RAM RESOURCES LIMITED

A.B.N. 23 108 456 444

ANNUAL
FINANCIAL REPORT

30 JUNE 2014

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CORPORATE INFORMATION

Directors Neville Bassett (Non-Executive Chairman) Bill Guy (Managing Director) Edward Mead (Non-Executive Director) **Company Secretary** Eryn Kestel **Registered Office & Principal Place of Business** Level 45, 108 St Georges Terrace Perth W.A. 6000 Telephone: (08) 9223 2292 Facsimile: (08) 9486 1258 Website: www.ramresources.com.au	**Country of Incorporation** Australia **Auditors** HLB Mann Judd Level 4, 130 Stirling Street Perth W.A. 6000 Telephone: (08) 9227 7500 Facsimile: (08) 9227 7533 **Share Registry** Computershare Investor Services Pty Ltd Level 2, Reserve Bank Building 45 St. Georges Terrace Perth W.A. 6000 Telephone: (08) 9323 2000 Facsimile: (08) 9323 2033 **Home Exchange** Australian Securities Exchange Central Park 152-158 St Georges Terrace Perth WA 6000 **ASX Codes: RMR; RMROA**

DIRECTORS' REPORT

In accordance with the provisions of the Corporations Act 2001, the Directors submit the annual financial report of the consolidated entity consisting of Ram Resources Limited ("Ram" or the "Company") and the entities it controlled (collectively the "Group") for the financial year ended 30 June 2014.

Directors

The names of Directors who held office during or since the end of the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Neville Bassett (Non-Executive Chairman)	Appointed 22/03/04	
Bill Guy (Managing Director)	Appointed 28/03/13	
Edward Mead (Non-Executive Director)	Appointed 11/07/12	
James Lumley (Director)	Appointed 11/10/12	Resigned 09/08/13

Names, qualifications, experience and special responsibilities of Directors holding office during or since the end of the financial year:

Current Directors

Mr Neville Bassett, B.Bus, FCA
Non-Executive Chairman

Mr Bassett provides corporate advisory and financial management services and is currently a director of or advisor to a number of public listed and unlisted companies across a diverse range of industry sectors.

Mr. Basset has experience in company listings and capital raisings and his involvement in the corporate arena includes mergers and acquisitions. Through exposure in the Australian financial markets, Mr Bassett has a wealth of understanding of matters pertaining to the Corporations Act, ASX listing requirements, corporate taxation and finance.

In the three years immediately before the end of the financial year, Mr. Bassett served as a Director of Neurodiscovery Limited, from 6 August 2010 to 14 March 2012 and Mamba Minerals Limited, from 13 August 2010 to 13 August 2013. Mr Bassett is currently on serving as Director of Vector Resources Ltd, Meteoric Resources NL and Exoma Energy Limited.

Mr Bill Guy, BSc Geology, AIG
Managing Director

Following his appointment as Non-Executive Director on 28 March 2013, Mr Bill Guy was appointed to the position of Managing Director on 26 July 2013.

Mr Guy has more than 20 years of experience as a geologist, exploration manager and Director in the mining, exploration, and environmental industry including more than 10 years as a specialist consultant providing technical to the mining industry.

Mr Guy's career has encompassed both Australian and overseas projects including Cockatoo Island Iron Ore Mine (Kimberleys WA) Nickel Laterite (Romblon Philippines), Exploration of Mabuhay Epithermal Gold Project Philippines, and numerous mineral exploration projects within Western Australia.

Mr Guy is a former Exploration Manager for Jupiter Mines Limited. Jupiter Mines was part of the iron ore and manganese group chaired by Brian Gilbertson. At Jupiter Mines he implemented a management style and set of exploration protocols, which was instrumental in enabling the projects to progress from grass roots enterprise through to a viable development stage resource, resulting in the successful delineation of Mt Mason and Mt Ida (Mt Mason DSO Project (5.75 M Fe 59.9%), and Mt Ida (conceptual target 1.3 Billion tons) (Inferred Resource 1.85B tonnes @29.48% Fe).

Mr Guy (Bsc) is a member of the Australia Institute of Geologists (AIG).

In the three years immediately before the end of the financial year, Mr. Guy served as a Director of ASX Listed Bligh Resources Limited, from 3 June 2011 to 4 April 2013 and Resource Star Limited, from 9 April 2013 to 2 July 2014.

DIRECTORS' REPORT (continued)

Mr Edward Mead, BSc Geology, MAUSIMM
Non-Executive Director

Mr Mead is a qualified geologist and a member of the Australian Institute of Mining and Metallurgy. Mr Mead has substantial experience in the areas of mining, exploration and project development. He has worked in Mozambique, Cameroon, Democratic Republic of Congo, South Africa, Austria and Australia in a variety of commodities and projects at different stages, which is considered to bring a wealth of experience to the Company to assist it with its ongoing exploration operations and in assisting with the evaluation of new opportunities.

Mr Mead has over the last 18 years worked for the Geological Survey of Western Australia, Portman Mining, Western Mining Corporation, Sons of Gwalia and worked as a consultant to a number of other private companies. Mr Mead has also worked in oil and gas with Baker Hughes Inteq. Mr Mead was also the Geology Manager for Fox Resources Limited, Technical Director for Comdek Ltd (now Resource Generation Ltd) and Managing Director of ASX listed Global Strategic Metals NL.

In the three years immediately before the end of the financial year, Mr. Mead served as a Director of ASX Listed Global Strategic Metals NL from 30 October 2009 to 13 February 2012.

Former Directors (during reporting period)

James Lumley – (appointed 11/10/11 and resigned 09/08/13)

In the three years immediately before the end of the financial year, Mr. Lumley had not served as a director of any other publicly listed company.

Company Secretary

Ms Eryn Kestel – (appointed 04/07/2014)

Ms Kestel has an established career in accounting and business over the last 20 years and holds the position of company secretary for several ASX listed entities. Ms Kestel's areas of competency are company secretary matters and company administration.

She has a Bachelor of Business majoring in Accounting and is a Certified Practising Accountant.

Mr Rob Hyndes – (resigned 04/07/2014)

Mr Hyndes has a proven track record in leading and managing emerging and growth stage projects, with global experience in Australia, UK, Asia and the US across a range of industries including resources, technology and professional services. He has extensive public market experience including debt and equity capital raising, project acquisition and divestments, business and strategic planning and operational management. Mr Hyndes graduated from the Curtin University of Technology in Western Australia with a Bachelor of Commerce majoring in Economics.

DIRECTORS' REPORT (continued)

Interests in the shares and options of the Company and related bodies corporate

The following relevant interests in shares and options of the Company or a related body corporate were held by the Directors as at the date of this report.

Directors	Number of options over ordinary shares	Number of performance rights	Number of fully paid ordinary shares
Neville Bassett	Nil	Nil	1,790,695
Bill Guy	Nil	6,000,000	1,844,472
Edward Mead	250,002	Nil	1,111,111

The following share options and performance rights of the Company were granted to Directors during or since the end of the financial year as part of their remuneration:

Directors	Number of performance rights	Number of options over ordinary shares	Number of performance rights over ordinary shares	Number of options over ordinary shares
	Granted during the year	Granted during the year	As at 30 June 2014	As at 30 June 2014
Neville Bassett[1]	Nil	Nil	Nil	83,334
Bill Guy	6,000,000	Nil	6,000,000	Nil
Edward Mead	Nil	Nil	Nil	250,002
James Lumley	Nil	Nil	Nil	Nil

[1]83,334 options expired on 8 September 2014.

There were no ordinary shares issued by the Company during or since the end of the financial year as a result of the exercise of an option.

At the date of this report, unissued ordinary shares of the Company under option are:

Expiry date	*Exercise price*	*Number of shares*
30 November 2014	90 cents	83,334
30 November 2015	90 cents	83,334
30 November 2016	90 cents	83,334
20 February 2017	2.5 cents	177,500,075
20 February 2017	3.5 cents	20,000,000
		197,750,077

At the date of this report, performance rights under issue are:

Expiry date	*Exercise price*	*Number of shares*
Tranche 1	(1)	2,000,000
Tranche 2	(2)	2,000,000
Tranche 3	(3)	2,000,000
		6,000,000

(1) Tranche 1 – 2,000,000 shares upon the Company's Shares trading above 1.98 cents for 20 consecutive trading days;
(2) Tranche 2 – 2,000,000 shares upon the Company's Shares trading above 2.38 cents for 20 consecutive trading days;
(3) Tranche 3 – 2,000,000 shares upon the Company's Shares trading above 2.77 cents for 20 consecutive trading days;

Dividends

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

DIRECTORS' REPORT (continued)

Principal Activities

The principal activities of the entities within the consolidated entity during the year were exploration for mineral resources.

Review of Operations

The Directors of the Company are pleased to provide this review of operations for the financial year ending 30 June 2014.

During the year, Ram expanded its project portfolio in the Fraser Range region with a number of strategic acquisitions. The Company's landholding now stand at 850 km^2 over three project areas. Fraser Range, Fraser Range North and Fraser Range South Projects have all added value to Ram and presents Ram with the opportunity to make the next discovery to confirm the Fraser Range as Western Australia's newest nickel province.

The Fraser Range strategy is to build a portfolio of tenements with geographic spread across the Fraser Range (Figure 1). This will expose Ram to potential exploration success across the region. The Company's philosophy has been that as each project is acquired it is more mature and developed than the last, reducing exploration costs and increasing the probability of successful exploration. Fraser Range came with historical nickel shows in soils, Fraser Range North contained multi element coincident, nickel, copper, cobalt and platinum anomalies in historical auger sampling and Fraser Range South has both geochemical and geophysical anomalies.

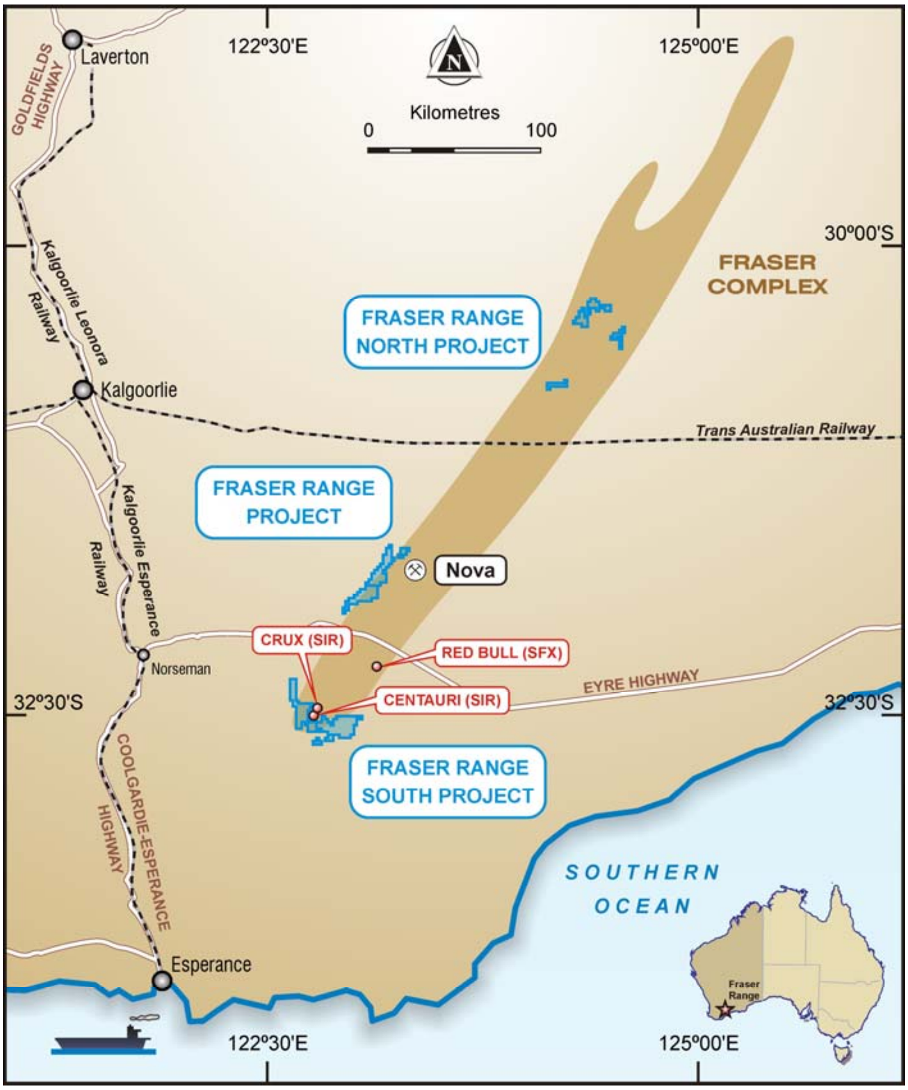

Figure 1 Fraser Range Projects – Australia Location Map

DIRECTORS' REPORT (continued)

Fraser Range Project

The Fraser Range Project (86.5% owned by Ram) consists of 3 granted exploration licenses (EL28/2209, EL28/2210 and EL63/1528) with a combined area of 271km^2 in the Fraser Range of Western Australia, about 220km south east of Kalgoorlie. The Fraser Range region remains a significant hot spot of activity, with Ram's projects located only 20kms west of the Nova nickel copper massive sulphides discovery by Sirius Resources NL. Sirius in 2014 had a market capitalisation of over a billion dollars, with a maiden Probable Ore Reserve of 13.1mt grading 2.1% nickel, 0.9% copper and 0.07% cobalt for a contained 273,000t nickel and 112,000t copper (as released ASX 14 July 2014).

The Nova nickel copper massive sulphide discovery by Sirius Resources NL appears to be remobilised sulphides from a mafic ultramafic layered intrusion. As the regional tectonic activity has been high and the metamorphic grade is high at granulite facies, there is potential that nickel and copper massive sulphides may have been significantly remobilised into dilatational areas within Fraser Range as well as remaining relatively in-situ. The significance of this is that all areas within the Fraser Range belt remain highly prospective at this point in time.

The Nova deposit has similarity to Canadian nickel deposits with a mineralisation style – tends to be coarse-grained, high grade, thick lens, between 50kt-2mt of metal with potential for copper, cobalt, PGM credits. This mineralisation style and geometry increase the economic potential of deposits having better mining and metallurgical characteristics.

The tenements have potential for base metals with a prospective magnetic unit, which runs through Sirius Resources NL and Enterprise Metals Limited tenements, also running through the south east corner of Ram's tenements (Figure 2). This magnetic feature to the southwest on the adjoining tenement is Newmont's Yardilla nickel prospect, a copper/gold anomaly. Along strike on this magnetic feature is also Newmont's Gemco nickel prospect.

