position and by reference to their job qualifications and skills. The Remuneration Committee will also have regard to the terms which may be required to attract an executive of equivalent experience to join the Board from another company. Such packages may include performance related bonuses and the grant of share options.

The Board attaches importance to maintaining good relationships with all its shareholders and ensures that all price sensitive information is released to all shareholders at the same time in accordance with AIM and Toronto Stock Exchange-Venture market rules. The Group's principal communication is through the Annual General Meeting and through the annual report and accounts, quarterly and interim statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMBLER METALS AND MINING PLC

We have audited the financial statements of Rambler Metals and Mining plc for the year ended 31 July 31 2012 which comprise the consolidated income statement, the consolidated and parent company statements of comprehensive income, the consolidated and parent company statements of financial position, the consolidated and parent company statements of changes in equity, the consolidated and parent company statements of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 July 31 2012 and of the group's loss for the year then ended;
the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2006; and
the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in Note 2 to the group financial statements the group, in addition to applying IFRSs as adopted by the European Union, has also applied IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the group financial statements comply with IFRSs as issued by the IASB.

Emphasis of matter – going concern

In forming our opinion, which is not modified, we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the Group's ability to continue as a going concern. The Group is dependent on its ability to manage and generate positive cash flows from current operations in order to continue as a going concern. However, there are risks associated with the commencement of a new mining and processing operation and additional working capital may be required to fund delays in commissioning the mine and the repayment of loans falling due for repayment in March 2013. These conditions, along with the other matters explained in Note 1 to the financial statements indicate the existence of a material uncertainty which may cast significant doubt about the Company and the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company and the Group were unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
the parent company financial statements are not in agreement with the accounting records and returns; or
certain disclosures of directors' remuneration specified by law are not made; or
we have not received all the information and explanations we require for our audit.

Jason Homewood (Senior statutory auditor) London, UK
for and on behalf of PKF (UK) LLP, Statutory auditor October 19, 2012

RAMBLER METALS AND MINING PLC

CONSOLIDATED INCOME STATEMENT

For the Year Ended July 31, 2012
(EXPRESSED IN CANADIAN DOLLARS)
Note 2012 2011
$'000 $'000

Revenue 3 1,219 3,523
Cost of sales (674) (1,754)
Gross profit 545 1,769

Administrative expenses (3,022) (2,750)
Exploration expenses (24) (79)
Operating loss 4 (2,501) (1,060)

Exchange gain/(loss) (959) 897
Bank interest receivable 102 90
Finance costs (9) (9)
Net financing income/(expense) (866) 978

Loss before tax (3,367) (82)

Income tax credit 6 - 29

Loss for the year attributable to owners of the parent (3,367) (53)

Loss per share
Note 2012 2011
$ $

Basic and diluted loss per share 17 (0.026) (0.001)

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended July 31, 2012
(EXPRESSED IN CANADIAN DOLLARS)
2012 2011
$'000 $'000

Loss for the year (3,367) (53)

Exchange differences on translation of foreign operations (net of tax) 8 110
Loss on available for sale investment (422) -
Other comprehensive income for the year (414) 110

Total comprehensive income for the year and attributable to the owners of the parent (3,781) 57

REGISTERED NUMBER: 05101822 (ENGLAND AND WALES)
RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at July 31, 2012
(EXPRESSED IN CANADIAN DOLLARS)
Note
2012 2011
$'000 $'000
Assets
Intangible assets 7 17,260 16,627
Mineral properties 8 48,064 38,468
Property, plant and equipment 9 31,494 25,332
Available for sale investments 10 712 -
Total non-current assets 97,530 80,427

Inventory 12 1,100 934
Trade and other receivables 13 999 1,565
Cash and cash equivalents 14 7,826 10,170
Restricted cash 15 3,263 3,377
Total current assets 13,188 16,046
Total assets 110,718 96,473

Equity
Issued capital 16 2,599 2,299
Share premium 74,756 65,934
Merger reserve 214 214
Translation reserve 143 135
Fair value reserve (422) -
Accumulated losses (9,888) (6,604)
Total equity 67,402 61,978

Liabilities
Interest-bearing loans and borrowings 19 20,691 24,606
Provision 20 1,812 1,647
Total non-current liabilities 22,503 26,253

Interest-bearing loans and borrowings 19 14,827 2,282
Trade and other payables 18 5,986 5,960
Total current liabilities 20,813 8,242
Total liabilities 43,317 34,495
Total equity and liabilities 110,718 96,473

ON BEHALF OF THE BOARD:

J S Thomson
Director
Approved and authorised for issue by the Board on October 19, 2012
RAMBLER METALS AND MINING PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Share Share Merger Translation Fair value Accumulated
capital Premium Reserve reserve reserve Losses Total
(EXPRESSED IN CANADIAN DOLLARS) $'000 $'000 $'000 $'000 $'000 $'000 $'000
Group
Balance at 1 August 2010 1,863 51,532 214 25 - (6,811) 46,823
Comprehensive income
Loss for the year - - - - - (53) (53)
Foreign exchange translation differences - - - 110 - - 110
Total other comprehensive income - - - 110 - - 110
Total comprehensive income 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
Balance at 1 August 2011 2,299 65,934 214 135 - (6,604) 61,978
Comprehensive income
Loss for the year - - - - - (3,367) (3,367)
Foreign exchange translation differences - - - 8 - - 8
Loss on available for sale investments - - - - (422) - (422)
Total other comprehensive income - - - 8 (422) - (414)
Total comprehensive income for the year - - - 8 (422) (3,367) (3,781)
Transactions with owners
Issue of share capital 300 9,047 - - - - 9,347
Share issue expenses - (225) - - - - (225)
Share-based payments - - - - - 83 83
Transactions with owners 300 8,822 - - - 83 9,205
Balance at July 31, 2012 2,599 74,756 214 143 (422) (9,888) 67,402

