

29 March 2017

## **Rambler Reports Financial Results Five Months Ended December 31, 2016**

**London, England & Baie Verte, Newfoundland and Labrador, Canada** - Rambler Metals and Mining plc (TSXV: RAB, AIM: RMM) ('Rambler' or the 'Company'), a copper and gold producer operating in Newfoundland and Labrador, Canada, today reports its audited financial results and operational highlights for the five month period ended December 31, 2016.

### **STUB PERIOD HIGHLIGHTS**

- The Company has changed its fiscal year from July 31 to December 31. The current reporting period is the five month period from August 1, 2016 to December 31, 2016 ('SY2017'). The previous reporting period was for the year ended July 31, 2016 ('FY2016');
- Revenue of US\$9.7 million (FY2016: US\$30.4 million);
- C1 costs, averaged US\$2.39 per lb during SY2017 compared to US\$1.72 per lb in FY2016. The increase in C1 cost can be attributed to the lower grade copper ore being milled while the Company develops further into the Lower Footwall Zone ('LFZ'). Grades are anticipated to improve during the last quarters of 2017 when full production can be sustained from LFZ stoping areas;
- With the equity investment by CEII Mining, secured mid-2016 and a further exercise of 135 million warrants subsequent to the stub period end, the Phase II expansion plan for the Ming Copper-Gold Mine, targeting production of 1,250 metric tonnes per day ('mtpd'), is fully funded and well underway. Following expansion, the new life of mine for the project is 21 years;

### **KEY FINANCIALS METRICS (US: \$)**

	<b>SY2017</b>	<b>FY2016</b>
<b>Revenue</b>	\$9.7 M	\$30.4 M
<b>Cash Production Expenses</b>	\$9.8 M	\$21.6 M
<b>G&amp;A</b>	\$1.3 M	\$2.9 M
<b>EBITDA</b>	\$0.033 M	\$6.1 M
<b>Operating (loss) profit before impairment</b>	\$(4.4) M	\$1.1 M
<b>Loss before tax</b>	\$6.1 M	\$15.2 M
<b>Loss after tax</b>	\$2.7M	\$12.8 M
<b>Loss per share (US\$)</b>	\$0.007	\$0.067
<b>Cash Flows from Operations</b>	\$(0.9) M	\$4.8 M
<b>Cash cost per lbs of copper, net of credits (C1) (US\$)</b>	\$2.39	\$1.72

## KEY OPERATING METRICS

	<i>SY2017</i>	<i>FY2016</i>
<b>Production</b> ( <i>dry metric tonnes</i> )	5,946	17,047
<b>Copper</b> ( <i>saleable dry metric tonnes</i> )	1,590	4,580
<b>Gold</b> ( <i>saleable ounces</i> )	2,020	7,549
<b>Concentrate Grade Copper</b> (%)	27.3	26.9
<b>Gold Concentrate Grade</b> (g/t)	11.4	13.8
<b>Copper Grades</b> (%)	1.51	2.12
<b>Gold Grades</b> (g/t)	0.82	1.4
<b>Avg. Copper Price</b> ( <i>US\$ per pound</i> )	2.22	2.20
<b>Avg. Gold Price</b> ( <i>US\$ per ounce</i> )	1,301	1,179

### **Norman Williams, President and CEO, Rambler Metals & Mining commented:**

"At the operational level we continued the development push into the Lower Footwall Zone with mine grade in line with expectation during the period. As we progress through this heavy development stage of the project's expansion, with a goal to sustain mill throughput at 1,250 mtpd, we will continue to blend lower grade development material with high grade ore from the massive sulphide zones. As more LFZ production stopes come online towards the back end of 2017 the need to supplement development material in the production stream will reduce. In conjunction with this, mill feed grade is anticipated to improve and our cost per pound of copper produced will reduce.

"During the period the spot price of copper began showing good signs of recovery, which continued into the first quarter of 2017. We feel that the rise in copper price timed with our ongoing Phase II expansion, makes Rambler unique amongst its peers. As a Canadian producer, this expansion, combined with further potential for Phase III by incorporating the shaft hoisting and ore pre-concentration, will help position the Company as a low cost copper producer in the industry.

"We look forward to updating the market on our progress for both Phase II and III as we continue to execute our expansion strategy over the coming months."