DIRECTORS' REPORT (continued)

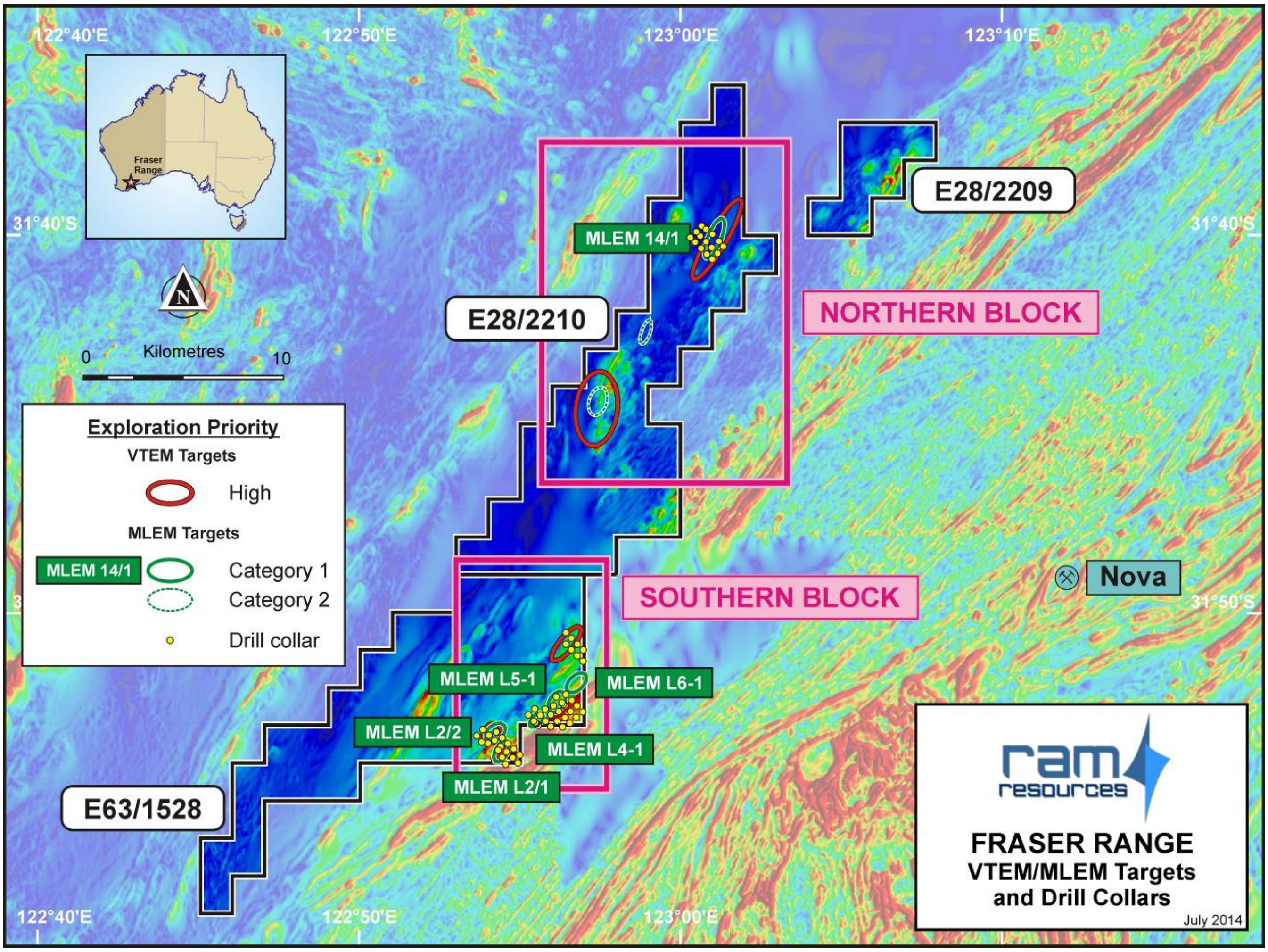

Figure 2. TMI Image showing MLEM Targets

Fraser Range Regional Geology

The Albany-Fraser province extends along the southern and southwestern margin of the Yilgarn Craton. It consists mainly of orthogneiss and granite but also includes large sheets of metagabbro (including the Fraser Complex), remnants of mafic dykes and widespread metasedimentary rocks. The orthogneisses are derived from Late Archaean and Palaeo - and Mesoproterozoic granitic rocks that were deformed and metamorphosed during Mesoproterozoic orogenic activity.

The Fraser Range regional geology is part of Albany-Fraser Orogen (Figure 3), formed by a number of palaeo-Proterozoic high grade metamorphic and structural domains. The regional trend is NE parallel to Yilgarn Craton margin. There are two (2) main components, the Northern Foreland (reworked Archean adjacent Yilgarn margin) and the Fraser Range Zone. The Albany-Fraser Orogen is considered similar in age and geology to Voisey's Bay nickel-copper-cobalt Nain Plutonic suite.

The province is composed of Archaean and Proterozoic rocks. Proterozoic intrusive activity was accompanied by metamorphism and deformation, and occurred in at least two (2) events. "The Albany–Fraser Orogen is not simply a Mesoproterozoic collision zone – no internal suture. Records show a long history of extensional tectonics (basins, magmatism) as well as thrust tectonics (long-lived structures)". (Catherine Spaggiari, Chris Kirkland, Hugh Smithies, Sandi Occhipinti and Mike Wingate " Geological framework of the Albany–Fraser Orogen"). The regional geology is extremely complex.

DIRECTORS' REPORT (continued)

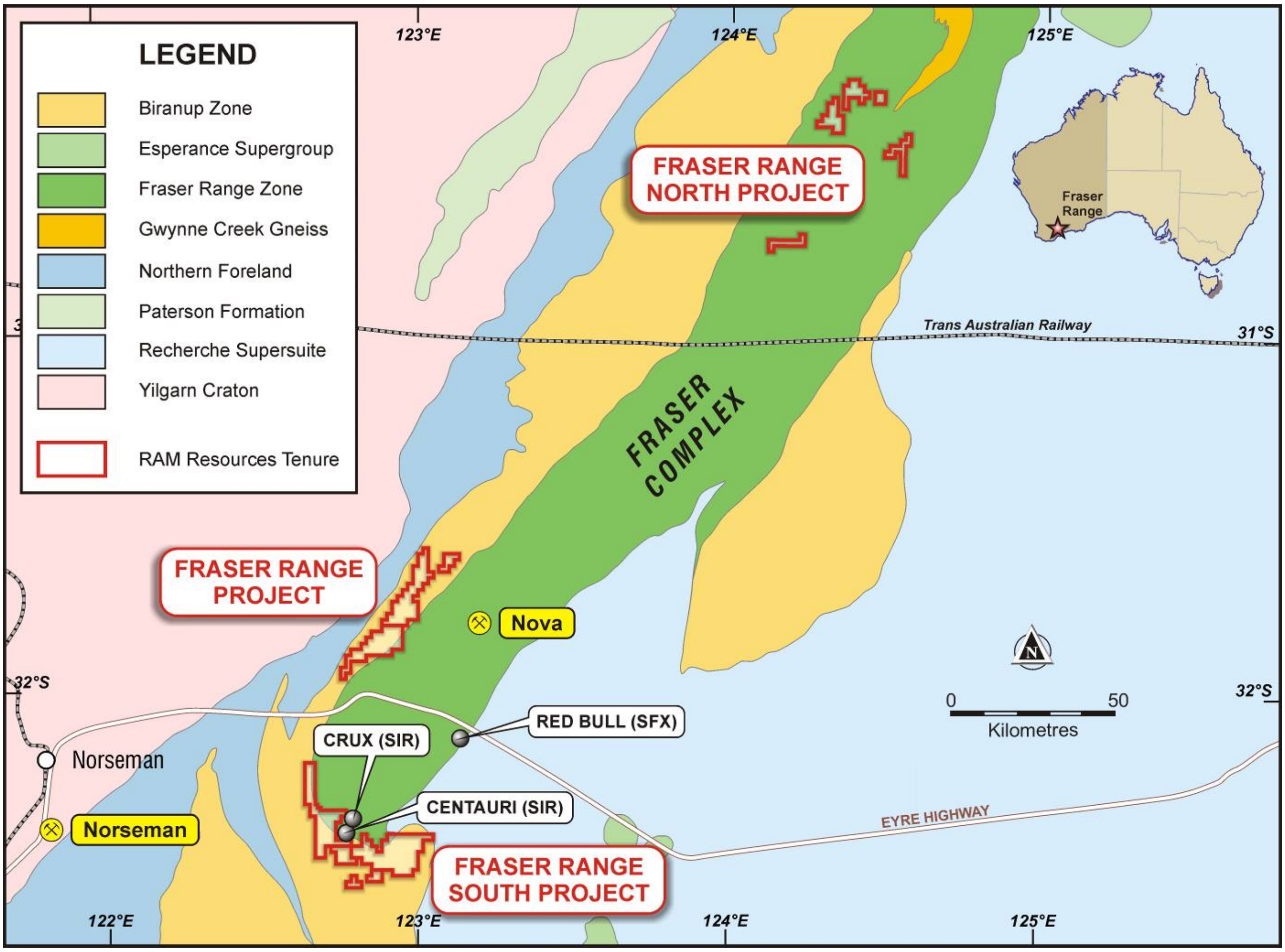

Figure 3. Regional Geology Albany Fraser Belt

Ram has completed over 1,000 soil samples, 1,363 line km of versatile time-domain electromagnetics (VTEM) and approximately 30 km of Moving Loop Electromagnetic (MLEM). The combination of exploration techniques identified six (6) priority targets and five (5) of the MLEM targets sit within the Yardilla Structure. The MLEM targets were aircore drilled in August 2014 with deeper drilling expected late 2014.

Aircore drilling confirm sediments, and mafic assemblages from shallow drilling. In total 2,429m was drilled over 73 vertical holes. The MELM modelling of targets showed a target depth of 122m - +200m. The deepest hole was 84m, so deeper drilling of main targets is still required.

The geochemical and geophysical data sets are both positive, with the Yardilla Structure on the eastern edge of the project area hosting elevated gold values and elevated nickel values in the north of the tenement package (Figure 2). The project area has an extremely limited geological outcrop as is the case for large areas of the Fraser Range and geochemistry and geophysics have been the main exploration tools.

The outcomes from this work are as follows:

- Fraser Range is an emerging nickel epicentre;
- Similar geology to Canadian nickel deposits;
- Exploration plans include Variable Time- Domain Electromagnetic (VTEM max). 17 conductors VTEM generated;
- Moving Loop EM confirmed 6 priority targets;
- Deeper RC drilling is scheduled for late 2014; and
- Geological data confirms mafic rock types

DIRECTORS' REPORT (continued)

Fraser Range North

The Fraser Range North Project is located in the heart of the Fraser Range (Figure 4).

The project covers 163 km^2 with over five (5) tenements within the Fraser Zone of the Albany-Fraser Orogen; one of the most exciting exploration hot spots in Australia. Ram will fly magnetics and ground EM late 2014.

The focus this period has been on collecting geological data.

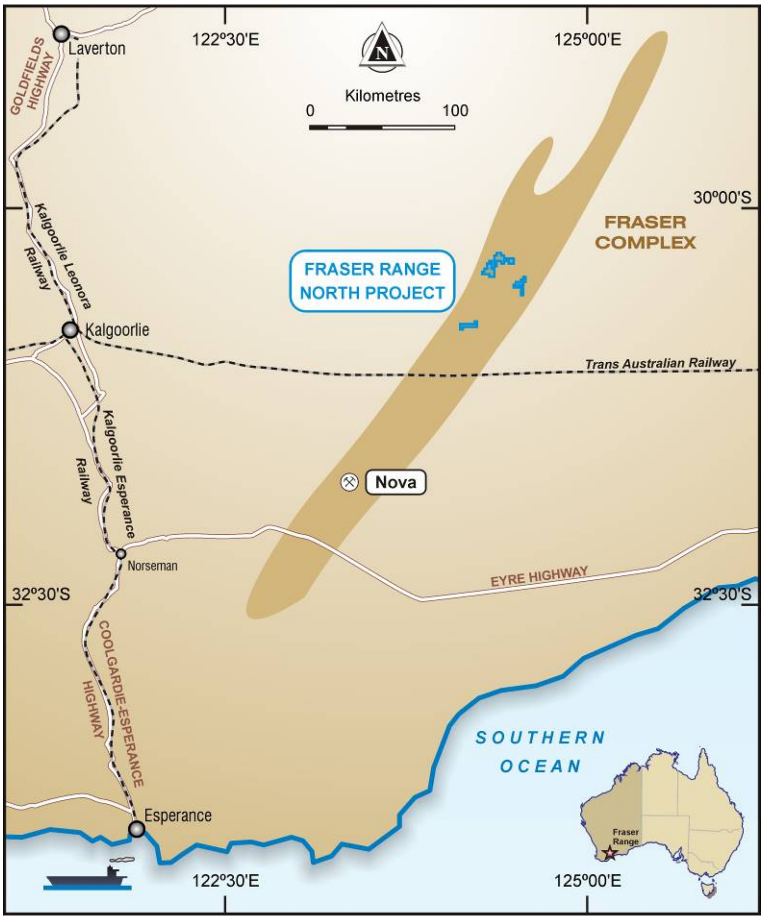

Figure 4. Fraser Range North Location Map

Ram has secured a two-year option over the tenements. Under the terms of the option, Ram paid $40,000 immediately with a further $40,000 payable within six months. A final payment of $50,000 per tenement must be paid by Ram should the Company elect to exercise its option to acquire 100 per cent of any of the exploration licences. The vendor retains a 1.5 per cent net smelter royalty.

Regionally, the Officer Basin sediments lie to the northwest of the project area. Sediments belonging to the Bight and Eucla Basins on lap onto this belt from the southeast of the Fraser Range. The Fraser Complex is approximately 40 km wide and 450 km long. It displays a strong magnetic signature and is located in the north eastern region of the Biranup Complex (Figure 3). It is bounded to the west by the Archean Yilgarn Craton and is covered to the east by tertiary Eucla Basin sediments. It comprises several 2-5 km thick sub-vertical 'slices' derived mostly from intensely deformed, granulite facies gabbro and minor anorthosite, leucogabbro, melanogabbro, ultramafic rocks and metasediments.

The Fraser Complex is originally believed to have formed as several layered intrusions within the lower crust. It was tectonically interleaved with the gneisses of the Biranup Complex, recrystallized to granulite facies and emplaced at a higher crustal level along the margin of the Yilgarn Craton.

DIRECTORS' REPORT (continued)

An initial auger drilling program completed by Ponton Minerals between 2005 and April 2012 produced highly promising results with three coincident soil anomalies containing nickel, copper, and palladium. Results from this program included peak values of 282ppm nickel, 928ppm arsenic, 87ppm cobalt, 75ppm copper, 238ppb lead and 53ppb platinum over the project area. The nickel results are shown in Figure 5. The coincident anomalies demonstrate the projects potential for base metals.

Work undertaken by previous tenement holders also included a shallow aircore drilling program targeting mineral sands. The drilling was generally between 16m and 134m deep and in many cases only a single bottom-of-hole composite sample was taken for assay.

This program was conducted without the benefit of ground geophysics to target nickel-copper sulphides with no anomalous intersections detected. All work was completed before Sirius' Nova nickel sulphide discovery was announced in July 2012 (see Figure 5).