RAMBLER METALS AND MINING PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended July 31, 2012
(EXPRESSED IN CANADIAN DOLLARS)
2012 2011
$'000 $'000
Cash flows from operating activities
Operating loss (2,501) (1,060)
Depreciation 131 141
Share based payments 80 248
Increase in inventory (167) (934)
Decrease/(increase) in debtors 847 (1,280)
Increase in creditors 410 1,513
Cash utilised in operations (1,200) (1,372)
Interest paid (9) (9)
Tax received - 29
Net cash utilised in operating activities (1,209) (1,352)

Cash flows from investing activities
Interest received 102 90
Redemption/(purchase) of bearer deposit note 114 (2,012)
Acquisition of listed investment (1,135) -
Acquisition of evaluation and exploration assets (658) (604)
Acquisition of mineral properties - net 4,508 (10,710)
Acquisition of property, plant and equipment (10,006) (11,856)
Net cash utilised in investing activities (7,075) (25,092)

Cash flows from financing activities
Proceeds from issue of share capital 8,714 15,688
Payment of transaction costs (225) (850)
Proceeds from exercise of share options 38 12
(Repayment)/proceeds from Gold Loan (note 19) (7,888) 14,268
Proceeds of Credit Facility 6,976 -
Capital element of finance lease payments (1,712) (495)
Net cash from financing activities 5,903 28,623
Net (decrease)/increase in cash and cash equivalents (2,381) 2,179
Cash and cash equivalents at beginning of period 10,170 8,000
Effect of exchange rate fluctuations on cash held 37 (9)
Cash and cash equivalents at end of period 7,826 10,170

RAMBLER METALS AND MINING PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Nature of operation 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.

The Group's ability to continue as a going concern, and the recoverability of its mineral properties, is dependent on future trends in copper and gold prices, its ability to fund its development and exploration programs, and to manage and generate positive cash flows from current operations. Through the use of current cash reserves and continued production during the commissioning phase, 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 and the repayment of loans falling due for repayment in March 2013. 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 Significant accounting policies

Rambler Metals and Mining Plc (the "Company") is a company registered in England and Wales. The consolidated financial statements of the Company for the year ended July 31, 2012 comprise the Company and its subsidiaries (together referred to as the "Group").

These financial statements are presented in Canadian dollars. Although the parent company has a functional currency of GB pounds the majority of the Group's operations are carried out by its operating subsidiary which has a functional currency of Canadian dollars. Foreign operations are included in accordance with the policies set out in note 2(d). At July 31, 2012 the closing rate of exchange of Canadian dollars to 1 GB pound was 1.58 (31 July 2011: 1.57) and the average rate of exchange of Canadian dollars to 1 GB pound for the year was 1.60 (2011: 1.59).

(a) Statement of compliance

The consolidated financial statements of Rambler Metals and Mining plc have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB"), as adopted by the European Union and with IFRS and their interpretations adopted by the IASB. There are no material differences on application to the Group. The consolidated financial statements have also been prepared in accordance with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

New and revised standards which have been adopted during the year have not affected the disclosures presented in these financial statements.

The Group has not adopted any standards or interpretations in advance of the required implementation dates. It is not expected that adoption of standards or interpretations which have been issued by the International Accounting Standards Board but have not been adopted will have a material impact on the financial statements.

(b) Basis of preparation

The financial statements are presented in Canadian dollars, rounded to the nearest thousand dollars.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 25.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

The accounting policies have been applied consistently by Group entities.

(c) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

(d) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

(ii) Translation into presentation currency

The assets and liabilities of the UK parent are translated to Canadian dollars at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of the parent company are translated to Canadian dollars at rates approximating to the foreign exchange rates ruling at the dates of the transactions.

(iii) Net investment in foreign operations

Exchange differences arising from the translation of the net investment in foreign operations are taken to translation reserve. They are released into the income statement upon disposal.

(e) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost. The cost of self-constructed assets includes the cost of materials, direct labour and the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

(iii) Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

(iv) Depreciation

Depreciation is charged to the income statement or capitalised as part of the exploration and evaluation costs or Mineral Properties where appropriate, on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:
• buildings 5 to 10 years
• plant and equipment 2 to 5 years
• motor vehicles 3 years
• computer equipment 3 years
• fixtures, fittings and equipment 3 years

The estimated useful lives and residual values of the assets are considered annually and restated as required.

(f) Mineral Properties

Upon transfer of 'Exploration and evaluation costs' into 'Mineral Properties', all subsequent expenditure on the construction, installation or completion of infrastructure facilities is capitalised within 'Mineral Properties'. Development expenditure is net of proceeds from all sale of gold and copper concentrate extracted during the development phase and until commercial production is declared.

Mineral properties are amortised on a unit of production basis.

(g) Intangible assets

(i) Exploration and evaluation costs

These comprise costs directly incurred in exploration and evaluation. They are capitalised as intangible assets pending determination of the feasibility of the project. When the existence of economically recoverable reserves and the availability of finance is established, the related intangible assets are transferred to Mineral properties. Where a project is abandoned or is determined not to be economically viable, the related costs are written off.

The recoverability of deferred exploration and evaluation costs is dependent upon a number of factors common to the natural resource sector. These include the extent to which the Group can establish economically recoverable reserves on its properties, the ability of the Group to obtain necessary financing to complete the development of such reserves and future profitable production or proceeds from the disposition thereof.

(ii) Impairment of exploration and evaluation costs

Impairment reviews for exploration and evaluation costs are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise but typically when one of the following circumstances apply:

unexpected geological occurrences that render the resource uneconomic;
title to the asset is compromised;
variations in metal prices that render the project uneconomic; and
variations in the exchange rate for the currency of operation.