## FINANCIAL RESULTS

- Earnings before interest, taxes, depreciation, amortisation ("EBITDA") for the stub period were US\$0.033 million (FY2016: US\$6.1 million). The net loss before tax for the stub period was US\$6.1 million compared with a loss of US\$15.2 million (US\$3.9 million before impairment) for FY2016 and a loss of US\$1.9 million for SY2016. The net profit after tax for the stub quarter was US\$0.9 million or US\$0.003 per share

which compares to a loss of US\$1.8 million for Q1/SY17 and a loss of US\$12.8 million for Q4/16.

- Revenue for the five months was US\$9.7 million (FY2016: US\$30.4 million, SY2016: US\$12.0 million) and for the two months, US\$2.7 million (Q1/SY17: US\$7.0 million, Q4/16 US\$7.9 million). The reduction in revenue compared to prior periods is due to lower planned copper head grades while the Company continues to develop into the LFZ to achieve its production target of 1,250 mtpd.
- A total of 5,106 dmt (FY2016 - 17,412 dmt) of concentrate was provisionally invoiced during the stub period containing 1,336 (FY2016 - 4,508) tonnes of saleable copper metal, 1,881 (FY2016 - 7,129) ounces of saleable gold at an average price of US\$2.22 (FY2016 - US\$2.20) per pound of copper and US\$1,301 (FY2016 - US\$1,179) per ounce of gold.
- On February 6, 2017, subsequent to the stub period, CE Mining II Rambler Limited exercised 135 million warrants to subscribe for 135 million ordinary shares of one penny each at an exercise price of 5p (US\$0.0623) raising £6.75 million (US\$8.4 million).
- Cash flows generated (utilized) generated in operating activities for the stub period were US\$(0.9) million (FY2016: US\$4.8 million) and for the two months were US\$0.4 million (Q1/SY17: US\$(1.3) million, Q4/16: US\$(0.5) million).

## OPERATIONAL HIGHLIGHTS

### Ore and Concentrate Production Summary for Stub period

PRODUCTION	Q1/SY17	Q2/SY17	Stub 2017	FY2016	FY2017 Guidance
Dry Tonnes Milled	69,609	49,313	118,922	<b>241,080</b>	350,000 - 400,000
Copper Recovery (%)	96.5	95.7	96.2	<b>95.6</b>	94 - 96
Gold Recovery (%)	65.9	69.7	67.9	<b>68.7</b>	65 - 70
Copper Head Grade (%)	1.7	1.2	1.51	<b>2.12</b>	1.3 - 1.6
Gold Head Grade (g/t)	1.1	0.4	0.82	<b>1.40</b>	0.5 - 1.0

CONCENTRATE (Delivered to Warehouse)	Q1/SY17	Q2/SY17	Stub 2017	FY2016	FY2017 Guidance
Copper (%)	26.4	26.8	27.3	<b>26.89</b>	26 - 28
Gold (g/t)	12.6	7.1	11.4	<b>13.82</b>	4.0 - 8.0
Dry Tonnes Produced	4,006	1,940	5,946	<b>17,047</b>	18,000 - 22,000
Saleable Copper Metal (tonnes)	1,057	533	1,590	<b>4,580</b>	5,100 - 5,800
Saleable Gold (ounces)	1,619	401	2,020	<b>7,549</b>	4,400 - 5,100

## OUTLOOK

With the Phase II expansion strategy well underway, management continues to pursue the following objectives:

- Continuing the transition from Phase I to Phase II by blending increasing amounts of LFZ ore with plans to reach 1,250 mtpd by mid-calendar 2017.
- Further evaluating ore pre-concentration (DMS); engineer a potential shaft rehabilitation; and improve gold recovery at the Nugget Pond Mill. All these potentially provide further upside opportunities with the goal to further reduce unit costs in Phase III.
- Continuing to advance development headings into new high grade MMS zones to allow for further exploration both up-dip and down-dip to increase mine resource and reserves.
- Further define the mineral potential of untested areas of the LFZ through an aggressive infill diamond drilling program, currently underway. The Company has also identified exciting exploration potential within the Ming Mine footprint that could allow for further growth if proven by drilling. The Company will start exploration of these near mine targets in fiscal 2017.
- Continue assessing regional gold projects, for example the former producing Hammerdown Gold mine, with the goal of adding a second source of revenue outside of the Ming Mine. Nugget Pond's gold processing circuit is currently idle; it could potentially be operated in conjunction with the copper concentrator.