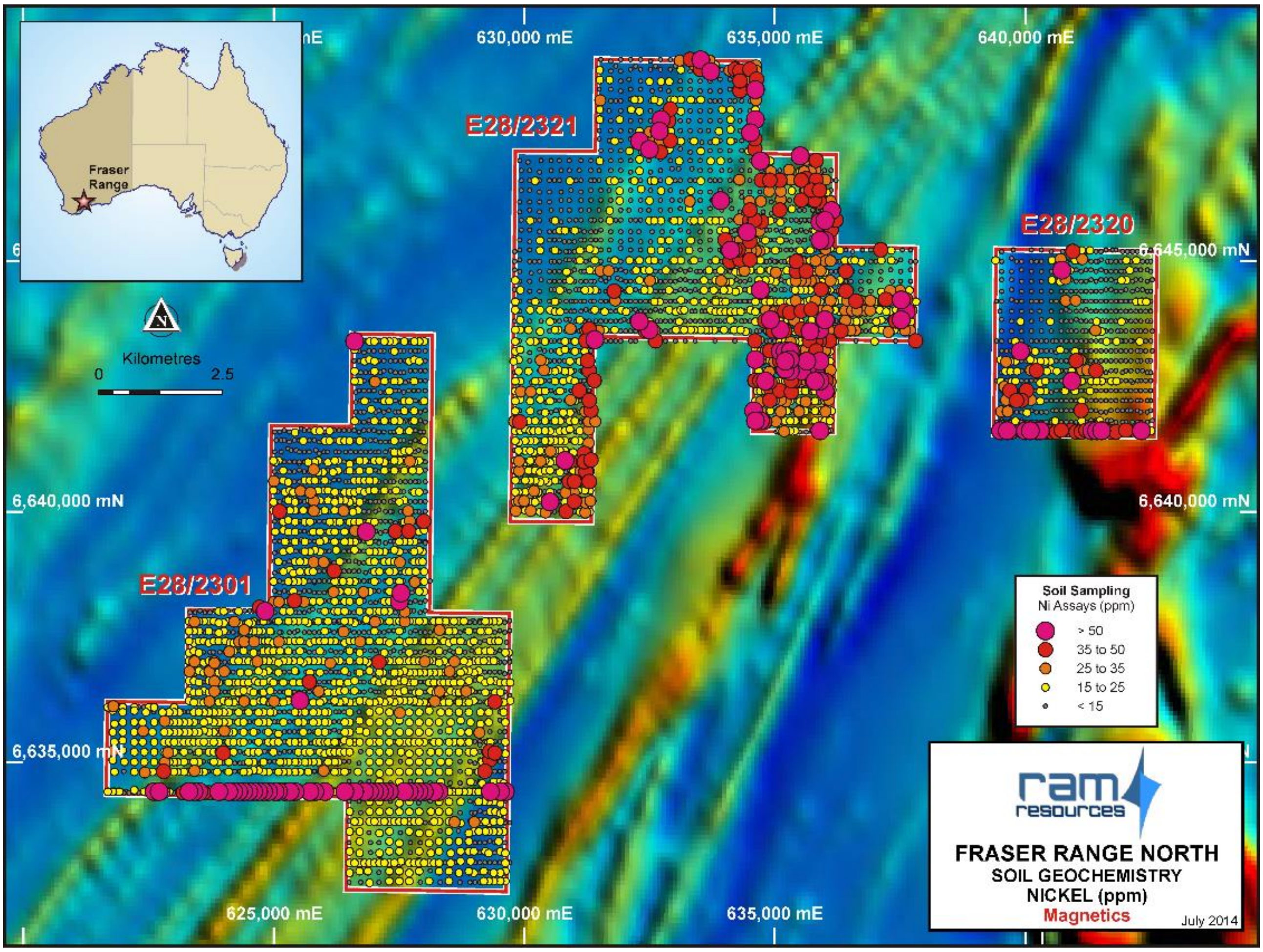

Figure 5 Fraser Range North – Historical Auger Geochemistry

The outcomes from this work are as follows;

- Regional gravity data indicates that the project area is well located on the main gravity high (gravity ridge) which represents the Fraser Zone of mafic and ultramafic rock types;
- The project area consists of five (5) separate exploration licences which occur overlying a combination of the upper sequence and lower sequence geology;
- Areas of coincident Ni-Cr-Cu-Co-Pt-Pd soil anomalism;
- Airbourne magnetic survey to be completed by end of August 2014; and
- Ground EM and drilling to follow late 2014.

DIRECTORS' REPORT (continued)

Fraser Range South

The Fraser Range South Project covers 410km^2 including the southern extension of the Fraser Range Gravity Complex (ASX Release 19 May 2014).

The project adjoins the Sirius tenements and are located just 2km from Sirius Resources' Crux and Centauri Prospects. Crux and Centauri both have generated promising early exploration results (reconnaissance drilling detecting magmatic sulphides). The southern Fraser Range region has also generated encouraging results from explorers such as Enterprise Metals (ASX:ENT), and Matsa Resources (ASX: MAT).

The Fraser Range South Project is held via a number of option agreements over three (3) tenements.

Table 1 Fraser Range South Option Structure

Tenement	First option Fee (Paid)	Period	Second Option Fee Cash/shares	Net Smelter Royalty
E63/1375	$60,000	18 month	$100,000 cash $200,000 shares	1.5%
E63/872 & E63/1102 (40%)	$60,000	18 month	$100,000 cash $200,000 shares	1.5%
E63/872 & E63/1102 (60%) Gold rights retained by vendor	$70,000 Shares	18 moths	$100,000 shares	
Note	60% of E63/1102 to be transferred to Ram			
Vendors retain right to purchase back the tenements if the second option fee is not exercised				

The Fraser Range South Project lies 32km south and along strike of Ram's Fraser Range Project and 65 km south of Sirius' Nova nickel-copper deposit (Figure 5). The tenements straddle the southern extension of the Frasier Range complex and Biranup Zone.

Regional Geology

The main geological units are in the Proterozoic Biranup Zone of the Albany-Fraser Orogen. The project covers the contact zone between the Fraser Range Complex and the Biranup Zone. The Biranup Zone is a multiply deformed set of highly metamorphosed granitoids, diorites, and sediments, all of which Geological Survey of WA has recently dated as 1700-1650 Ma. Regionally the area is a structural complex with a similar structural setting to the Tropicana gold deposit. It is currently interpreted as hosting limited ultramafic rock types.

Exploration

Exploration included an initial reconnaissance (1:100,000) scale interpretation of the public domain aeromagnetics over Ram's Fraser Range South (FRS) project area and surrounds and geological data collection. The data used for the interpretation was a subset of the freely available merged public domain aeromagnetic data for Western Australia generated by the Geological Survey of Western Australia (Flight Lines 100-400m).

A number of possible magnetic and non-magnetic intrusives have been interpreted within and adjacent to the Ram tenements. Some of these intrusives may have mafic-ultramafic affinities. Several of these have geophysical characteristics similar to Sirius nearby Crux or Centauri nickel prospects. These interpreted intrusives warrant checking as possible nickel-copper or gold targets. No priority ranking has been assigned to these areas of interest as yet (**Figure 6**).

DIRECTORS' REPORT (continued)

The structural setting of the Fraser Range South tenements is very complex, appearing to be part of a major zone of thrust faulting affecting several blocks of strongly deformed metamorphics.

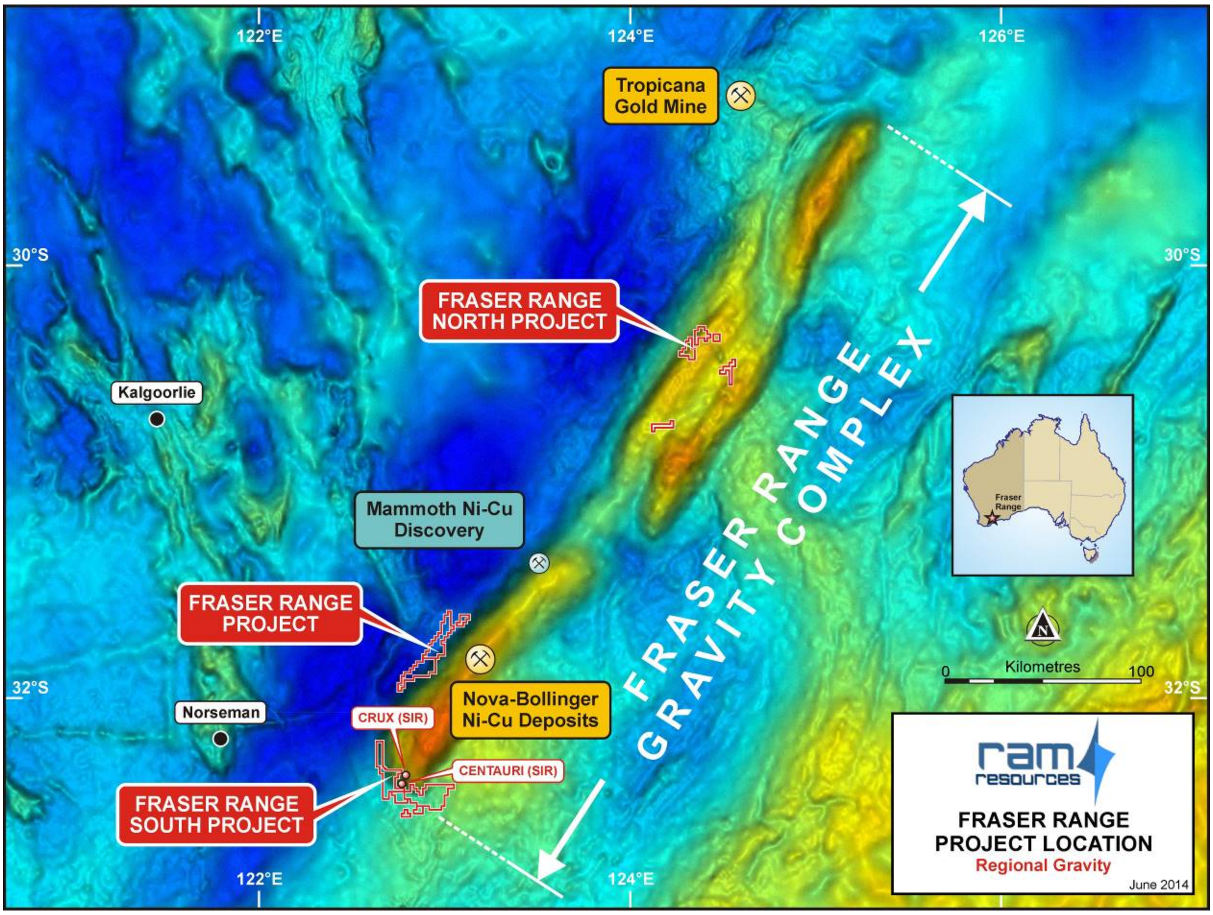

Figure 6 Fraser Range Gravity Complex

DIRECTORS' REPORT (continued)

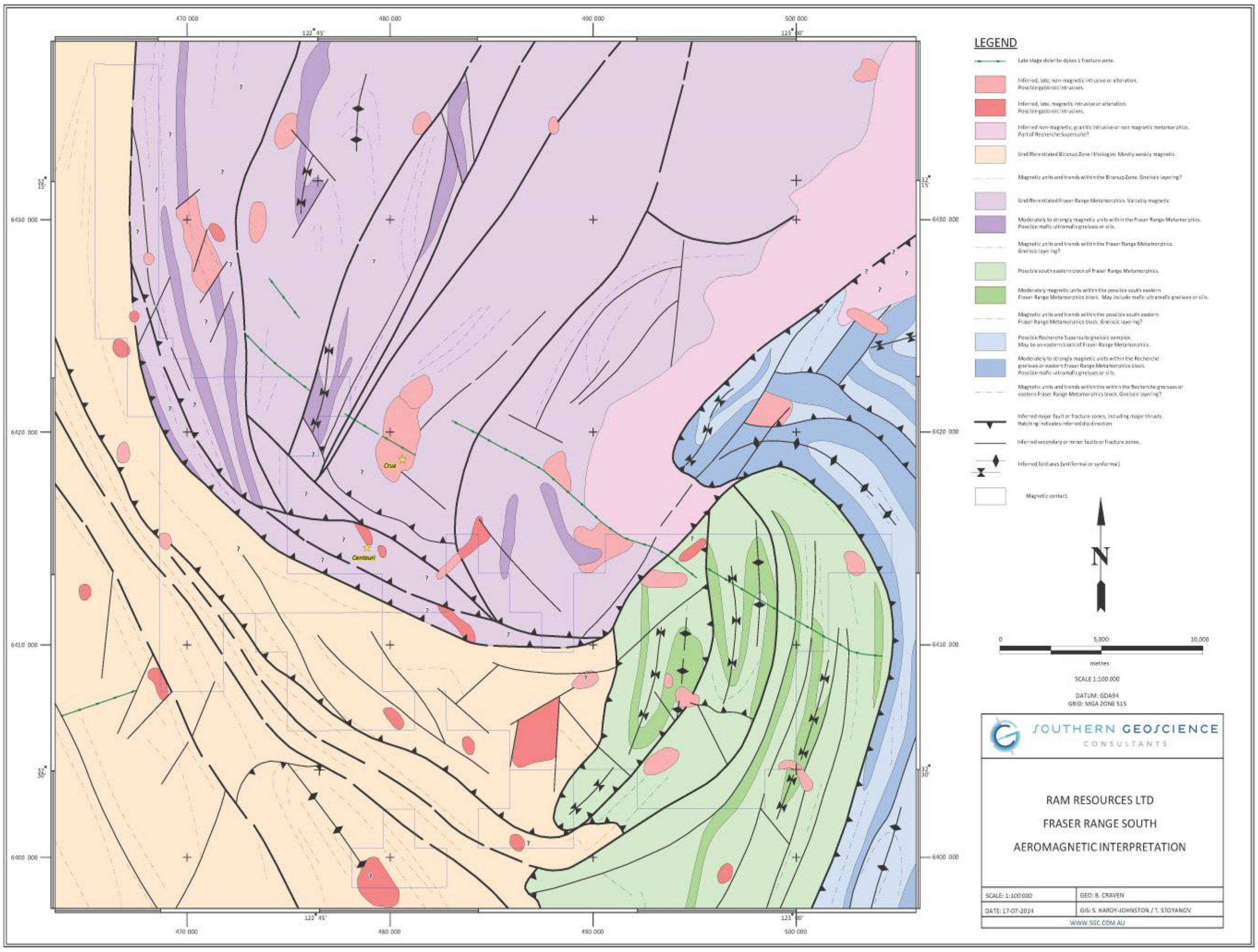

Figure 7: Fraser Range South Aeromagnetic Interpretation

The soil sampling by previous explorers has identified sections of Fraser Fault within the project area as having elevated copper values (32-259 ppm Cu) (Figure 7). The soils were not assayed for nickel in the laboratory. Historically, some insitu XRF soils were collected for nickel with no significant results.

At E63/1375, historical VTEM anomalies remain untested by geochem soil sampling. In total, 22 low-to-moderate VTEM anomalies were identified. Six higher-order anomalies experienced ground EM. The anomalies sit in the Fraser Range complex (**Figure 6**). VTEM anomalies will be reviewed by geophysics in late 2014.

The outcomes from this work are as follows:

- Regional gravity data indicates that the project area is well located on the southern end of the main gravity high (gravity ridge) which represents the Fraser Zone of mafic and ultramafic rock types;
- There is limited geochemistry across the project for Ni sulphide exploration;
- Areas of Cu anomalism already identified;
- Geological Reconnaissance confirms mafic, ultramafic assembles and gabbro intrusive;
- VTEM anomalies warrant further work;
- Exploration - ground EM and drilling expected; and
- CMP for Dundas Nature Reserve.