(h) Available for sale investments

Available for sale investments are recognised at fair value with changes in value recorded in other comprehensive income. Subsequent to initial recognition available-for-sale financial assets are stated at fair value. Movements in fair values are recognised in other comprehensive income, with the exception of impairment losses which are recognised in profit or loss. Fair values are based on prices quoted in an active market if such a market is available. If an active market is not available, the group establishes the fair value of financial instruments by using a valuation technique, usually discounted cash flow analysis. When an investment is disposed, any cumulative gains and losses previously recognised in equity are recognised in profit or loss.

(i) Inventory

Stockpiled ore is recorded at the lower of production cost and net realisable value. Production costs include all direct costs plus an allocation of fixed costs associated with the mine site.

Operating supplies are valued at the lower of cost and net realisable value. Cost is determined on an average cost basis.

(j) Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses (see accounting policy l). Receivables in respect of sale of copper concentrate are revalued using metal prices ruling at the balance sheet date.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(l) Impairment

The carrying amounts of the Group's assets (except deferred exploration and evaluation costs (see accounting policy (g)(ii)) and deferred tax assets (see accounting policy 2(r)), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see accounting policy 2(l)(i)).

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

(i) Calculation of recoverable amount

Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(m) Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial liabilities include bank loans and the Gold Loan which are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income over the period of the borrowings on an effective interest basis except where the difference between cost and redemption value qualify to be capitalised as part of the cost of a qualifying asset.

(n) Trade and other payables

Trade and other payables are stated at amortised cost.

(o) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of sales tax.

The group recognises revenue when the amount of the revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met as described below. Any revenues generated during commissioning are treated as a contribution towards previously incurred costs and are therefore credited against mining and development assets accordingly.

Sale of gold

Revenue associated with the sale of gold doré bars is recognised in accordance with contract terms negotiated with the refiner and when significant risks and rewards of ownership of the asset sold are transferred to the refiner, which is when the minimum determinable or agreed amount of gold has been determined and title has passed to the refiner.

Sale of concentrate

Revenue associated with the sale of copper concentrate is recognised when significant risks and rewards of ownership of the asset sold are transferred to the Group's off-taker, which is when the group receives provisional payment for each lot of concentrate invoiced. Where a provisional invoice is not raised, risks and rewards of ownership transfers when the concentrate pass over the rail of the shipping vessel. Adjustments arising due to differences in commodity prices and assays, from the time of provisional invoicing to the time of final settlement, are adjusted to revenue at each balance sheet date.

Toll processing

The Group processes ore at its milling facility. Sales of this service are recognised as the ore is processed. The customer is invoiced based on tonnes processed each month at the price specified in the toll processing agreement.

(p) Expenses

(i) Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

(ii) Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(iii) Borrowing costs

Borrowing costs are recognised in the income statement where they do not meet the criteria for capitalisation. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised.

(q) Equity settled share based payments

All share based payments are recognised in the financial statements.

All goods and services received in exchange for the grant of any share-based remuneration are measured at their fair values. Fair values of employee services are determined indirectly by reference to the fair value of the share options awarded. Their value is appraised at the grant dates and excludes the impact of non-market vesting conditions.

All share-based remuneration is ultimately recognised as an expense in the income statement with a corresponding credit to the accumulated losses in the balance sheet.

If vesting periods apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if the number of share options ultimately exercised is different to that estimated on vesting. Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital.

(r) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3. Operating segments

The Group's operations relate to the exploration for and development of mineral deposits with support provided from the UK and as such the Group has only one operating segment.
Information about geographical areas
2012 2011
UK Canada Consolidated UK Canada Consolidated
$'000 $'000 $'000 $'000 $'000 $'000

Segment revenue - 1,219 1,219 - 3,523 3,523

Segment non-current assets - 97,530 97,530 - 80,427 80,427

Information about major customers

Revenues from transactions with a single customer exceeding 10% of total revenues were as follows:
2012 2011
$'000 $'000
Customer A 1,219 2,087
Customer B - 1,063
Others - 373
1,219 3,523

4. Operating loss
The operating loss is after charging/(crediting):
2012 2011
$'000 $'000
Depreciation - owned assets 131 141
Directors' emoluments (see note 23) 338 332
Auditor's remuneration:
Audit of these financial statements 64 57
Fees payable to the auditor for other services:
Other services 10 6

The Audit Committee reviews the nature and extent of non-audit services to ensure that independence is maintained.

In addition to the depreciation charge shown above, depreciation of $nil (2011: $96,000) was capitalised within exploration and evaluation assets and $4,092,000 (2011: $2,172,000) within mineral properties.

5. Personnel expenses
Salary costs

Group Group
2012 2011
$'000 $,000
Wages and salaries 9,543 6,083
Compulsory social security contributions 1,367 997
Share based payments 79 248
10,989 7,328

Salary costs of $nil (2011: $127,000) were capitalised as exploration and evaluation costs, $8,449,000 as mineral properties and $948,000 as assets under construction costs during the year.

Number of employees

The average number of employees during the year was as follows:
Group Group
2012 2011
Directors 7 9
Administration 10 9
Development 126 68
143 86

During the year the Group granted share options to key personnel to purchase shares in the entity. The options are exercisable at the market price of the shares at the date of grant.

Share-based payments

The number and weighted average exercise prices of share options are as follows:
Weighted Weighted
average average
exercise Number exercise Number
price of options price of options
2012 2012 2011 2011
$ '000 $ '000
Outstanding at the beginning of the year 0.484 4,167 0.467 3,952
Granted during the year 0.503 646 0.506 647
Exercised during the year 0.175 (202) 0.186 (52)
Cancelled during the year 0.541 (674) 0.379 (380)
Outstanding at the end of the year 0.461 3,937 0.484 4,167
Exercisable at end of year 0.446 3,313 0.495 3,077

The options outstanding at July 31, 2012 have an exercise price in the range of $0.16 to $1.10 and a weighted average remaining contractual life of 6 years (2011: 7 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.
Fair value of share options and assumptions 2012 2011
$'000 $'000
Fair value at measurement date 186 168

Share price (weighted average) 0.503 0.490
Exercise price (weighted average) 0.503 0.490
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes model) 68.0 % 70.7 %
Expected option life 5 5
Expected dividends 0 0
Risk-free interest rate (based on national government bonds) 1.67 % 2.35 %

The expected volatility is based on the historical 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 is no performance or market conditions associated with the share option grants.