For further information see Appendix 1 of this release. The audited financial statements and MD&A will be available on the Company's website at <http://www.ramblermines.com> and on SEDAR.

## **ABOUT RAMBLER METALS AND MINING**

Rambler is a mining and development company that in November 2012 brought its first mine into commercial production. Rambler has a 100 per cent ownership in the Ming Copper-Gold Mine, a fully operational base and precious metals processing facility and year round bulk storage and shipping facility; all located on the Baie Verte peninsula, Newfoundland and Labrador, Canada.

Along with the Ming Mine, Rambler also owns 100 per cent of the former producing Little Deer/Whales Back copper mines and has strategic investment in the former producing Hammerdown gold mine.

**Rambler is dual listed in London under AIM:RMM and in Canada under TSX-V:RAB.**

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Larry Pilgrim, P.Geo., is the Qualified Person responsible for the technical content of this release and has reviewed and approved it accordingly. Mr. Pilgrim is an independent consultant contracted by Rambler Metals and Mining Canada Limited. Tonnes referenced are dry metric tonnes unless otherwise indicated.

Note 1: Results reported are accurate and reflective as of the date of release. The Company performs regular auditing and reconciliation reviews on its mining and milling processes as well as stockpile inventories, following which past results may be adjusted to reflect any changes.

**Neither TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**

**The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.**

**Caution Regarding Forward Looking Statements:**

*Certain information included in this press release, including information relating to future financial or operating performance and other statements that express the expectations of management or estimates of future performance constitute "forward-looking statements". Such forward-looking statements include, without limitation, statements regarding copper, gold and silver forecasts, the financial strength of the Company, estimates regarding timing of future development and production and statements concerning possible expansion opportunities for the Company. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief are based on assumptions made in good faith and believed to have a reasonable basis. Such assumptions include, without limitation, the price of and anticipated costs of recovery of, copper concentrate, gold and silver, the presence of and continuity of such minerals at modeled grades and values, the capacities of various machinery and equipment, the availability of personnel, machinery and equipment at estimated prices, mineral recovery rates, and others. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, interpretation and implications of drilling and geophysical results; estimates regarding timing of future capital expenditures and costs towards profitable commercial operations. Other factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, increases/decreases in production; volatility in metals prices and demand; currency fluctuations; cash operating margins; cash operating cost per pound sold; costs per ton of ore; variances in ore grade or recovery rates from those assumed in mining plans; reserves and/or resources; the ability to successfully integrate acquired assets; operational risks inherent in mining or development activities and legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals and environmental protection. Accordingly, undue reliance should not be placed on forward-looking statements and the forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement. The forward-looking statements contained herein are made as at the date hereof and the Company does not undertake any obligation to update publicly or revise any such forward-looking statements or any forward-looking statements contained in any other documents whether as a result of new information, future events or otherwise, except as required under applicable security law*

## APPENDIX 1 - SUPPLEMENTAL FINANCIAL INFORMATION

(See Company website [www.ramblermines.com](http://www.ramblermines.com) or SEDAR for full Fiscal 2016 Results)

### CONSOLIDATED INCOME STATEMENT

For the Five Months Ended December 31, 2016  
(EXPRESSED IN US DOLLARS)

	Five months to 31 December 2016 US\$'000	Year to 31 July 2016 US\$'000	Five months to 31 December 2015 US\$'000
Revenue	9,680	30,378	12,038
Production costs	(9,845)	(21,701)	(9,249)
Depreciation and amortisation	(2,937)	(6,807)	(2,501)
Gross (loss)/profit	(3,102)	1,870	288
Administrative expenses	(1,299)	(2,899)	(1,052)
Exploration expenses	(14)	(26)	(8)
Operating loss before impairment	(4,415)	(1,055)	(772)
Provision for impairment	-	(11,268)	-
Operating loss after impairment	(4,415)	(12,323)	(772)
Exchange loss	(452)	(237)	(978)
Bank interest receivable	17	25	20
Profit on disposal of available for sale investments	451	-	-
Gain/(loss) on derivative financial instruments	1,504	539	769
Finance costs	(3,176)	(3,232)	(975)
Net expense	(1,656)	(2,905)	(1,164)
Loss before tax	(6,071)	(15,228)	(1,936)
Income tax credit	3,326	2,422	(1,366)
Loss for the period	(2,745)	(12,806)	(3,302)