DIRECTORS' REPORT (continued)

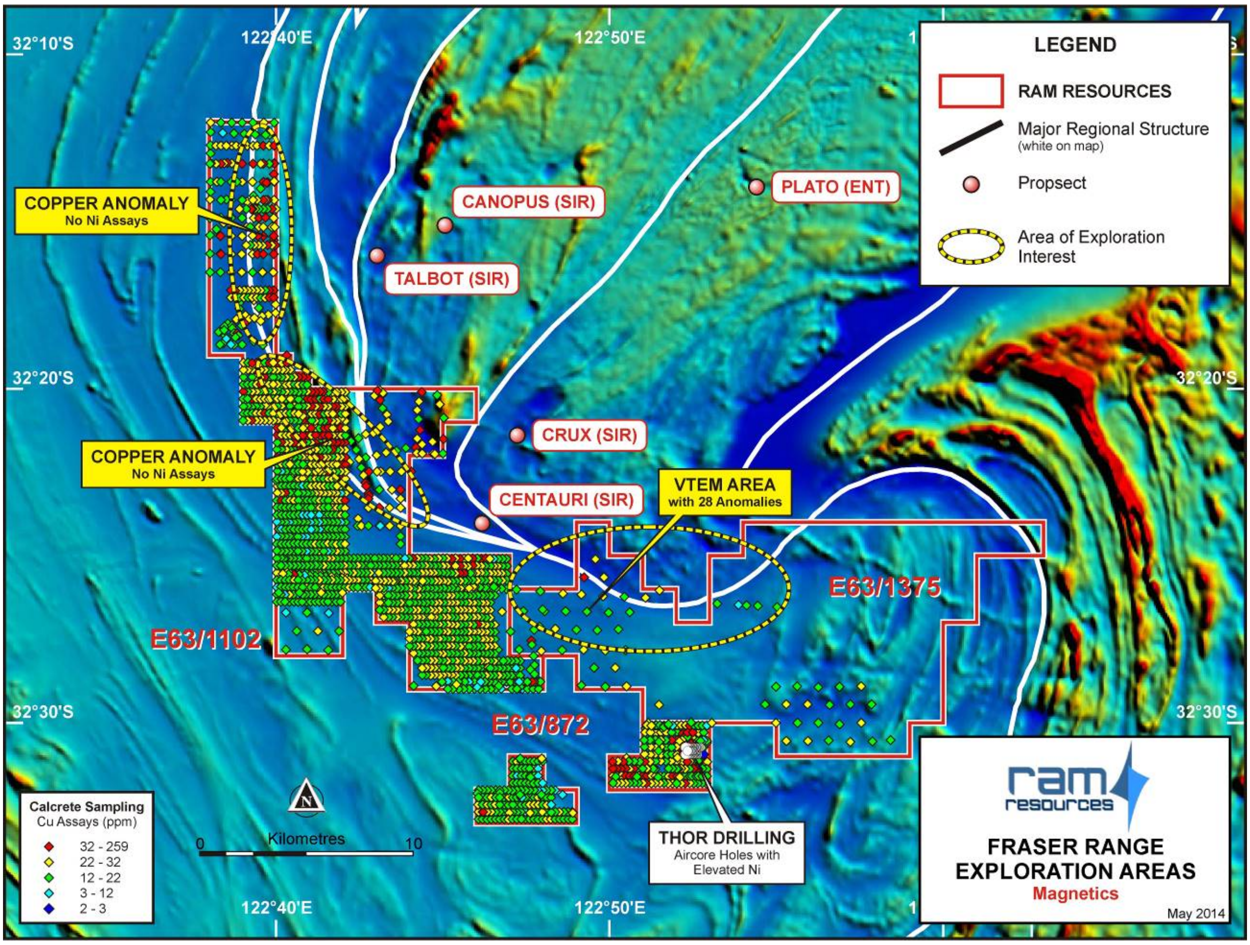

Figure 8 Fraser Range South Project: Historical soil samples and Area of Exploration Interest
WA Projects (Au -100%) Non-core Telfer Gold Project

Telfer Projects (E45/2726 and E45/2727)

Exploration Licence E45/2726 and E45/2727 are located about 400 km east-southeast of Port Hedland in Western Australia and about 27 km to the east of the Telfer Gold Mine, operated by Newcrest Mining Limited ("Newcrest"). The key geological structure is the Triangle Dome.

During the year, Newcrest acquired options over these two non-core tenements. The tenements are now managed by Newcrest and are part of its regional Telfer operations. Newcrest will pay $30,000 a year to Ram for both the options and importantly will meet the minimum expenditure requirements on the tenements. The agreements give Newcrest the right to acquire the tenements at any time over the next three (3) years.

In the case of tenement E45/2727, Newcrest has agreed to pay $500,000 on election to exercise the option plus a net smelter royalty of 1.5 per cent.

In the case of tenement E45/2726, Newcrest has agreed to pay $250,000 on election to exercise the option plus a net smelter royalty of 1.5 per cent.

Motzfeldt Project, Greenland

On 27 June 2014, joint venture company, Greenland Resources Limited (Ram – 51%) voluntarily surrendered its interest in Licences 2010/46 and 2011/24 (the Motzfeldt Project) in Greenland.

The decision to surrender the licences was taken on commercial and economic grounds.

DIRECTORS' REPORT (continued)

Corporate

During the year, the Company:

- Completed a consolidation of its issued capital on a 1 for 30 basis;
- Completed the acquisition of a further 70% interest in the Fraser Range Project, satisfied by the issue of:
    - 54,771,768 ordinary fully paid shares;
    - 11,333,334 Class A Performance shares; and
    - 11,333,334 Class B Performance shares
- Completed a placement of 166,666,667 ordinary fully paid shares at an issue price of $0.009 each, raising $1,500,000;
- Issued 13,333,333 ordinary fully paid shares to creditors of the Company in consideration for professional and other services provided, totalling $240,000;
- Issued 16,666,668 ordinary fully paid shares in satisfaction of capital raising and corporate advisory fees;
- Completed a placement of 187,500,000 ordinary fully paid shares at an issue price of $0.008 each, together with a one for two attaching option exercisable at 2.5 cents each, raising $1,500,000;
- Completed an offer to all shareholders pursuant to a share purchase plan, raising $700,000 through the issue of 87,500,000 ordinary fully paid shares at an issue price of $0.008 each, together with a one for two attaching option exercisable at 2.5 cents each;
- Entered into a two year option over tenements comprising the Fraser Range North Project. Under the terms of the option Ram has paid $40,000 with a further $40,000 payable within 6 months. A final payment of $50,000 per tenement is payable in the event that Ram elects to exercise its option to acquire 100% of any of the exploration licences. The vendor retains a 1.5 per cent net smelter royalty;
- Under separate transactions, secured agreement to acquire the three tenements comprising the Fraser Range South Project. The option terms are described above under the heading 'Fraser Range South'; and
- Issued 40,625,000 ordinary fully paid shares as consideration for the acquisition of a further 6.5% interest in the Fraser Range Project, increasing the Company's interest to 86.5%

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Charles Guy a director of the Company, and fairly represents this information. Mr Guy is a Member of The Australian Institute of Geoscientists. Mr Guy has sufficient experience which is relevant to style of mineralisation and type of deposit under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Charles Guy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mr Guy, a director, currently holds securities in the Company.

The announcement contains certain statements, which may constitute "forward –looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward-looking statements.

DIRECTORS' REPORT (continued)

Operating results for the year

The consolidated loss of the consolidated entity for the financial year after providing for income tax amounted to $6,151,670 (2013: $18,909,940). The consolidated loss includes an impairment of exploration expenditure of $5,757,748 (2013: $18,228,030)

The consolidated loss after eliminating non-controlling equity interests amounted to $3,330,864 (2013: $9,795,882).

In June 2014 the Motzfeldt Project (exploration licences 2010/46 and 2011/24) was relinquished after a comprehensive technical review and farm-in partner solicitation process. The Board of Greenland Resources Ltd in conjuction with its joint venture shareholders determined that the project in the current environment should be relinquished on commercial and economical grounds. As a result, the Greenland project was written off in full resulting in impairment of exploration expenditure of $5,756,602.

During and subsequent to the reporting period, Greenland Resources Ltd has negotiated commercial settlement with all non-related creditors. Greenland Resources Ltd is currently in discussions with the BMP for the purpose of a clean and amicable exit from Greenland. It is intended that Greenland Resources Ltd will be wound up upon conclusion of these discussions.

Review of financial conditions

The Company is dependent upon equity markets to raise capital to fund its activities. As the Company intends carrying out exploration activities, it is considered a speculative investment by most potential investors.

During the reporting period, the Company raised $3,700,000 in funds through two separate placements to professional and sophisticated investors ($3,000,000) and a share purchase plan to existing shareholders ($700,000).

The Company will need to raise further capital during the 2015 financial year in order to continue with its exploration activities and to cover corporate costs. The ability to access this capital will depend upon the state of financial markets at the time. However, the Directors of the Company believe that they have the ability to raise additional capital leading in to 2015.

Risk management

The Company has a policy for the oversight and management of material business risks, which is available on the Company's website.

Management determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control. The Board oversees an ongoing assessment of the effectiveness of risk management and internal compliance and control, requiring management to appraise the Board of changing circumstances within the Company and within the international business environment.

Significant changes in the state of affairs

Significant changes in the state of affairs of the company during the financial year are detailed in the Review of Operations.

In the opinion of the directors, there were no other significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or in the financial report.

DIRECTORS' REPORT (continued)

Significant events after balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years except as follows:

- 6,363,636 fully paid ordinary shares were issued as part consideration of the acquisition of Fraser Range South.

Likely developments and expected results

The Company will continue with its strategic strategy of exploring for nickel sulphides in Australia. The Company has been aggressive with its acquisition programs in the Fraser Range to increase its tenement portfolio in the region. This process is expected to continue during the coming financial year.

Ram will also consider all exploration and mining opportunities as they arise; with each opportunity being assessed on its merits. The Company will impose no arbitrary limits on viable opportunities.

Environmental legislation

Other than legislation and regulations governing its exploration licences, the consolidated entity is not subject to any significant environmental legislation.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium of $22,001 in respect of a policy insuring the Directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Remuneration report (Audited)

This report outlines the remuneration arrangements in place for the key management personnel of the Company for the financial year ended 30 June 2014. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the parent company, and certain executives.

DIRECTORS' REPORT (continued)

Remuneration Report (continued)

Key Management Personnel

Directors

Neville Bassett (Non-Executive Chairman)	Appointed 22/03/04
Bill Guy (Managing Director)	Appointed 28/03/13
Edward Mead (Non-Executive Director)	Appointed 11/07/12
James Lumley (Acting Managing Director)	Resigned 09/08/13

Remuneration philosophy
The performance of the Company depends upon the quality of the Directors and executives. The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable executive remuneration.

Remuneration committee
While the Company does not currently have a formal Remuneration Committee, the Board has adopted a Remuneration Committee Charter, which determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

Remuneration structure
In accordance with best practice Corporate Governance, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

Non-executive Director remuneration
The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be as determined from time to time by a general meeting. The latest determination was at the meeting held on 22 March 2004 when shareholders approved an aggregate remuneration of $200,000 per annum.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to non-Executive Directors of comparable companies when undertaking the annual review process.

The remuneration of Non-Executive Directors for the period ended 30 June 2014 is detailed on page 21 of this report.

Senior manager and Executive Director remuneration
Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

Fixed remuneration
Fixed remuneration is reviewed annually by the Board of Directors. The process consists of a review of relevant comparative remuneration in the market and internally and where appropriate, external advice on policies and practices. The Board of Directors has access to external, independent advice where necessary.

Senior managers are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

The fixed remuneration component of key management personnel of the Company is detailed in Table 1.

DIRECTORS' REPORT (continued)

Remuneration Report (continued)

Variable remuneration
The objective of the short term incentive program is to link the achievement of the Company's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential short term incentive available is set at a level so as to provide sufficient incentive to the senior manager to achieve the operational targets and such that the cost to the consolidated entity is reasonable in the circumstances.

Executive Directors and executives may also be paid performance based bonuses based on set monetary figures, rather than proportions of their salary. This has led to the proportions of remuneration related to performance varying between individuals. These bonuses will generally be set to encourage achievement of specific goals that have been given a high level of importance in relation to the future growth and profitability of the consolidated entity.

The Board will review the performance bonuses to gauge their effectiveness against achievement of the set goals, and adjust future years' incentives as they see fit to ensure use of the most cost effective and efficient methods.

Employment Contracts

Mr Bill Guy was appointed Managing Director on 26 July 2014 and receives a fixed remuneration package of $180,000 per annum and was granted 6,000,000 performance rights with the following milestones:

1. 2,000,000 post-consolidation shares upon the Company's Shares trading at a 25% premium to the lessor of (i) 5 day VWAP immediately post consolidation; and (ii) 2 cents, being 1.98 cents, for 20 consecutive trading days;
2. 2,000,000 post-consolidation shares upon the Company's Shares trading at a 50% premium to the lessor of (i) 5 day VWAP immediately post consolidation; and (ii) 2 cents, being 2.38 cents, for 20 consecutive trading days;
3. 2,000,000 post-consolidation shares upon the Company's Shares trading at a 75% premium to the lessor of (i) 5 day VWAP immediately post consolidation; and (ii) 2 cents, being 2.77 cents, for 20 consecutive trading days;

Other than Mr Bill Guy's employment contract, there are no employment contracts currently in place for any of the directors.

Remuneration of Directors
Table 1: Directors' remuneration for the year ended 30 June 2014 and 30 June 2013

		Short-term employee benefits			Equity			
		Salary and fees $	Salary and fees written off $	Share options $	Share options forfeited $	Performance rights $	Total $	Performance Related %
Neville Bassett	2014	30,000	(4,299)	17,099	-	-	42,800	40%
	2013	30,000	-	35,235	-	-	65,235	54%
Bill Guy (i)	2014	189,398	(3,099)	-	-	58,860	245,159	24%
	2013	36,300	-	-	-	-	36,300	-
Edward Mead (ii)	2014	37,518	(350)	1,584	-	-	38,752	4%
	2013	29,091	-	920	-	-	30,011	3%
James Lumley(iii)	2014	-	(1,401)	-	(6,627)	-	(8,028)	-
	2013	62,207	-	4,185	-	-	66,392	6%

DIRECTORS' REPORT (continued)

Remuneration Report (continued)

(i) Bill Guy was appointed on 28 March 2013.
(ii) Edward Mead was appointed on 11 July 2012.
(iii) James Lumley was appointed on 11 October 2011 and resigned on 9 August 2013.

Mr James Scott, a Non-Executive Director who resigned on 11 July 2012 was paid a final fee of $645 during the financial year.

Table 2: Option plans in existence during the financial year

Option series	Grant date	Expiry date	Fair value at grant date	Vesting date	% vested
83,334 Class B unlisted options	8 September 2010	8 September 2013	$51,250	(2)	100
83,334 Class C unlisted options	8 September 2010	8 September 2014	$59,500	(3)	Nil
83,334 Class D unlisted options	30 November 2011	30 November 2013	$2,455	(1)	Nil
83,334 Class E unlisted options	30 November 2011	30 November 2014	$4,225	(2)	Nil
83,334 Class F unlisted options	30 November 2011	30 November 2015	$5,725	(3)	Nil
83,334 Class G unlisted options	30 November 2012	30 November 2014	$1,224	(1)	Nil
83,334 Class H unlisted options	30 November 2012	30 November 2015	$1,526	(2)	Nil
83,334 Class I unlisted options	30 November 2012	30 November 2016	$1,655	(3)	Nil

(1) The earlier of the date when the RMR share price exceeds 150 cents for 5 consecutive trading days or 30 days prior to expiry date. Immediate vesting should there be a change in control of the Company.
(2) The earlier of the date when the RMR share price exceeds 210 cents for 5 consecutive trading days or 30 days prior to expiry date. Immediate vesting should there be a change in control of the Company.
(3) The earlier of the date when the RMR share price exceeds 300 cents for 5 consecutive trading days or 30 days prior to expiry date. Immediate vesting should there be a change in control of the Company.

For details on the valuation of the options, including models and assumptions used, please refer to Note 13 of the financial statements. There were no alterations to the terms and conditions of options granted as remuneration since their grant date.

No options issued as compensation were exercised during the year by key management personnel.