The share-based payment expense relates to the following grants:
2012 2011

$'000 $'000
Share options granted in 2008 - 21
Share options granted in 2009 17 64
Share options granted in 2010 4 64
Share options granted in 2011 36 99
Share options granted in 2012 22 -
Total expense recognised as employee costs 79 248

6. Income tax credit

Recognised in the income statement
2012 2011
$'000 $'000
Current tax expense
Current year - -
- -
Deferred tax credit
Origination and reversal of temporary differences - 1,737
Benefit of tax losses recognised - (1,737)
Tax losses surrendered for tax credit - (29)
Total income tax credit in income statement - (29)

Reconciliation of effective tax rate
2012 2011
$'000 $'000

Loss before tax (3,367) (82)

Income tax using the UK corporation tax rate of 25.33% (2011: 27.33%) (853) (22)
Effect of tax rates in foreign jurisdictions (rates increased) (105) 14
Non-deductible expenses (25) (183)
Other timing differences (7,161) (38)
Capital allowances in excess of depreciation (6,458) (1,103)
Effect of tax losses carried forward 230 1,303
- (29)

7. Intangible assets
Exploration and
evaluation
costs
$'000
Cost
Balance at 1 August 2010 37,051
Additions 478
Transfer to mineral properties (20,902)
Balance at 31 July 2011 16,627

Balance at 1 August 2011 16,627
Additions 633
Balance at July 31, 2012 17,260
Carrying amounts
At 1 August 2010 37,051
At 31 July 2011 16,627

At 1 August 2011 16,627
At July 31, 2012 17,260

Consideration of impairment for exploration and evaluation costs

The directors have assessed whether there are any indicators of impairment in respect of exploration and evaluation costs. In making this assessment they have considered the Group's preliminary economic assessment which includes resource estimates, future processing capacity, the forward market and longer term price outlook for copper and gold. The directors do not consider that there are any indicators that exploration and evaluation costs are impaired ay the year end.

8. Mineral properties

Mineral
property
$'000

Cost

Balance at 1 August 2010 -
Transfer from exploration and evaluation costs 20,902
Additions 17,566
Balance at July 31, 2011 38,468

Balance at 1 August 2011 38,468
Additions 9,596
Balance at 31 July 2012 48,064

Carrying amounts

At 1 August 2010 -
At 31 July 2011 38,468

At 1 August 2011 38,468
At July 31, 2012 48,064

Consideration of impairment for mineral property costs

The directors have assessed whether there are any indicators of impairment in respect of mineral property costs. In making this assessment they have considered the Group's recent Feasibility Study as well as its opportunities economic model which includes resource estimates and conversion of its inferred resources, movement of future processing capacity, the forward market and longer term price outlook for copper and gold. The directors do not consider that there are any indicators that mineral property costs are impaired at the year end.

The Group generated revenue from saleable material produced during commissioning of $25.2 million from the sale of gold doré bar and $3.0 million from the sale of copper concentrate during the year and offset this revenue against the mineral property asset as commercial production was not declared during the year.

9. Property, plant and equipment
Fixtures,
Land and Assets under Motor Plant and fittings and Computer
buildings construction vehicles equipment equipment equipment Total
$'000 $'000 $'000 $'000 $'000 $'000 $'000
Cost
Balance at 1 August 2010 1,096 5,200 118 6,038 56 540 13,048
Additions 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 733 6,189 59 3,378 3 89 10,451
Disposals - - - (189) - (6) (195)
Balance at July 31, 2012 3,674 21,499 212 17,354 93 753 43,585

Depreciation and impairment losses
Balance at 1 August 2010 775 - 51 4,382 44 335 5,587
Depreciation charge for the year 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 for the year 333 - 58 3,755 15 128 4,289
Eliminated on disposals - - - (189) - (6) (195)
Balance at July 31, 2012 1,259 - 129 10,018 72 613 12,091

Carrying amounts
At 1 August 2010 321 5,200 67 1,656 12 205 7,461
At 31 July 2011 2,015 15,310 82 7,713 33 179 25,332

At 1 August 2011 2,015 15,310 82 7,713 33 179 25,332
At July 31, 2012 2,415 21,499 83 7,336 21 140 31,494

Leased plant and machinery

The Group leases surface and underground equipment under a number of finance lease agreements. At the end of each lease the Group has the option to purchase the equipment at a beneficial price. At July 31, 2012, the net carrying amount of leased plant and machinery was $5,542,000 (2011: $6,032,000). The leased plant and machinery secures lease obligations (see note 19). During the year plant and equipment additions of $2,422,000 (2011: $7,019,000) were acquired through finance lease arrangements.

10. Available for sale investments
Available for sale
investments
$'000

Cost
Balance at 1 August 2011 -
Acquisitions 1,134
Revaluation (422)
Balance at 31 July 2012 712
Carrying amounts
At 31 July 2011 -
At 31 July 2012 712

On February 15, 2012 the Group completed an acquisition of 4,500,000 shares of Maritime Resources Corp (TSX VENTURE: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 invitation to appoint a representative to join Maritime's Board of Directors. On May 23, 2012 the Group acquired a further 588,230 shares at $0.17 per share. The market price at July 31, 2012 was $0.14 per share.

11. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:
Assets Liabilities Net
Balance Balance Balance Balance Balance Balance
July 31, 2012 July 31, 2012 July 31, 2012 July 31, 2011 July 31, 2012 July 31, 2011
$'000 $'000 $'000 $'000 $'000 $'000
Property, plant and equipment - - 21 97 21 97
Mineral property - - 3,104 1,556 3,104 1,556
Intangible assets - - 1,327 1,556 1,327 1,556
Available for sale investment (61) - - - (61)
Tax value of loss carry-forwards recognised (4,391) (3,209) - - (4,391) (3,209)
Net tax (assets)/ liabilities (4,452) (3,209) 4,452 3,209 - -
Unrecognised deferred tax assets
Deferred tax assets have not been recognised in respect of the following items:
2012 2011
$'000 $'000
UK tax losses 1,126 831
Canadian tax losses - 49
Other Canadian tax credits 5,442 3,768
6,568 4,648

The Canadian tax losses and other Canadian tax credits expire if not realized within 20 years based on current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.
Movement in recognised deferred tax assets and liabilities
Recogn-
Balance ised in Balance
Aug 1, 2010 income July 31, 2011
$'000 $'000 $'000
Property, plant and equipment (273) 370 97
Mineral properties - 1,556 1,556
Intangible assets 1,745 (189) 1,556

Tax value of loss carry-forwards (1,472) (1,737) (3,209)
- - -

Recogn-
Balance ised in Balance
Aug 1, 2011 income Jul 31, 2012
$'000 $'000 $'000
Property, plant and equipment 97 (76) 21
Mineral properties 1,556 1,548 3,104
Intangible assets 1,556 (229) 1,327
Available for sale investment - (61) (61)
Tax value of loss carry-forwards (3,209) (1,182) (4,391)
- - -

12. Inventory
2012 2011
$'000 $'000
Metals in process - 540
Operating supplies 1,100 394
1,100 934

13. Trade and other receivables
2012 2011
$'000 $'000
Trade receivables 281 653
Other receivables 72 37
Sales taxes recoverable 478 616
Prepayments and accrued income 168 259
999 1,565

14. Cash and cash equivalents
2012 2011
$'000 $'000
Short term deposits 355 692
Bank balances 7,471 9,478
Cash and cash equivalents in the statement of cash flows 7,826 10,170
15. Restricted cash
2012 2011
$'000 $'000
Bearer deposit notes 3,263 3,377

The Group is required to hold Letters of Credit in favour of the Government of Newfoundland and Labrador in respect of the reclamation and closure liability associated with the Ming Mine. The bearer deposit notes mature on differing dates throughout fiscal 2013 and have a nominal value of $3,302,000 (2011 - $3,424,000) giving an effective yield of 1.1% (2011 - 1.4%).
16. Capital and reserves
Share capital and share premium - group and company
Number '000
In issue at 1 August 2010 95,485
Issued for cash 27,778
Issued on exercise of options 52
In issue at 31 July 2011 123,315
In issue at 1 August 2011 123,315
Issued for cash 17,522
Issued in consideration for finance fees 1,321
Issued on exercise of options 202
In issue at July 31, 2012 142,360

At July 31, 2012, the authorised share capital comprised 1,000,000,000 ordinary shares of 1p each.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Details of shares issued during the year ended July 31, 2012 are as follows:

On August 22, 2011 the company received monies to subscribe for 22,000 shares for $0.18 each raising a total of $3,960 following the exercise of options.

On October 7, 2011 the company issued 643,227 shares for $0.4664 to satisfy $300,000 of finance expenses.

On October 31, 2011 the company issued 481,001 shares for $0.4158 to satisfy $200,000 of finance expenses.

On February 3, 2012 the company issued 197,242 shares for $0.5070 to satisfy $100,000 of finance expenses.

On February 9, 2012 the company received monies to subscribe for 180,000 shares for an average of $0.1754 each raising a total of $31,573 following the exercise of options.

On March 19, 2012 the company received monies to subscribe for 10,403,980 shares for $0.44 each raising a total of $4,408,323 net of expenses.

On July 18, 2012 the company received monies to subscribe for 7,118,012 shares for $0.58 each raising a total of $4,073,014 net of expenses.

Merger reserve

The merger reserve arose from the acquisition of Rambler Mines Limited by Rambler Metals and Mining PLC. This acquisition was accounted for in accordance with the merger accounting principles set out in UK Financial Reporting Standard 6 and the Companies Act 1985, which continue under the Companies Act 2006, whereby the consolidated financial statements were presented as if the business previously carried out through Rambler Mines Limited had always been owned and controlled by the Company. The transition provisions of IFRS 1 allow all business combinations prior to transition to IFRS to continue to be accounted for under the requirements of UK GAAP at that time. Accordingly this acquisition has not been re-stated in accordance with that standard.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the parent company which has a different functional currency from the presentation currency. Exchange differences arising are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in the income statement in the period of disposal of the operation.

Fair value reserve

The fair value reserve comprises cumulative adjustments made to the fair value of available for sale investments.

Capital management

The Group's objectives when managing capital are to safeguard the entity's ability to continue as a going concern so that it can continue to increase the value of the entity for the benefit of the shareholders. Given the nature of the Group's current activities the entity will remain dependent on a mixture of debt and equity funding until such a time as the Group becomes self-financing from the commercial production of mineral resources.
The Group's capital was as follows:

	2012	2011
	$'000	$'000
Cash and cash equivalents	7,826	10,170
Finance leases	(7,689)	(6,956)
Bank loan	(26)	(29)
Gold loan	(20,889)	(19,903)
Credit facility	(6,914)	-
Net debt	(27,692)	(16,718)
Equity	(67,402)	(61,978)
Total capital	(95,094)	(78,696)

Details of employee share options outstanding are set out in note 5.