#### Loss per share

	31 December 2016 US\$	31 July 2016 US\$	31 December 2015 US\$
Basic loss per share	(0.007)	(0.067)	(0.023)
Diluted loss per share	(0.007)	(0.067)	(0.023)

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2016  
(EXPRESSED IN US DOLLARS)

31 December  
2016

31 July  
2016

	US\$'000	US\$'000
<b>Assets</b>		
Intangible assets	2,169	2,233
Mineral property	34,453	35,238
Property, plant and equipment	23,056	23,125
Available for sale investments	1,333	2,402
Deferred tax	11,545	8,420
Restricted cash	3,243	3,339
Total non-current assets	75,799	74,757
Inventory	2,496	2,383
Trade and other receivables	1,284	599
Derivative financial asset	756	587
Cash and cash equivalents	2,156	8,929
Total current assets	6,692	12,498
Total assets	82,491	87,255
<b>Equity</b>		
Issued capital	6,374	6,374
Share premium	81,442	81,455
Share warrants reserve	2,089	2,089
Merger reserve	180	180
Translation reserve	(18,749)	(16,756)
Fair value reserve	476	1,075
Retained profits	(15,443)	(12,731)
Total equity	56,369	61,686
<b>Liabilities</b>		
Interest-bearing loans and borrowings	14,412	13,650
Provision	1,804	1,833
Total non-current liabilities	16,216	15,483
Interest-bearing loans and borrowings	4,814	5,226
Trade and other payables	5,092	4,860
Total current liabilities	9,906	10,086
Total liabilities	26,122	25,569
Total equity and liabilities	82,491	87,255

## CONSOLIDATED STATEMENT OF CASH FLOWS

**For the Five Months Ended December 31, 2016  
(EXPRESSED IN US DOLLARS)**

	31 December 2016 \$'000	31 July 2016 \$'000	31 December 2015 \$'000
<b>Cash flows from operating activities</b>			
Operating loss	(4,415)	(12,323)	(772)
Depreciation and amortisation	2,927	6,972	2,633
Gain on disposal of property, plant and equipment	(12)	(105)	(105)
Provision for impairment	-	11,268	-
Share based payments	33	34	21
Foreign exchange difference	(126)	(703)	(90)
Decrease/(increase) in inventory	(114)	(551)	178
Decrease/(increase) in debtors	(685)	1,014	411
(Increase)/decrease in derivative financial	1,335	191	50

instruments			
(Decrease)/increase in creditors	232	(723)	(294)
Cash generated from operations	(825)	5,074	2,032
Interest paid	(122)	(266)	(114)
<b>Net cash generated from operating activities</b>	<b>(947)</b>	<b>4,808</b>	<b>1,918</b>
<b>Cash flows from investing activities</b>			
Interest received	17	25	20
Acquisition of bearer deposit note	-	(844)	-
Acquisition of subsidiary net of cash	-	(49)	-
Acquisition of evaluation and exploration assets	-	(480)	(284)
Acquisition of Mineral property - net	(1,673)	(3,551)	(1,413)
Acquisition of property, plant and equipment	(1,676)	(2,939)	(1,320)
Disposal of property, plant and equipment	30	136	102
<b>Net cash utilised in investing activities</b>	<b>(3,302)</b>	<b>(7,702)</b>	<b>(2,895)</b>
<b>Cash flows from financing activities</b>			
Issue of share capital	-	15,105	-
Share issue expenses	(13)	(896)	-
Disposal of available for sale investments	783	-	-
Loans received	-	1,000	1,000
Repayment of Gold Loan (note 23)	(1,255)	(2,297)	(1,141)
Repayment of Loans	(913)	(1,179)	-
Capital element of finance lease payments	(866)	(2,595)	(1,102)
<b>Net cash utilised in financing activities</b>	<b>(2,264)</b>	<b>9,138</b>	<b>(1,243)</b>
Net increase in cash and cash equivalents	(6,513)	6,244	(2,220)
Cash and cash equivalents at beginning of period	8,929	3,389	3,389
Effect of exchange rate fluctuations on cash held	(260)	(704)	(3)
<b>Cash and cash equivalents at end of period</b>	<b>2,156</b>	<b>8,929</b>	<b>1,166</b>