Table 3: Options granted, exercised or lapsed during the financial year to Directors

Name	Value of options granted at the grant date $	Value of options exercised at the exercise date $	Value of options lapsed at the date of lapse $
James Lumley	12,405	N/A	12,405

Table 4: Performance rights compensation to key management personnel during the current financial year

Name	No. granted during the year	Date granted	FV per right at grant date	No. vested during the year	% of grant vested	% of grant forfeited	% compensation for year consisting of performance rights	Expiry date	First exercise date	Last exercise date
Bill Guy	6,000,000	27/12/13	58,860	Nil	Nil	Nil	24%	(1)	(2, 3, 4)	(1)

DIRECTORS' REPORT (continued)

Remuneration Report (continued)

(1) Tranche 1, Tranche 2 and Tranche 3 performance rights will expire:
   a. As determined by the Board, if Mr Bill Guy has acted fraudulently, dishonestly or is in breach of his obligations to the Company;
   b. Mr Bill Guy ceasing to be a director for any reason other than retirement at age 60 or older (or earlier age approved or agreed by the Board), permanent disability or death;
   c. Five years from Commencement Date; and
   d. A resolution being passed to wind up the Company.

(2) Tranche 1 – 2,000,000 shares upon the Company's Shares trading above 1.98 cents for 20 consecutive trading days;
(3) Tranche 2 – 2,000,000 shares upon the Company's Shares trading above 2.38 cents for 20 consecutive trading days;
(4) Tranche 3 – 2,000,000 shares upon the Company's Shares trading above 2.77 cents for 20 consecutive trading days;

No performance rights were issued to the other Directors during the current financial year.

Option holdings of Key Management Personnel (Consolidated)

					Vested as at end of period		
	Balance at beginning of period	Options expired	Allotment of Options	Balance at end of period	Total	Exercisable	Not Exercisable
30 June 2014 Directors							
Neville Bassett	166,668	(83,334)	-	83,334	-	-	-
Bill Guy(i)	-	-	-	-	-	-	-
Edward Mead	250,002	-	-	250,002	-	-	-
James Lumley(ii)	250,002	(250,002)	-	-	-	-	-
Total	666,672	(333,336)	-	333,336	-	-	-

(i) Bill Guy was appointed on 28 March 2013 as a Non-Executive Director and then appointed as Managing Director on 26 July 2013.
(ii) James Lumley resigned on 9 August 2013.

					Vested as at end of period		
	Balance at beginning of period	Options expired	Allotment of Options	Balance at end of period	Total	Exercisable	Not Exercisable
30 June 2013 Directors							
Neville Bassett	250,002	(83,334)	-	166,668	-	-	-
Bill Guy(i)	-	-	-	-	-	-	-
Edward Mead	-	-	250,002	250,002	-	-	-
James Lumley(ii)	250,002	-	-	250,002	-	-	-
Total	500,004	(83,334)	250,002	666,672	-	-	-

(i) Bill Guy was appointed on 28 March 2013 as a Non-Executive Director and then appointed as Managing Director on 26 July 2013.
(ii) James Lumley resigned on 9 August 2013.

Shareholdings of Key Management Personnel (Consolidated)

	Balance at beginning of period	Granted as remuneration	Net change other (iii)	Balance at end of period
30 June 2014				
Directors				
Neville Bassett	196,223	-	1,594,472	1,790,695
Bill Guy (i)	-	-	1,844,472	1,844,472
Edward Mead	-	-	1,111,111	1,111,111
James Lumley (ii)	-	-	-	-
30 June 2014	196,223	-	4,550,055	4,746,278

(i) Bill Guy was appointed on 28 March 2013 as a Non-Executive Director and then appointed as Managing Director on 26 July 2013.
(ii) James Lumley resigned on 9 August 2013.
(iii) Issued in settlement of outstanding fees.

	Balance at beginning of period	Granted as remuneration	Net change other	Balance at end of period
30 June 2013				
Directors				
Neville Bassett	196,223	-	-	196,223
Bill Guy (i)	-	-	-	-
Edward Mead	-	-	-	-
James Lumley (ii)	-	-	-	-
30 June 2013	196,223	-	-	196,223

Other transactions and balances with Key Management Personnel (Consolidated)

	2014 $	2013 $
Directors fees paid to Mandevilla Pty Ltd, a company in which Neville Bassett is a director	25,701	30,000
Directors fees paid to Mineral Rock Pty Ltd, a company in which Bill Guy is a director	176,901	7,500
Unpaid accrued annual leave for Director fees that have been accrued by Mineral Rock Pty Ltd, a company in which Bill Guy is a director	9,398	-
Geological consulting fees paid to Mineral Rock Pty Ltd, a company in which Bill Guy is a director	-	28,800
Directors fees paid to Doraleda Pty Ltd, a company in which Edward Mead is a director	29,650	29,091
Consulting fees paid to Doraleda Pty Ltd, a company in which Edward Mead is a director	7,518	-

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

End of Remuneration Report.

Directors' meetings

The number of meetings of Directors' held during the year and the number of meetings attended by each Director was as follows:

Director	**Board Meetings**	
	Number Attended	**Number eligible to attend**
Neville Bassett	5	5
Bill Guy	5	5
Edward Mead	5	5
James Lumley	0	0

Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Auditor independence and non-audit services

Section 307C of the Corporations Act 2001 requires the Company's auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the Annual Report. This Independence Declaration is set out on page 26 and forms part of this Directors' Report for the year ended 30 June 2014.

Non-audit services

There were no non-audit services provided during the year ended 30 June 2014.

Signed in accordance with a resolution of the Directors.

Neville Bassett
Non Executive Chairman

Dated this 30th day of September 2014

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Ram Resources Limited for the year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**M R W Ohm**
30 September 2014	**Partner**

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
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Liability limited by a scheme approved under Professional Standards Legislation

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Consolidated 2014 $	Consolidated 2013 $
Other income	2(a)	550,220	106,638
Finance costs	2(b)	(20,085)	(32,687)
Depreciation expense	8	(20,566)	(35,838)
Impairment of exploration expenditure	9	(5,757,748)	(18,228,030)
Other expenses	2(b)	(934,399)	(720,023)
Loss before income tax expense		**(6,182,578)**	**(18,909,940)**
Income tax benefit	3	30,908	-
Loss for the year		**(6,151,670)**	**(18,909,940)**
Other comprehensive income for the year			
Items which may subsequently be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		254,953	343,197
Total comprehensive loss for the year		**(5,896,717)**	**(18,566,743)**
Loss attributable to:			
Owners of the parent		(3,330,864)	(9,795,882)
Non-controlling interest		(2,820,806)	(9,114,058)
Total loss for the year		**(6,151,670)**	**(18,909,940)**
Other comprehensive loss attributable to:			
Owners of the parent		(3,200,912)	(9,620,852)
Non-controlling interest		(2,695,805)	(8,945,891)
Total comprehensive loss for the year		**(5,896,717)**	**(18,566,743)**
Basic loss per share (cents per share)	5	(2.06)	(47.53)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Notes	Consolidated 2014 $	Consolidated 2013 $
Current Assets			
Cash and cash equivalents	6	1,519,513	2,012
Trade and other receivables	7	78,866	11,437
Total Current Assets		**1,598,379**	**13,449**
Non-Current Assets			
Property, plant and equipment	8	5,074	17,372
Exploration and evaluation expenditure	9	3,751,523	5,461,929
Total Non-Current Assets		**3,756,597**	**5,479,301**
Total Assets		**5,354,976**	**5,492,750**
Current Liabilities			
Trade and other payables	10	572,414	757,948
Borrowings	11	1,178	16,178
Total Current Liabilities		**573,592**	**774,126**
Total Liabilities		**573,592**	**774,126**
Net Assets		**4,781,384**	**4,718,624**
Equity			
Issued capital	12	53,422,724	45,037,847
Unissued capital	12	70,000	3,000,000
Reserves	13	9,482,277	8,847,725
Accumulated losses	13	(55,377,022)	(52,046,158)
Total equity attributable to the owners of the parent		7,597,979	4,839,414
Non-controlling interests		(2,816,595)	(120,790)
Total Equity		**4,781,384**	**4,718,624**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

Consolidated	Issued Capital $	Unissued Capital $	Accumulated Losses $	Option Reserve $	Share Based Payment Reserve $	Performance Rights Reserve $	Foreign exchange reserve $	Attributable to owners of the parent $	Non-controlling interests $	Total $
Balance as at 1 July 2012	**44,147,754**	**-**	**(42,250,276)**	**7,889,894**	**695,473**	**-**	**46,987**	**10,529,832**	**5,942,748**	**16,472,580**
Loss for the year	-	-	(9,795,882)	-	-	-	-	(9,795,882)	(9,114,058)	(18,909,940)
Shares issued during the year	910,599	-	-	-	-	-	-	910,599	-	910,599
Shares to be issued	-	3,000,000	-	-	-	-	-	3,000,000	-	3,000,000
Share issue costs	(20,506)	-	-	-	-	-	-	(20,506)	-	(20,506)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	175,030	175,030	168,167	343,197
Increase in non-controlling interest from contingent consideration on acquisition of subsidiary (refer note 15)	-	-	-	-	-	-	-	-	2,882,353	2,882,353
Options issued during the year	-	-	-	40,341	-	-	-	40,341	-	40,341
Balance as at 30 June 2013	**45,037,847**	**3,000,000**	**(52,046,158)**	**7,930,235**	**695,473**	**-**	**222,017**	**4,839,414**	**(120,790)**	**4,718,624**
Balance as at 1 July 2013	**45,037,847**	**3,000,000**	**(52,046,158)**	**7,930,235**	**695,473**	**-**	**222,017**	**4,839,414**	**(120,790)**	**4,718,624**
Loss for the year	-	-	(3,330,864)	-	-	-	-	(3,330,864)	(2,820,806)	(6,151,670)
Shares to be issued	-	70,000	-	-	-	-	-	70,000	-	70,000
Shares issued during the year	9,245,554	(3,000,000)	-	-	-	-	-	6,245,554	-	6,245,554
Share issue costs	(860,677)	-	-	-	-	-	-	(860,677)	-	(860,677)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	129,952	129,952	125,001	254,953
Options issued during the year	-	-	-	445,740	-	-	-	445,740	-	445,740
Performance rights issued during year	-	-	-	-	-	58,860	-	58,860	-	58,860
Balance as at 30 June 2014	**53,422,724**	**70,000**	**(55,377,022)**	**8,375,975**	**695,473**	**58,860**	**351,969**	**7,597,979**	**(2,816,595)**	**4,781,384**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Consolidated 2014 $	2013 $
Cash Flows Used in Operating Activities			
Option fee		20,000	20,000
Income tax benefit		30,908	-
Payments to suppliers and employees		(671,912)	(364,531)
Interest received		10,207	773
Finance costs		(20,051)	(5)
Net cash used in operating activities	6(ii)	(630,848)	(343,763)
Cash Flows Used in Investing Activities			
Purchase of plant and equipment		(7,160)	-
Payments for exploration and evaluation		(1,066,486)	(57,680)
Payment for acquisition of Fraser Range		(135,701)	-
Net cash used in investing activities		(1,209,347)	(57,860)
Cash Flows From Financing Activities			
Proceeds from issue of shares		3,700,000	-
Proceeds from option conversion		9,901	-
Payment for share issue costs		(352,155)	(22,006)
Proceeds from borrowings		11,550	368,678
Repayment of borrowings		(11,550)	-
Net cash provided by financing activities		3,357,746	346,672
Net increase/(decrease) in cash and cash equivalents		1,517,551	(54,951)
Cash and cash equivalents at the beginning of the period		2,012	56,916
Effects of exchange rate fluctuations on cash held		(50)	47
Cash and Cash Equivalents at the End of the Period	6(i)	**1,519,513**	**2,012**

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law.

The financial report has also been prepared on an historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies detailed below have been consistently applied to all years presented unless otherwise stated. The financial statements are for the consolidated entity ("Group") consisting of Ram Resources Ltd and its subsidiaries.
The financial report is presented in Australian dollars.

The Company is a listed public company, incorporated in Australia and operating in Australia. The entity's principal activities are exploration of mineral properties in Australia.

(b) Adoption of new and revised standards
Changes in accounting policies on initial application of Accounting Standards

Standards and Interpretations applicable to 30 June 2014
In the year ended 30 June 2014, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant the group's operations and effective for the current annual reporting period.

It has been determined by the directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and therefore no change is necessary to Group Accounting policies.

Standards and Interpretations in issue not yet adopted
The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2014. As a result of this review the directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change necessary to Group accounting policies.

(c) Statement of compliance

The financial report was authorised for issue on 30 September 2013.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group consisting of the Company and its subsidiaries as at 30 June 2014 and the results of all subsidiaries for the year then ended.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

Business combinations have been accounted for using the acquisition method of accounting (refer note 1(m)).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Basis of consolidation (continued)

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Ram.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 'Financial Instruments: Recognition and Measurement' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

(e) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black and Scholes model, using the assumptions detailed in Note 13.

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Black and Scholes formula taking into account the terms and conditions upon which the instruments were granted, as discussed in Note 13.

Exploration and evaluation costs carried forward
In accordance with accounting policy note 1(z), management determines when an area of interest should be abandoned. When a decision is made that an area is not commercially viable, all costs that have been capitalised in respect of those areas of interest are written off. In determining this, certain assumptions including the maintenance of title, ongoing expenditure and prospectivity are made.

In June 2014, the Motzfeldt Project (exploration licences 2010/46 and 2011/24) was relinquished after a comprehensive technical review and farm-in partner solicitation process. The board of Greenland Resources Ltd in conjunction with its joint venture shareholders determined that the project in the current environment should be relinquished on commercial and economical grounds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Critical accounting judgements and key sources of estimation uncertainty (continued)

During and subsequent to the reporting period, Greenland Resources Ltd has negotiated commercial settlement with all non-related creditors. Greenland Resources Ltd is currently in discussions with the BMP for the purpose of a clean and amicable exit from Greenland. It is intended that Greenland Resources Ltd will be wound up upon conclusion of these discussions.

(f) Going concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of Ram's assets and the discharge of its liabilities in the normal course of business.

As at 30 June 2014, the Group had cash and cash equivalents of $1,519,513, a loss for the year of $6,151,670 (which includes an impairment expense of $5,757,748) and a net cash outflow from operating and investing activities of $1,840,195. The Group has a working capital surplus of $1,024,786.

The Board considers that Ram is a going concern and recognises that additional funding is required to ensure that it can continue to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of this report. Such additional funding as occurred during the year ended 30 June 2014 as disclosed in Notes 11 and 12, can be derived from either one or a combination of the following:

- Raising additional equity capital to fund the Group's ongoing exploration and development program and working capital requirements, as and when required;
- Alliance with institutional brokers for raising additional capital;
- The farm-down or sale of its mineral interests; or
- The successful commercial exploitation of the Group's mineral interests.

During the financial year the Company entered into a mandate agreement with Hartleys Limited to provide corporate advisement services including capital raising strategies and implementation.

Accordingly, the Directors believe that subject to prevailing equity market conditions, Ram will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

Should Ram be unable to obtain sufficient funding as outlined above, there is a material uncertainty that may cast significant doubt whether it will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should it not continue as a going concern.

(g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Ram Resources Limited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Foreign currency translation

Both the functional and presentation currency of the Company and its Australian subsidiaries is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at balance date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The functional currency of the foreign operation, Greenland Resources Ltd, is British pounds (£).

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

In addition, in relation to the partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income
Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(j) Borrowing costs

Borrowing costs are capitalised that are directly attributable to the acquisition, construction or production of qualifying assets where the borrowing cost is added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(k) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Income tax (continued)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Income tax (continued)

Tax consolidation legislation
Ram Resources Limited and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

The Company recognises both its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax-consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated group.