17. Loss per share

Basic loss per share

The calculation of basic loss per share at July 31, 2012 was based on the loss attributable to ordinary shareholders of $3,367,000 and a weighted average number of ordinary shares outstanding during the period ended July 31, 2012 of 128,477,000 calculated as follows:
Loss attributable to ordinary shareholders
2012 2011
$'000 $
Loss for the period (3,367) (53)
Loss attributable to ordinary shareholders (3,367) (53)

Weighted average number of ordinary shares

Number '000
At August 1, 2010 95,485
Effect of shares issued during the year 6,797
At July 31, 2011 102,282

In issue at August 1, 2011 123,315
Effect of shares issued during year 5,162
Weighted average number of ordinary shares at July 31, 2012 128,477

There is no difference between the basic and diluted loss per share. At July 31, 2012 there were 3,937,000 (2011: 4,167,000) share options in issue which may have a dilutive effect on the basic earnings or loss per share in the future.
18. Trade and other payables
2012 2011
$'000 $'000
Trade payables 4,918 4,710
Non trade payables 65 187
Accrued expenses 1,003 1,063
5,986 5,960

19. 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 21.
2012 2011
$'000 $'000
Non-current liabilities
Bank loan 23 26
Finance lease liabilities 5,727 5,326
Gold Loan 14,941 19,254
20,691 24,606

Current liabilities
Current portion of bank loan 3 3
Current portion of finance lease liabilities 1,962 1,630
Current portion of Gold Loan 5,948 649
Credit Facility 6,914 -
14,827 2,282

Finance lease liabilities

Finance lease liabilities are payable as follows:
Minimum Minimum
lease lease
Payments Interest Principal Payments Interest Principal
2012 2012 2012 2011 2011 2011
$'000 $'000 $'000 $'000 $'000 $'000
Less than one year 2,189 227 1,962 1,965 335 1,630
Between one and five years 6,361 634 5,727 5,918 592 5,326
8,550 861 7,689 7,883 927 6,956

Under the terms of the lease agreements, no contingent rents are payable. The finance lease liabilities are secured on the underlying assets. Total interest of $428,000 (2011: $188,000) was charged to mineral properties during the year.

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:

(iii) 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.

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

• within the first 12 months - US$3.6 million

• within the second 12 months - US$3.6 million

• within the third 12 months - US$3.1 million

During the first eight months of commissioning, repayments of US$7,855,441 were made from the delivery of 4,774 ounces of gold thereby satisfying the requirement to repay a minimum of US$3.6 million cash during the first and second 12 months and partially meeting the requirements for the third 12 months.

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.

Total interest of $7,886,000 was accrued during the period. $nil (2011: $49,906) was included in exploration and evaluation expenditure and $4,340,000 (2011: $3,446,000) 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 $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 accrues at a fixed rate of 9.25% per annum. The principle is repayable by March 29, 2013 and is secured by a fixed and floating charge over the assets of the Group. In connection with the credit facility, a structuring fee of $100,000 and a 3% commitment fee of $300,000 were paid to Sprott in cash. Pursuant to the terms of the credit facility, the Company issued $300,000 of ordinary shares of 1p each in the capital of the Company to Sprott in exchange for the repayment of the previously paid cash commitment fee. In addition, a further 4% drawdown fee on all amounts drawn under the credit facility was satisfied by the issuance of ordinary shares by the Company.

Total financing and interest charges of $1,004,000 (2011: $nil) were charged to mineral properties during the year.

20. Provision
2012 2011
$'000 $'000
Reclamation and closure provision
Opening balance 1,647 599
Provision (utilised)/made during the year (121) 1,007
Unwinding of discount 286 81
Ending balance 1,812 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. Following the completion and restoration of the Group's Nugget Pond Crown Pillar satellite deposit government released a Letter of Credit valued at $121,000. The remaining liability is secured by Letters of Credit for $3,255,155.

21. Financial risk management

The Group's principal financial assets comprise: cash and cash equivalents, restricted cash, available for sale investments and other receivables. In addition the Company's financial assets include amounts due from subsidiaries. The Group and Company's 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 and Company'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, liquidity risk, credit risk, interest rate risk and commodity price risk each of which is discussed below. There were no derivative instruments outstanding at July 31, 2012.

Foreign exchange 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 19. 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 policy in relation to the translation of foreign currency assets and liabilities is set out in note 2(d), 'Accounting Policies Foreign Currencies' 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
2012 2011

$ $
10% strengthening of GB pound 24 64
10% weakening of GB pound (22) (57)
10% strengthening of US dollar (1,734) (1,920)
10% weakening of US dollar 1,576 1,746

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 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. The liabilities of the parent company are due within one year. The parent company has adequate financial resources to meet the obligations existing at July 31, 2012.

The Group's and Company'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:
Financial liabilities 2012 2011
$'000 $'000
Due within one year 16,174 5,056
Due within one to two years 5,667 6,118
Due within two to three years 4,795 6,915
Due within three to four years 4,778 4,021
Due within four to five years 3,168 3,614
Due after five years 16,240 18,238
50,822 43,962

Fixed rate financial liabilities

At the year end the analysis of finance leases, hire purchase contracts and bank loans which were all due in Canadian Dollars and are at fixed interest rates was as follows:
Fixed rate liabilities 2012 2011
$'000 $'000
Due within one year 8,879 1,633
Due within one to two years 2,021 1,465
Due within two to three years 2,015 1,508
Due within three to four years 1,461 1,478
Due within four to five years 243 888
Due after five years 10 13
14,629 6,985

The average fixed interest rate for the finance leases and hire purchase contracts outstanding at July 31, 2012 was 6.46%.

Credit risk

With effect from July 2007, the Group has held 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 (see note 13). The Group maximum exposure to credit risk at July 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 19.

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.