(l) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST and VAT except:

- when the GST or VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST and VAT included.

The net amount of GST and VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST and VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST or VAT recoverable from, or payable to, the taxation authority.

(m) Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Business combinations (continued)

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 139, or AASB 137 'Provisions, Contingent Liabilities and Contingent Assets', as appropriate, with the corresponding gain or loss being recognised in profit or loss.

(n) Impairment of assets

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

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. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Impairment of assets (continued)

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(o) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(p) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, reviews of financial information and significant delinquency in making contractual payments to the Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

(q) Financial assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end. All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Financial assets (continued)

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category ‘financial assets at fair value through profit or loss’. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(iv) Available-for-sale investments

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm’s length market transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Derecognition of financial assets and financial liabilities

(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:

(a) has transferred substantially all the risks and rewards of the asset, or
(b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(s) Impairment of financial assets

The Group assesses at each balance date whether a financial asset or group of financial assets is impaired.

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Impairment of financial assets (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(ii) Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed in subsequent periods.

(iii) Available-for-sale investments

If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the statement of comprehensive income. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit or loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

(t) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and equipment	2.5 years to 8 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell 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, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Property, plant and equipment (continued)

(iii) Derecognition and disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(u) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(v) Interest bearing loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(w) Share-based payment transactions

(i) Equity settled transactions:
The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black and Scholes model or the binomial option valuation model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Ram Resources Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Share-based payment transactions (continued)

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects:

(i) the extent to which the vesting period has expired; and
(ii) the Group's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(x) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

(y) Earnings per share

Basic earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and
(ii) at least one of the following conditions is also met:
  (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
  (b) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(aa) Parent Entity Financial Information

The financial information for the parent entity Ram Resources Limited, disclosed in Note 19 has been prepared on the same basis as the consolidated financial statements, except as below;

(i) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

(ii) Share based payments

The grant by the company of options over its equity instruments to the employees of subsidiary undertakings in the group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 2: REVENUE AND EXPENSES

	Consolidated 2014 $	2013 $
(a) Other income		
Interest revenue	10,207	773
Gain on extinguishment of debt (i)	520,013	85,865
Other	20,000	20,000
	550,220	106,638

(i) The gain on extinguishment of debt in 2014 pertains to the reduction of debt through settlements with creditors. The gain on extinguishment of debt in 2013 pertains to the write off of payables that have been outstanding for more than 5 years and are unlikely to be called upon.

	2014 $	2013 $
(b) Expenses		
Finance costs	20,085	32,687
Net loss/(gain) on foreign exchange	211	18,465
Options issued to directors	12,056	40,341
Performance rights issued to directors	58,860	-
Administration costs	282,604	274,742
Auditors remuneration – HLB Mann Judd	37,450	35,950
Auditors remuneration – Menzies LLP	23,486	31,599
Marketing and travel costs	104,743	11,568
Relinquishment costs(i)	202,773	-
Other	212,216	307,358
	934,399	720,023

(i) Relinquishment costs are costs associated with the surrender of tenements. These costs are currently in negotiation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 3: INCOME TAX

	Consolidated 2014 $	2013 $
The major components of tax benefit for the years ended 30 June 2014 and 30 June 2013 are:		
Current income tax benefit	-	-
Deferred income tax benefit	-	-
Income tax benefit reported in the statement of comprehensive income	-	-

A reconciliation of income tax benefit applicable to accounting loss before income tax at the statutory income tax rate to income tax benefit at the Company's effective income tax rate for the years ended 30 June 2014 and 30 June 2013 is as follows:

	2014 $	2013 $
Accounting (loss) before tax from continuing operations	(6,182,578)	(18,909,940)
Accounting loss before income tax	(6,182,578)	(18,909,940)
At the statutory income tax rate of 30% (2013: 30%)	(1,854,773)	(5,672,982)
Add:		
R&D incentive	30,908	-
Non-deductible expenses/(Non-assessable income)	66,891	15,009
Temporary differences not recognised	148,492	(15,889)
Current year tax loss not brought to account as a deferred tax asset	1,639,390	5,673,862
Income tax benefit reported in the statement of comprehensive income	30,908	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	2014 $	2013 $
Business related expenses	79	119
Capital raising costs	271,519	110,065
Trade and other payables	23,366	39,000
Tax losses	14,181,670	12,542,278
	14,476,634	12,691,462

The tax losses do not expire under current 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 Company can utilise the benefits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 4: SEGMENT REPORTING

Description of segments

During the year, the consolidated entity operated predominantly in Australia and Greenland and in one business segment being, mineral mining and exploration and substantially all of the entity's resources are deployed for this purpose.

Reporting segments disclosed are Australia and Greenland. Reporting segments were determined based on areas of operation.

Segment information

The following tables present revenue and loss information and certain asset and liability information regarding business segments for the years ended 30 June 2014 and 30 June 2013.

	Australia $	Greenland $	Consolidated $
Year ended 30 June 2014			
Revenue			
Other revenue	67,930	482,290	550,220
Total segment revenue	**67,930**	**482,290**	**550,220**
Segment net operating (loss) after tax	**(592,966)**	**(5,558,704)**	**(6,151,670)**
Depreciation	(2,086)	(18,480)	(20,566)
Impairment of exploration expenditure	(1,146)	(5,756,602)	(5,757,748)
Option and performance rights based payments	(70,916)	-	(70,916)
Segment assets	**5,353,906**	**1,070**	**5,354,976**
Segment liabilities	**(304,667)**	**(268,925)**	**(573,592)**

	Australia $	Greenland $	Consolidated $
Year ended 30 June 2013			
Revenue			
Other revenue	106,638	-	106,638
Total segment revenue	**106,638**	**-**	**106,638**
Segment net operating (loss) after tax	**(309,821)**	**(18,600,119)**	**(18,909,940)**
Depreciation	(199)	(35,639)	(35,838)
Impairment of exploration expenditure	(14,206)	(18,213,824)	(18,228,030)
Option based payments	(40,341)	-	(40,341)
Segment assets	**476,472**	**5,016,278**	**5,492,750**
Segment liabilities	**(413,189)**	**(360,937)**	**(774,126)**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 5: LOSS PER SHARE

	Consolidated	
	2014 cents per share	2013 cents per share
Basic loss per share:		
Continuing operations	(2.06)	(47.53)
Total basic loss per share	(2.06)	(47.53)

	2014 $	2013 $
Basic earnings per share		
The loss and weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:		
Loss from continuing operations	(6,151,670)	(18,909,940)
	No.	No.
Weighted average number of ordinary shares for the purposes of basic loss per share	299,060,436	39,787,076

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated	
	2014 $	2013 $
Cash at bank and on hand	1,519,513	2,012
	1,519,513	2,012

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

(i) Reconciliation to Statement of Cash Flows
For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank net of outstanding bank overdrafts.

Cash and cash equivalents as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	Consolidated	
	2014 $	2013 $
Cash and cash equivalents	1,519,513	2,012

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6: CASH AND CASH EQUIVALENTS (continued)

(ii) Reconciliation of loss for the year to net cash flows from operating activities

	Consolidated 2014 $	Consolidated 2013 $
Loss after income tax	(6,151,670)	(18,909,940)
Depreciation	20,566	35,838
Option based payments	12,056	40,341
Performances rights based payments	58,860	-
Write off of exploration expenditure	5,757,748	18,228,030
Gain on extinguishment of debt	(520,013)	-
Unrealised foreign currency losses	1,090	(47)
Settlement of invoices through share issue	240,000	93,099
Changes in net assets and liabilities, net of the effects from acquisition and disposal of businesses		
(Increase)/Decrease in trade and other receivables	(67,429)	2,515
Increase in trade and other payables	17,944	166,401
Net cash flows from operating activities	(630,848)	(343,763)

(iii) Non-cash financing and investment activities

Shares were issued in part consideration for the acquisition of the Fraser Range Projects (refer to Notes 15, 16 and 17).

NOTE 7: CURRENT TRADE AND OTHER RECEIVABLES

Other receivables		
- GST recoverable	66,203	7,399
- Other debtors	12,663	4,038
	78,866	11,437

Due to nature of the above receivables an aging is not presented. The receivables are not past their contractual terms or past due.

NOTE 8: PLANT AND EQUIPMENT

	Consolidated Plant and equipment $	Consolidated Total $
Year ended 30 June 2014		
At 1 July 2013, net of accumulated depreciation	17,372	17,372
Additions	8,160	8,160
Disposals	-	-
Exchange differences	108	108
Depreciation charge for the year	(20,566)	(20,566)
At 30 June 2014, net of accumulated depreciation and impairment	5,074	5,074
At 30 June 2014		
Cost	60,162	60,162
Accumulated depreciation	(55,088)	(55,088)
Net carrying amount	5,074	5,074

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 8: PLANT AND EQUIPMENT (continued)

	Consolidated	
	Plant and equipment $	Total $
Year ended 30 June 2013		
At 1 July 2012, net of accumulated depreciation	52,002	52,002
Additions	-	-
Disposals	-	-
Exchange differences	1,208	1,208
Depreciation charge for the year	(35,838)	(35,838)
At 30 June 2013, net of accumulated depreciation and impairment	17,372	17,372
At 30 June 2013		
Cost	99,797	99,797
Accumulated depreciation	(82,425)	(82,425)
Net carrying amount	17,372	17,372

The useful lives of the assets were estimated as follows for both 2014 and 2013:
Plant and equipment 2.5 to 8 years

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2014 $	2013 $
Costs carried forward in respect of:		
Exploration and evaluation phase - at cost		
Balance at beginning of the year	5,461,929	16,933,803
Expenditure incurred	1,398,174	90,177
Exchange difference	279,395	318,626
Exploration expenditure on acquisition of subsidiary (see Note 15)	-	5,882,353
Exploration expenditure on acquisition of asset (see Note 16,17 and 18)	2,369,773	465,000
Expenditure written off	(5,757,748)	(18,228,030)
Total exploration expenditure	3,751,523	5,461,929

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 10: CURRENT TRADE AND OTHER PAYABLES

	Consolidated 2014 $	Consolidated 2013 $
Trade and other payables (i)	474,738	588,699
Sundry payables and accrued expenses	97,676	169,249
	572,414	757,948

(i) Trade payables are non-interest bearing and are normally settled on 30 day terms.

NOTE 11: INTEREST BEARING LOANS AND BORROWINGS

	2014	2013
Current		
Convertible Note (i)	1,178	16,178
	1,178	16,178

(i) As at 30 June 2014, nil (2013: $231,322) remained available for drawdown of the $600,000 convertible note facility ("CN Facility") as it was extinguished during the year. Of the $368,678 worth of the issued convertible notes, $367,500 (2013: $352,500) has been converted, leaving a balance of $1,178 (2013: $16,178) convertible notes outstanding.

NOTE 12: ISSUED CAPITAL AND UNISSUED CAPITAL

Issued Capital
Movements in issued capital were as follows:

	Consolidated 2014 $	Consolidated 2013 $
617,423,115 (2013: 46,427,109) ordinary shares issued and fully paid	55,760,435	46,514,881
Share issue costs	(2,337,711)	(1,477,034)
	53,422,724	45,037,847

	2014		2013	
Movement in ordinary shares on issue	No.	$	No.	$
Balance at beginning of financial year (i)	**46,427,109**	**46,514,881**	**32,293,524**	**45,604,282**
Fraser Range Project ("Tranche A")	-	-	1,333,334	120,000
Settlement of invoices through fully paid ordinary shares	-	-	1,551,650	93,099
Fraser Range Project ("Tranche B)	-	-	3,833,333	345,000
Conversion of convertible notes	-	-	7,415,268	352,500
Placement for working capital	166,666,667	1,500,000	-	-
Option Conversion	11,001	9,901	-	-
Creditors Settlement	13,333,333	240,000	-	-
Capital Raising Fee for tranche 2 placement	8,333,334	75,000	-	-
Corporate Advisory Fee for tranche 2 placement	8,333,334	75,000	-	-
Motzfeldt Deferred Consideration (ii)	3,333,334	3,000,000	-	-
Part Conversion of Convertible Note facility	588,235	15,000	-	-
Fraser Range – Acquisition of Tenements	54,771,768	1,643,153	-	-
Tranche 1 Placement for working capital	30,175,000	241,400	-	-
Tranche 2 Placement for working capital	157,325,000	1,258,600	-	-
Share Purchase Plan for working capital	87,500,000	700,000	-	-
Fraser Range – increase in interest from 80% to 86.5%	40,625,000	487,500	-	-
Balance at end of the financial year	**617,423,115**	**55,760,435**	**46,427,109**	**46,514,881**

(i) Adjusted for 1 for 30 consolidation. Issued capital was consolidated after a resolution was passed at the shareholders' meeting on 8 October 2013
(ii) These shares were reported as unissued capital at 30 June 2013, and were issued on 11 October 2013.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 12: ISSUED CAPITAL AND UNISSUED CAPITAL (continued)

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

Unissued Capital
Movements in unissued capital were as follows:

	Consolidated	
	2014 $	2013 $
6,363,636 (2013: 3,333,334) ordinary shares unissued and fully paid	6,363,636	3,000,000
	6,363,636	3,000,000

Movement in ordinary shares that are unissued	2014 No.	2014 $	2013 No.	2013 $
Balance at beginning of financial year	**3,333,334**	**3,000,000**	**-**	**-**
3,333,334 ordinary shares to be issued for reaching mineral target on Motzfeldt project (refer Note 15)	-	-	3,333,334	3,000,000
3,333,334 ordinary shares issued for reaching mineral target on Motzfeldt project (refer Note 15)	(3,333,334)	(3,000,000)	-	-
6,363,636 ordinary shares to be issued as part consideration for the acquisition of an interest in Fraser Range South (refer Note 18)	6,363,636	70,000	-	-
Balance at end of the financial year	**6,363,636**	**70,000**	**3,333,334**	**3,000,000**

Performance Shares
Movements in performance shares were as follows:

	Consolidated	
	2014 $	2013 $
22,666,668 (2013: Nil) performance shares issued and fully paid	-	-
	-	-

Movement in ordinary shares that are unissued	2014 No.	2014 $	2013 No.	2013 $
Balance at beginning of financial year	**-**	**-**	**-**	**-**
Class A Performance Shares (i)	11,333,334	-	-	-
Class B Performance Shares (ii)	11,333,334	-	-	-
Balance at end of the financial year	**22,666,668**	**-**	**-**	**-**

(i) Conversion of the Class A Performance Shares will occur on the delineation of a JORC code compliance inferred resource of 300,000 ounce gold equivalent from the Fraser Range tenements with shares expiring after 4 years.

(ii) Conversion of the Class B Performance Shares will occur with a decision to mine on the Fraser Range tenements with shares expiring after 5 years.

As the Company is still in the process of progressing its activities on the Fraser Range tenements, no value is currently attributed to these Performance Shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13: ACCUMULATED LOSSES AND RESERVES

Accumulated Losses
Movements in accumulated losses were as follows:

	Consolidated	
	2014	2013
	$	$
Balance at the beginning of the financial year	(52,046,158)	(42,250,276)
Net loss for the year	(3,330,864)	(9,795,882)
Balance at the end of the financial year	(55,377,022)	(52,046,158)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13: ACCUMULATED LOSSES AND RESERVES (continued)

	Consolidated 2014 $	Consolidated 2013 $
Option Reserve		
Balance at the beginning of the financial year	7,930,235	7,889,894
83,334 director unlisted options exercisable at 90 cents on or before 8 September 2012 pro-rata adjustment at year end	-	2,511
83,334 director unlisted options exercisable at 90 cents on or before 8 September 2013 pro-rata adjustment at year end	-	17,548
83,334 director unlisted options exercisable at 90 cents on or before 8 September 2014 pro-rata adjustment at year end	-	15,177
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2013 pro-rata adjustment at year end.	-	1,278
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2014 pro-rata adjustment at year end.	-	1,447
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2015 pro-rata adjustment at year end.	-	1,460
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2014 pro-rata adjustment at year end.	-	371
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2015 pro-rata adjustment at year end.	-	304
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2016 pro-rata adjustment at year end.	-	245
83,334 director unlisted options exercisable at 90 cents on or before 8 September 2013 pro-rata adjustment at year end	1,923	-
83,334 director unlisted options exercisable at 90 cents on or before 8 September 2014 pro-rata adjustment at year end	15,176	-
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2013 forfeited upon resignation.	(2,024)	-
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2014 forfeited upon resignation.	(2,291)	-
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2015 forfeited upon resignation.	(2,312)	-
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2014 pro-rata adjustment at year end.	639	-
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2015 pro-rata adjustment at year end.	523	-
83,334 director unlisted options exercisable at 90 cents on or before 30 November 2016 pro-rata adjustment at year end.	422	-
11,001 listed options exercisable at 90 cents on or before 30 September 2013 exercised	-	-
11,925,690 listed options exercisable at 90 cents on or before 30 September 2013 expired	-	-
93,750,000 listed options exercisable at 2.5 cents on or before 20 February 2017 issued for free as part of the placement	-	-
43,750,000 listed options exercisable at 2.5 cents on or before 20 February 2017 issued for free as part of the share purchase plan	-	-
40,000,000 listed options exercisable at 2.5 cents on or before 20 February 2017 issued as advisory fees	327,200	-
20,000,000 listed options exercisable at 3.5 cents on or before 20 February 2017 issued as advisory fees	106,484	-
Balance at the end of the financial year	8,375,975	7,930,235

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13: ACCUMULATED LOSSES AND RESERVES (continued)

	Consolidated 2014 $	Consolidated 2013 $
Share Based Payments Reserve		
Balance at the beginning of the financial year	695,473	695,473
Balance at the end of the financial year	695,473	695,473
Foreign Currency Translation Reserve		
Balance at the beginning of the financial year	222,017	46,987
Currency translation differences	129,952	175,030
Balance at the end of the financial year	351,969	222,017
Performance Rights Reserve		
Balance at the beginning of the financial year	-	-
Performance rights issued	58,860	-
Balance at the end of the financial year	58,860	-
Total Reserves	9,482,277	8,847,725

Nature and purpose of reserves

Share based payments reserve

This reserve is used to record the value of equity benefits provided to third parties, employees and directors in consideration for the acquisition of assets or services. Refer to note 23 for further details.

Option reserve

This reserve is used to record the amounts received from option holders when the options are issued.

The expense recognised in the statement of comprehensive income in relation to share based payments is disclosed in Note 2.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations. It is also used to record the effect of foreign exchange variations or net investments in foreign operations on consolidation.

Performance rights reserve

This reserve is used to record the value of performance rights benefits provided to third parties, employees and directors in consideration for the acquisition of assets or services. Refer to note 23 for further details.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13: ACCUMULATED LOSSES AND RESERVES (continued)

The following share based payment arrangements were in place during the current and prior periods:

	Number	Grant date	Expiry date	Exercise price $	Fair value at grant date
Class B unlisted options(i)	83,334	24 August 2010	8 September 2013	0.90	$51,250
Class C unlisted options(i)	83,334	24 August 2010	8 September 2014	0.90	$59,500
Class D unlisted options (ii)	83,334	30 November 2011	30 November 2013	0.90	$2,455
Class E unlisted options (ii)	83,334	30 November 2011	30 November 2014	0.90	$4,225
Class F unlisted options (ii)	83,334	30 November 2011	30 November 2015	0.90	$5,725
Class G unlisted options	83,334	30 November 2012	30 November 2014	0.90	$1,224
Class H unlisted options	83,334	30 November 2012	30 November 2015	0.90	$1,526
Class I unlisted options	83,334	30 November 2012	30 November 2016	0.90	$1,655

(i) These options expired unexercised.
(ii) These options were forfeited on resignation.

The above options were issued as consideration for Directors' fees and not under an Employee Share Option Plan.

The fair value of the equity settled share options granted is estimated as at the date of grant using the Black and Scholes option valuation method taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the model used for the year ended 30 June 2014 and 30 June 2013:
2014
There were no share options issued during the period.

2013	Class G	Class H	Class I
Dividend yield (%)	-	-	-
Expected volatility (%)	250	250	250
Risk-free interest rate (%)	2.635	2.605	2.683
Expected life of option (years)	2	3	4
Exercise price (cents)	90	90	90
Grant date share price (cents)	9	9	9

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The following table illustrates the number (No.) and weighted average exercise prices of and movements in share options issued during the year:

	2014 No.	2014 Weighted average exercise price	2013 No.	2013 Weighted average exercise price
Outstanding at the beginning of the year	666,672	90 cents	500,004	90 cents
Granted during the year	-	90 cents	250,002	90 cents
Forfeited during the year	(250,002)	-	-	-
Expired during the year	(83,334)	90 cents	(83,334)	90 cents
Outstanding at the end of the year	333,336	90 cents	666,672	90 cents
Exercisable at the end of the year	-	-	-	-

The weighted average remaining contractual life for the share options outstanding as at 30 June 2014 is 1.11 years (2013: 1.61 years).

No options were exercised during the year (2013: nil).

The weighted average fair value of options granted during the year was nil (2013: $4,405).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13: ACCUMULATED LOSSES AND RESERVES (continued)

The following performance rights arrangements were in place during the current and prior periods:

	Number	Deemed grant date	Expiry date	Exercise price $	Fair value at grant date
Tranche 1 performance rights	2,000,000	29 November 2013	(1)	(2)	$23,104
Tranche 2 performance rights	2,000,000	29 November 2013	(1)	(3)	$19,253
Tranche 3 performance rights	2,000,000	29 November 2013	(1)	(4)	$16,503

(4) Tranche 1, Tranche 2 and Tranche 3 performance rights will expire:
  a. As determined by the Board, if Mr Bill Guy has acted fraudulently, dishonestly or is in breach of his obligations to the Company;
  b. Mr Bill Guy ceasing to be a director for any reason other than retirement at age 60 or older (or earlier age approved or agreed by the Board), permanent disability or death;
  c. Five years from Commencement Date; and
  d. A resolution being passed to wind up the Company.

(5) Tranche 1 – 2,000,000 shares upon the Company's Shares trading above 1.98 cents for 20 consecutive trading days;
(6) Tranche 2 – 2,000,000 shares upon the Company's Shares trading above 2.38 cents for 20 consecutive trading days;
(7) Tranche 3 – 2,000,000 shares upon the Company's Shares trading above 2.77 cents for 20 consecutive trading days;

The following table lists the inputs to the model used for the year ended 30 June 2014 and 30 June 2013:

2014	Tranche 1	Tranche 2	Tranche 3
Share price (cents) at grant date	1.9	1.9	1.9
Discount for vesting price barrier applied to fair value based on 8 October 2013 share price	24.00%	36.67%	45.71%
Value (cents) (for market based vesting conditions)	1.4	1.2	1.0
Discount for non-listed status and transferability restrictions in respect of the performance shares	20%	20%	20%

2013
There were no performances rights issued during the period.

The following table illustrates the number (No.) and movements in performance rights issued during the year:

	2014		2013	
Movement in performance rights	No.	$	No.	$
Balance at beginning of financial year	**-**	**-**	**-**	**-**
2,000,000 tranche 1 performance rights issued	2,000,000	23,104	-	-
2,000,000 tranche 2 performance rights issued	2,000,000	19,253	-	-
2,000,000 tranche 3 performance rights issued	2,000,000	16,503	-	-
Balance at end of the financial year	**6,000,000**	**58,860**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 14: FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from 2013.

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax and general administrative outgoings.

Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

(b) Categories of financial instruments

	Consolidated	
	2014 $	2013 $
Financial assets		
Cash and cash equivalents	1,519,513	2,012
Receivables	78,866	11,437
Financial liabilities		
Trade and other payables	572,414	757,948
Convertible note	1,178	16,178

At the balance date there are no significant concentrations of credit risk relating to loans and receivables at fair value through profit or loss.

(c) Financial risk management objectives

The Group is exposed to market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk.

Due to the size of the operations, the Group does not enter into derivative financial instruments.

(d) Market risk

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates.

Due to the size of the operations, the Group does not enter into derivative financial instruments to manage its exposure to foreign currency risk. The foreign currency risk is immaterial in terms of possible impact on profit and loss and total equity and as such a sensitivity analysis has not been completed.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 14: FINANCIAL INSTRUMENTS (continued)

(i) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Due to the size of the operations, the Group does not enter into derivative financial instruments to manage its exposure to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the balance date expressed in Australian dollars are as follows:

	Liabilities		Assets	
	2014	2013	2014	2013
	$	$	$	$
UK Pounds	21,370	191,519	-	17,965
Danish Kroner	244,055	188,299	1,070	119
US Dollars	-	-	-	450

The foreign currency risk is immaterial in terms of possible impact on profit and loss and total equity and as such a sensitivity analysis has not been completed.

(ii) Interest rate risk management

The Company and the Group are exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates.

The Company and Group's exposures to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate risk sensitivity analysis

The sensitivity analyses below have been determined based upon the exposure to interest rates for non-derivative financial instruments at the balance date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At balance date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, there would be an immaterial impact on equity and profit or loss.

(e) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and as such, collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of any collateral obtained.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 14: FINANCIAL INSTRUMENTS (continued)

(f) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

The following table details the Company's and the Group's expected maturity for its non-derivative financial liabilities. These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date the Group can be required to repay. The tables include both interest and principal cash flows. .

Consolidated

2014	Less than one month $	1 – 3 months $	3 months – 1 year $	1 year – 5 years $	5 + years $
Fixed interest rate loan	-	-	-	-	_
Non-interest bearing	573,592	-	-	-	-
	573,592	-	-	-	-

2013	Less than one month $	1 – 3 months $	3 months – 1 year $	1 year – 5 years $	5 + years $
Fixed interest rate loan	-	-	-	-	-
Non-interest bearing	774,126	-	-	-	-
	774,126	-	-	-	-

(g) Fair value of financial instruments

The Group does not have any financial instruments measured subsequent to initial recognition at fair value. Therefore, the fair value disclosure required by AASB 7 Financial Instruments: Disclosures have not been presented.

The carrying amount of financial assets and liabilities recognised in the financial statements approximates their fair values.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 15: ACQUISITION OF FRASER RANGE PROJECT

On 29 October 2012, Ram entered into a binding agreement (the “Agreement”) to acquire up-to an 80% interest (and an option to acquire the remaining 20%) in three granted exploration licences (the “Fraser Range Project”) from Regency Mines Australia Pty Ltd (“Regency”) a wholly owned subsidiary of AIM Listed Regency Mines PLC (collectively the “Parties”).

5,166,667 Shares were issued in two tranches during the 2013 year to acquire the first 10% interest in the Fraser Range Project.
On 3 July 2013, Ram announced that it had executed a revised Agreement for Sale and Purchase of Tenements (“Acquisition Agreement”) allowing RAM (subject to shareholder approval and the successful raising of capital) to acquire an additional 70% interest in the Fraser Range Project from Regency.

The material terms of the revised acquisition are detailed below.

1. Terms and Consideration
    a. Ram will purchase 70% of Regency’s interest in the Fraser Range Project for the following consideration:
        i. Such number of shares in the capital of Ram as will (together with the 5,166,667 shares currently held by Regency) represent 19.9% of the enlarged issued capital of Ram at completion;
        ii. 11,333,334 Class A performance shares to be convertible into shares upon the delineation of a JORC inferred resource on the tenements of a 300,000 oz gold equivalent (the “Resource Milestone”); and
        iii. 11,333,334 Class B performance shares to be convertible into shares upon a decision to mine on the tenements (the “Decision to Mine”).
    b. Acquisition of remaining 20% Interest:
        i. Regency is to be free carried for the period it holds an equity interest in the Fraser Range Project up to a Decision to Mine;
        ii. Regency, at its election has the right to convert all of part of their retained interest into shares, subject to such conversion not resulting in a breach of section 606 of the Corporations Act, at the same time and price as any future new issue of shares at the rate of A$50,000 per percentage point up to the time of the Resource Milestone; and
        iii. Following satisfaction of the Resource Milestone, Ram shall have the right to acquire the remaining interest (if any) at a fair market value.

2. Conditions
    a. Completion is conditional on;
        i. Regulatory and shareholder approvals. Ram intends to call a general meeting of shareholders as practically possible; and
        ii. Ram raising not less than, in aggregate, A$1.5 million.

3. Other
    a. Regency will retain a 1% gross revenue royalty over all the tenements of the Fraser Range Project.

4. Post Completion
    a. Upon completion, Regency has the right to appoint an additional director to the board of Ram.

On 23 October 2013, Ram announced that it had fulfilled requirement 2.a.i. of the terms and conditions listed above and had acquired an additional 70% interest (bringing its total interest up to 80%) in the Fraser Range Project by issuing 54,771,768 shares, 11,333,334 Class A performance shares and 11,333,334 Class B performance shares.

On 26 May 2014, Ram issued 40,625,000 shares to increase its interest in the Fraser Range Project to 86.5% under requirement 1.b.ii.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 16: ACQUISITION OF FRASER RANGE NORTH PROJECT

On 17 February 2014, Ram announced that it had secured an option to acquire five highly prospective tenements in the Fraser Range nickel-copper belt.

The tenements, known as Fraser Range North, lie 150km north of both Ram's existing Fraser Range Project and Sirius Resources' Nova nickel-copper deposit.

Ram has acquired a two-year option over the tenements from a private prospector. Under the terms of the option, Ram paid $40,000 immediately and a further $40,000 within six months. A final payment of $50,000 per tenement must be paid by Ram should the Company elect to exercise its option to acquire 100 per cent of any of the exploration licences. The vendor retains a 1.5 per cent net smelter royalty.

NOTE 17: ACQUISITION OF FRASER RANGE SOUTH PROJECT

On 19 May 2014, Ram announced that it had secured an option to acquire three highly prospective tenements totalling 410km² in the southern area of the Fraser Range nickel-copper belt.

Under separate transactions, Ram has secured agreement to acquire the three tenements that make up the Fraser Range South Project. The principle terms of the agreements were as follows:

1. Option – Tenement E63/1375
   a. 30 day due diligence period.
   b. $60,000 option fee payable at expiration of due diligence period.
   c. 18 month option period.
   d. $100,000 payable on exercise of the option, together with ordinary fully paid shares in Ram with a market value of $200,000 at the date of exercise.
   e. Vendor will retain a 1.5% net smelter royalty.
2. Option – Tenement E63/872 and E63/1102 (40% interest)
   a. 30 day due diligence period.
   b. $60,000 option fee payable at expiration of due diligence period.
   c. 18 month option period.
   d. $100,000 payable on exercise of the option, together with ordinary fully paid shares in Ram with a market value of $200,000 at the date of exercise.
   e. Vendor will retain a 1.5% net smelter royalty.
3. Acquisition – Tenements E63/872 and E63/1102 (Conditional 60% interest)
   a. Ram will acquire the vendor's 60% interest in E63/1102 (with the vendor retaining all gold rights in respect to the 60% interest in E63/1102) and 100% of the base metal and PGE rights in the 60% interest in E63/872.
   b. 45 day due diligence period.
   c. $70,000 payable in ordinary fully paid shares in Ram, at expiration of due diligence period.
   d. $100,000 payable in cash or ordinary fully paid shares in Ram, payable 18 months from the date of completion of due diligence. Ram may elect not to make payment by notice in writing to the vendor during the 18 month period, in which case the tenement will be transferred back to the vendor.
   e. Vendor will retain 1.5% net smelter royalty.