As explained in note 25 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
2012 2011
$'000 $'000
10% increase in the price of gold (2,089) (292)
25% decrease in the price of gold 5,222 783

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 year end the cash and short term deposits were as follows:
Fixed rate Floating Average Average
assets rate period for interest
Assets Total which rates for
rates are fixed rate
At July 31, 2012 fixed assets
$'000 $'000 $'000 Months %
Sterling 355 77 432 1 0.25
Canadian $ - 7,394 7,394 - -
355 7,471 7,826
At 31 July 2011
$'000 $'000 $'000 Months %
Sterling 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.

22. Capital and operating lease commitments

The Group has commitments totalling $nil (2011: $2.506 million) with various vendors relating to the purchase of equipment for the Nugget Pond Mill copper concentrator upgrade.

23. Related parties

Identity of related parties

The Group has a related party relationship with its subsidiaries and with its directors and executive officers.
Transactions with key management personnel
The directors' compensations were as follows:
2012 2011
$'000 $'000
Salary - executive
G Ogilvie 270 229
Fees - non-executive
D H W Dobson - -
S Neamonitis 13 13
J M Roberts 13 13
L D Goodman 13 13
B F Dalton - 2
J A Baker - 2
B D Hinchcliffe 13 13
T S Chan 3 -
J Thomson 13 47
338 332

D H W Dobson waived his entitlement to director's fees for the current and preceding periods. At July 31, 2012 fees of $21,000 (2011: $19,000) remained outstanding.

Brian Dalton and John Baker, directors of the company until October 13, 2011 are also directors of Altius Resources Inc. ("Altius").

Consultancy fees were payable to Altius Mineral Corporation for the year ended July 31, 2012 for the consultancy services of J Baker & B Dalton amounting to $2,700 (2011: $21,000). At July 31, 2012, consultancy fees of $nil (2011: $5,000) were outstanding.
Share options held by directors were as follows:
At 31.07.12 At 31.07.11
No. No.
'000 '000
G Ogilvie1 1,100 1,100
J Thomson2 400 400
D H W Dobson3 45 45
S Neamonitis4 100 45
J M Roberts3 45 45
L D Goodman3 45 45
B D Hinchcliffe3 45 45
1,780 1,725

1 200,000 options at an exercise price of $0.93 expiring on 7 December 2016, 150,000 options at an exercise price of $1.10 expiring on 12 November 2017 and 750,000 options at an exercise price of $0.19 expiring on 10 November 2018.

2 100,000 options at an exercise price of $0.93 expiring on 7 December 2016 and 300,000 options at an exercise price of $0.19 expiring on 10 November 2018.

3 options at an exercise price of $0.19 expiring on 10 November 2018.

4 options at an exercise price of $0.53 expiring on 22 March 2022.

Total key management personnel compensations were as follows:
2012 2011
$'000 $'000
Short term employee benefits 659 641
Social security costs 33 30
Share based payments 17 80
709 751

24. Subsequent events

On October 9, 2012 the Company announced the purchase of a 1% net smelter royalty ('NSR') held over the Ming Mine by Ming Minerals Inc. for a total consideration of $500,000. The mine was initially encumbered by a combined 4.5% NSR held by four separate groups. Of the four net smelter royalties, two included a buyout clause allowing the Company to purchase 3% of the total NSR for a combined payment of $1,100,000. This is the second royalty Rambler purchased since starting commissioning at the Ming Mine leaving a combined net smelter royalty of 1.5% on the Ming Mine.

25. Critical accounting estimates and judgements

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 Company's financial statements, providing some insight also to uncertainties that could impact the Company's financial results.

Going Concern

The risks associated with going concern are explained in note 1.

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. Management's estimates of these factors are subject to risk and uncertainties affecting the recoverability of the Group's mineral property and exploration and evaluation costs. Any changes to these estimates may result in the recognition of an impairment charge with a corresponding reduction in the carrying value of such assets. After consideration of the above factors, the directors do not consider that there are any indicators that mineral property and exploration and evaluation costs are impaired at the year end.

Closure costs

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

Share-based payments

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

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 19).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.

Revenue

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

Available for sale investment

Management consider that they do not have significant influence over the financial and policy decisions of Maritime and therefore have included the investment as an available for sale investment.

Commercial production

The Group monitors the on-going testing and commissioning of its copper concentrate milling facility to assess when commercial production has been achieved. Commercial Production is the assessment that the mill is capable of operating in the manner intended was defined by management at the onset of development to be 60 days of continuous production from both the mill and mine, being 85% of target rates envisaged in the Group's Feasibility Study. Prior to commercial production being declared costs and revenues are offset to the Mineral Properties asset and post commercial production will be charged to the Group's income statement. Commercial production was not achieved at July 31, 2012.
COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended July 31, 2012
Note Restated
2012 2011
$'000 $'000

(Loss)/profit for the year (1,232) 309

Exchange differences on translation into presentation currency 361 (1,352)
Other comprehensive income/(loss) for the year 361 (1,352)

Total comprehensive loss for the year (871) (1,043)

REGISTERED NUMBER: 05101822 (ENGLAND AND WALES)
RAMBLER METALS AND MINING PLC
COMPANY STATEMENT OF FINANCIAL POSITION

As at July 31, 2012
(EXPRESSED IN CANADIAN DOLLARS)
Note Restated Restated
2012 2011 2010
$'000 $'000 $'000
Assets
Property, plant and equipment - - 1
Investments C4 68,848 60,285 46,619
Total non-current assets 68,848 60,285 46,620

Trade and other receivables C5 50 47 68
Cash and cash equivalents C6 437 714 553
Total current assets 487 761 621
Total assets 69,335 61,046 47,241

Equity
Issued capital 16 2,599 2,299 1,863
Share premium 74,756 65,934 51,532
Translation reserve (10,067) (10,428) (9,076)
Retained profit 1,893 3,115 2,774
Total equity 69,181 60,920 47,093

Liabilities
Trade and other payables C7 154 126 148
Total current liabilities 154 126 148
Total liabilities 154 126 148
Total equity and liabilities 69,335 61,046 47,241
ON BEHALF OF THE BOARD:
J S Thomson
Director
Approved and authorised for issue by the Board on October 19, 2012

RAMBLER METALS AND MINING PLC
COMPANY STATEMENT OF CHANGES IN EQUITY

Share Share Translation Accumulated
capital premium reserve losses Total
(EXPRESSED IN CANADIAN DOLLARS) $'000 $'000 $'000 $'000 $'000

Balance at 1 August 2010 (as previously stated) 1,863 51,532 (9,076) (3,845) 40,474
Prior period adjustment (see note C3) - - - 6,619 6,619
Balance at 1 August 2010 (restated) 1,863 51,532 (9,076) 2,774 47,093
Comprehensive income
Profit for the year - - - 309 307
Foreign exchange translation differences - - (1,352) - (1,352)
Total other comprehensive income - - (1,352) (1,352)
Total comprehensive income for the year - - (1,352) 309 (2,085)
Issue of share capital 436 15,252 - - 15,688
Share issue expenses - (850) - - (850)
Share-based payments - - - 32 32
Balance at 31 July 2011 (restated) 2,299 65,934 (10,428) 3,115 60,920

Comprehensive income
Loss for the year - - - (1,232) (1,232)
Foreign exchange translation differences - - 361 - 361

Total other comprehensive income - - 361 361
Total comprehensive income for the year - - 361 (1,232) (871)
Issue of share capital 300 9,047 - - 9,347
Share issue expenses - (225) - - (225)
Share-based payments - - - 10 10
Balance at July 31, 2012 2,599 74,756 (10,067) 1,893 69,181

RAMBLER METALS AND MINING PLC
STATEMENT OF CASH FLOWS

For the Year Ended July 31, 2012
(EXPRESSED IN CANADIAN DOLLARS)
2012 2011
$'000 $'000
Cash flows from operating activities
Operating (loss)/profit (1,232) 309
Share based payments 6 21
Foreign exchange losses 313 (1,250)
(Increase)/decrease in debtors (3) 20
Increase/(decrease) in creditors 28 (21)
Net cash utilized in operating activities (888) (921)

Cash flows from investing activities
Interest received 1 1
Loans to subsidiaries (7,923) (13,879)
Net cash utilised in investing activities (7,922) (13,878)

Cash flows from financing activities
Proceeds from the issue of share capital 8,714 15,688
Payment of transaction costs (225) (850)
Proceeds from exercise of share options 38 12
Net cash from financing activities 8,527 14,850
Net (decrease)/increase in cash and cash equivalents (283) 51
Cash and cash equivalents at beginning of period 713 553
Effect of exchange rate fluctuations on cash held 7 109
Cash and cash equivalents at end of period 437 713

RAMBLER METALS AND MINING PLC

NOTES TO THE COMPANY FINANCIAL STATEMENTS

C1. Accounting policies

The accounting policies of the company are consistent with those adopted by the Group with the addition of the following:

Investments

Investments are stated at their cost less impairment losses.

C2. Loss of parent company

As permitted by section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was $1,232,000 (2011: Profit $309,000).

C3. Prior period adjustment

The parent company has provided finance in the form of loans to its Canadian subsidiary over a number of years. The loans have previously been recorded in the books of the parent company in British pounds. However, the directors have determined that the intercompany loan is, and always has been, denominated in Canadian dollars and have restated the comparative information in accordance with IAS8, "Accounting policies, changes in accounting estimates and errors" to reflect this. Accordingly, the foreign exchange translation differences have been determined for each period presented, resulting in a decrease of $1,250,000 in losses, a decrease in other comprehensive income of $208,000 presented for the year ended

31 July 2011 and a increase of $7,661,000 in total equity as at 31 July 2011. The correction to total equity as at 1 August 2010, being the start of the earliest period presented, was an increase of $6,619,000.

C4. Investments
Investment in
subsidiary Loans Total
$'000 $'000 $'000
Cost
Balance at 1 August 2010 (restated) 387 46,232 46,619
Advances (net) - 13,879 13,879
Effect of movements in foreign exchange (11) (202) (213)
Balance at 31 July 2011 (restated) 376 59,909 60,285

Balance at 1 August 2011 (restated) 376 59,909 60,285
Advances (net) - 8,523 8,523
Effect of movements in foreign exchange 2 38 40
Balance at July 31, 2012 378 68,470 68,848

The company has interests in the following material subsidiary undertakings, which are included in the consolidated financial statements.
Name Class Holding Activity Country of
Incorporation

Rambler Mines Limited Ordinary 100% Holding company England
Rambler Metals and Mining Canada Limited Common 100% (indirectly) Exploration and development Canada

The aggregate value of shares in subsidiary undertakings is stated at cost less any amounts provided for impairment as deemed necessary by the directors.
The loans to the subsidiary undertakings are interest free.
C5. Trade and other receivables
2012 2011
$'000 $'000
Other receivables 1 4
Sales taxes recoverable 23 14
Prepayments and accrued income 26 29
50 47
C6. Cash and cash equivalents
2012 2011
$'000 $'000
Short term deposits 355 667
Bank balances 82 47
Cash and cash equivalents in the statement of cash flows 437 714
C7. Trade and other payables
2012 2011
$'000 $'000
Trade payables 35 5
Non trade payables 1 3
Accrued expenses 118 118
154 126
C8. Related party transactions

The Company has a related party relationship with its subsidiaries (see note C4) and with its directors and executive officers (see note 23).

Transactions with subsidiary undertakings

Details of loans advanced to subsidiary undertakings are included in note C4.

Other related parties

Transactions with other related parties are detailed in note 23.

Contact

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