The due diligence period ended during the period and all option fees were paid. The $70,000 payable in ordinary fully paid shares in Ram were issued post year end and are reflected as unissued capital (refer Note 12).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 18: COMMITMENTS AND CONTINGENCIES

In order to maintain rights of tenure over its exploration licences, the consolidated entity is required to outlay amounts in respect of rent and to meet minimum expenditure requirements for its exploration licences in Australia (2013: Australia and Greenland). The future exploration commitment of the consolidated entity relating to tenements to their expiry is as follows:

	Consolidated	
	2014 $	2013 $
Exploration expenditure commitments		
Within one year	423,000	956,817
After one year but not more than five years	1,130,000	1,094,709
Later than five years	-	-
	1,553,000	2,051,526

NOTE 19: RELATED PARTY DISCLOSURE

The consolidated financial statements include the financial statements of Ram Resources Limited and the subsidiaries listed in the following table.

Name	*Country of Incorporation*	*% Equity Interest*		*Investment ($)*	
		2014	*2013*	*2014*	*2013*
Acebell Holdings Pty Ltd	Australia	100	100	-	-
Fissure Exploration Pty Ltd	Australia	100	100	-	-
Contact Uranium Peru SAC	Peru	100	100	-	-
Contact Energy Peru SAC	Peru	100	100	-	-
Greenland Resources Ltd	United Kingdom	51	51	-	-
Greenland Mines Ltd	United Kingdom	51	51	-	-

Ram Resources Limited is the ultimate Australian parent entity and ultimate parent of the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 20: PARENT ENTITY DISCLOSURES

Financial position

	30 June 2014 $	30 June 2013 $
Assets		
Current assets	1,597,305	11,474
Non-current assets	3,756,598	5,118,421
Total assets	5,353,903	5,129,895
Liabilities		
Current liabilities	302,749	411,271
Non-current liabilities	-	-
Total liabilities	302,749	411,271
Equity		
Issued capital	53,422,723	45,037,846
Unissued capital	70,000	3,000,000
Accumulated losses	(57,571,877)	(51,944,930)
Reserves		
Share-based payments	695,473	695,473
Option reserve	8,375,975	7,930,235
Performance rights reserve	58,860	
Total equity	5,051,154	4,718,624

Financial performance

Loss for the year	(5,626,947)	(6,981,813)
Other comprehensive income	-	-
Total comprehensive income	(5,626,947)	(6,981,813)

NOTE 21: EVENTS AFTER THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years except as follows:

- 6,363,636 fully paid ordinary shares were issued as part consideration of the acquisition of Fraser Range South.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 22: AUDITOR'S REMUNERATION

The auditor of Ram Resources Limited is HLB Mann Judd.

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
Amounts received or due and receivable by HLB Mann Judd for:				
An audit or review of the financial report of the entity and any other entity in the Group	37,450	35,950	37,450	35,950
Amounts received or due and receivable by Menzies LLP for:				
Audit of Greenland Resources Ltd	23,486	31,599	-	-

NOTE 23: DIRECTORS AND EXECUTIVES DISCLOSURE

(a) Details of Key Management Personnel

Directors

Neville Bassett (Non-Executive Chairman)	Appointed 22/03/04
Bill Guy (Managing Director)[1]	Appointed 28/03/13 (Appointed Managing Director 26/07/13)
Edward Mead (Non-Executive Director)	Appointed 11/07/12
James Lumley (Acting Managing Director)	Resigned 09/08/13

(b) Summary of remuneration paid

The totals of remuneration paid to Key Management Personnel of the company and the Group during the year are as follows:

	2014 $	2013 $
Short term employee benefits	247,767	158,243
Share-based payments	12,056	40,340
Performance rights based payments	58,860	-
Total Key Management Personnel compensation	**318,683**	**198,583**

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Ram Resources Limited (the 'Company'):

    a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:

        i. giving a true and fair view of the Group's financial position as at 30 June 2014 and of its performance for the year then ended; and

        ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

    b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

    c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2014.

This declaration is signed in accordance with a resolution of the Board of Directors.

Neville Bassett
Non Executive Chairman

Dated this 30th day of September 2014

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of Ram Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Ram Resources Limited ("the company"), which comprises the consolidated statement of comprehensive income , the consolidated statement of financial position as at 30 June 2014, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1(c), the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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HLB Mann Judd

Accountants | Business and Financial Advisers

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of Ram Resources Limited is in accordance with the *Corporations Act 2001*, including:
   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(c).

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(f) in the financial report, which indicates that additional funding is required to ensure that the Group can continue to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of these financial statements. Should the Group be unable to obtain sufficient funding as stated in Note 1(f), there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Ram Resources Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

M R W Ohm
Partner

Perth, Western Australia
30 September 2014

DETAILS OF INTERESTS IN MINING TENEMENTS

Project	Tenement Number	Holder	Percentage Interest
Fraser Range Project	E28/2210	Ram Resources Ltd	86.5
Fraser Range Project	E28/2209	Ram Resources Ltd	86.5
Fraser Range Project	E63/1528	Ram Resources Ltd	86.5
Fraser Range North Project	E28/2299 (1)	Ram Resources Ltd	Nil
Fraser Range North Project	E28/2300 (1)	Ram Resources Ltd	Nil
Fraser Range North Project	E28/2301 (1)	Ram Resources Ltd	Nil
Fraser Range North Project	E28/2320 (1)	Ram Resources Ltd	Nil
Fraser Range North Project	E28/2321 (1)	Ram Resources Ltd	Nil
Fraser Range South Project	E63/1375 (2)	Ram Resources Ltd	Nil
Fraser Range South Project	E63/872 (3)	Ram Resources Ltd	Nil
Fraser Range South Project	E63/1102 (3)	Ram Resources Ltd	Nil
Telfer (Dome Triangle)	E45/2726 (4)	Acebell Holdings Pty Ltd	100
Telfer (Fallows Field)	E45/2727 (4)	Acebell Holdings Pty Ltd	100

(1) Holds option to purchase 100% interest.
(2) Holds option to purchase 100% interest.
(3) Holds option to purchase 40% interest. Holds 60% conditional interest.
(4) E45/2726 and E45/2727 is under an option agreement with Newcrest Mining Limited.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Ram Resources Limited (**Ram** or **Company**) is responsible for the establishment of a corporate governance framework that has regard to the best practice recommendations set by the ASX Corporate Governance Council. Ram's objective is to achieve best practice in corporate governance, having due regard to the practicality of implementation of the best practice recommendations given the current nature and scale of the Company's activities, and the Company's Board, senior executives and employees are committed to achieving this objective.

This statement summarises the corporate governance practices that have been adopted by the Board. In addition to the information contained in this statement, the Company's website at www.ramresources.com.au contains additional details of its corporate governance procedures and practices.

ASX Best Practice Recommendations

The Board has adopted a Corporate Governance policy that (except where expressly noted below) complies with the Principles espoused in the "Corporate Governance Principles and Recommendations with 2010 Amendments", established by the ASX Corporate Governance Council and published by the ASX in June 2010.

Corporate Governance Disclosures

The ASX Listing Rules require listed companies to include in their Annual Report a statement disclosing the extent to which they have complied with the ASX best practice recommendations in the reporting period. The recommendations are not prescriptive and if a company considers that a recommendation is inappropriate having regard to its particular circumstances, the company has the flexibility not to adopt it. Where the Company considered it was not appropriate to presently comply with a particular recommendation the reasons are set out in the relevant section of this statement.

In summary, Ram departs from the best practice recommendations in six (6) main areas:

- Recommendation 1.2
  No formal performance review measures for key executives currently exist.

- Recommendation 2.4
  Ram does not have a separate Nomination Committee. The Company is of a size and a level of current activity that enables the full Board to be able to deal with the matters normally attended to by the Nomination Committee.

  Remuneration levels are set in accordance with industry standards to attract suitable qualified and experienced Directors and Senior Executives.

- Recommendation 2.5
  Ram has not yet established a formal process to evaluate the performance of key executives.

- Recommendation 3.3
  Due to the current nature and scale of Ram's activities, the Company is yet to establish measurable objectives for achieving gender diversity to report against.

- Recommendation 4.1
  Ram does not have a separate Audit Committee. The Company is of a size and a level of current activity that enables the full Board to be able to deal with the matters normally attended to by the Audit Committee.

- Recommendation 8.1
  Ram does not have a separate Remuneration Committee. The Company is of a size and a level of current activity that enables the full Board to be able to deal with the matters normally attended to by the Remuneration Committee.

The table below summarises Ram compliance with the ASX best practice recommendations.

	BEST PRACTICE RECOMMENDATION	COMPLIANT – YES or NO
1.	***Lay solid foundations for management and oversight***	
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	Yes. Refer the Corporate Governance section on the Group website.
1.2	Companies should disclose the process for evaluation the performance of senior executives.	No. The Group has not yet established formal performance review measures for key executives given the size and stage of the Company's operations.
1.3	Provide the information indicated in *Guide to Reporting on Principle 1.*	Yes. Refer to director's report and the Corporate Governance section on the Group website.
2.	***Structure the board to add value***	
2.1	A majority of the board should be independent directors.	Yes. The Board consists of 3 Directors - 1 Executive and 2 Non-Executives.
2.2	The chairperson should be an independent director.	Yes. The chairman of the Board is independent Non-Executive Director
2.3	The roles of chairperson and chief executive officer should not be exercised by the same individual.	Yes. The roles of the Chairman and the Managing Director are not exercised by the same individual and therefore segregation of duties exists.
2.4	The board should establish a nomination committee.	No The Board considers that given the current size of the Board, this function is efficiently achieved with full Board participation. Accordingly, the Board has resolved not to establish a nomination committee at this stage.
2.5	Disclose the process for performance evaluation of the board, its committees and individual directors, and key executives.	No. The Group has not yet established formal performance review measures for key executives nor has it established a nomination committee given the size and stage of the Group's operations. The full Board will review the performance of key executives.
2.6	Provide the information indicated in *Guide to Reporting on Principle 2.*	Yes. Refer to director's report and the Corporate Governance section on the Group website. In addition, The Board, Board Committees or individual directors may seek independent external professional advice as considered necessary at the expense of the Group, subject to prior consultation with the Chairman. A copy of any such advice received is made available to all members of the Board.
3.	***Promote ethical and responsible decision-making***	
3.1	Establish a code of conduct to guide the directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to: (a) the practices necessary to maintain confidence in the group's integrity; and (b) the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders (c) the responsibility and accountability of individuals for reporting and investigating	Yes. Refer the Corporate Governance section on the Group website.

	BEST PRACTICE RECOMMENDATION	COMPLIANT – YES or NO
	reports of unethical practices.	
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measureable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.	Yes. The Group has adopted a Diversity Policy. Also under the Group's Code of Conduct, employees must not harass, discriminate or support others who harass and discriminate against colleagues or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, homosexuality or transgender. Such harassment or discrimination may constitute an offence under legislation.
3.3	Companies should disclose in each annual report the measureable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress in achieving them.	No. Given the size of the Group, the Group has not yet set measurable objectives for achieving gender diversity. In addition, the Board will review progress against any objectives identified on an annual basis.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	Yes. There is currently one (1) female in a senior position of Company Secretary and there are no females on the Board.
3.5	Provide the information indicated in *Guide to Reporting on Principle 3.*	Yes. Refer the Corporate Governance section on the Group website.
4.	***Safeguard integrity in financial reporting***	
4.1	The board should establish an audit committee.	No. The directors believe that it would not increase efficiency or effectiveness to have a separate audit committee, and that audit matters are of such significance that they should be considered by the full Board. The Board may call on outside consultants if it requires assistance in this area.
4.2	Structure the audit committee so that it consists of: (a) only non-executive directors; (b) a majority of independent directors; (c) an independent chairperson, who is not chairperson of the board; and (d) at least three members.	Not Applicable. Refer 4.1.
4.3	The audit committee should have a formal charter.	Not Applicable. Refer 4.1.
4.4	Provide the information indicated in *Guide to Reporting on Principle 4.*	Yes. Refer to director's report.
5.	***Make timely and balanced disclosure***	
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	Yes. Continuous disclosure policy is available in the Corporate Governance section on the Group website.
5.2	Provide the information indicated in *Guide to Reporting on Principle 5.*	Yes. Refer 5.1
6.	***Respect the rights of shareholders***	
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general	Yes. Communications with shareholders policy is available in the Corporate Governance section on the Group

	BEST PRACTICE RECOMMENDATION	COMPLIANT – YES or NO
	meetings and disclose the policy or a summary of that policy.	website.
6.2	Provide the information indicated in *Guide to Reporting on Principle 6.*	Yes. Refer to the Group website.
7.	***Recognise and manage risk***	
7.1	The Group should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Yes. Risk management policy is available in the Corporate Governance section on the Group website.
7.2	The Board should design and implement the risk management and internal control system to manage the group's material business risks and report on whether those risks are being managed effectively. The Board should disclose that management has reported the effectiveness of the Group's management of its material business risks.	Yes. Refer 7.1 & 7.3
7.3	The board should disclose whether it has received assurances from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes. However, due to the size and scale of its operations and the growth of the Group over the financial year the Board as a whole reviews these matters.
7.4	Provide the information indicated in *Guide to Reporting on Principle 7.*	Satisfied. Refer 7.1
8.	***Remunerate fairly and responsibly***	
8.1	The board should establish a remuneration committee.	No. The Board considered this recommendation and formed the view that it would not increase efficiency or effectiveness to have a separate committee, and that remuneration matters are of such significance that they should be considered by the full Board. The Board may call on outside consultants if it requires assistance in this area.
8.2	Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	Yes Details of executive and non-executive remuneration are outlined in the Directors' report.
8.3	Provide the information indicated in *Guide to Reporting on Principle 8.*	Yes. The Company has incorporated all information as required.

A description of Ram's main corporate governance practices are set out below.

Board of Directors

Role and Responsibilities of the Board

The Board is responsible for guiding and monitoring the Company on behalf of shareholders. The specific responsibilities of the Board include:

(a) appointment, evaluation, rewarding and if necessary the removal of the Managing Director, and Chief Financial Officer (or equivalent) and the Company Secretary;

(b) in conjunction with management, development of corporate objectives, strategy and operations plans and approving and appropriately monitoring plans, new investments, major capital and operating expenditures, capital management, acquisitions, divestitures and major funding activities;

CORPORATE GOVERNANCE STATEMENT (continued)

(c) establishing appropriate levels of delegation to the Managing Director to allow him to manage the business efficiently;

(d) monitoring actual performance against planned performance expectations and reviewing operating information at a requisite level, to understand at all times the financial and operating conditions of the Company;

(e) monitoring the performance of senior management including the implementation of strategy, and ensuring appropriate resources are available;

(f) via management, an appreciation of areas of significant business risk and ensuring that the Company is appropriately positioned to manage those risks;

(g) overseeing the management of safety, occupational health and environmental matters;

(h) satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;

(i) satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, and internal control processes are in place and functioning appropriately;

(j) to ensure that appropriate internal and external audit arrangements are in place and operating effectively;

(k) having a framework in place to help ensure that the Company acts legally and responsibly on all matters consistent with the code of conduct; and

(l) reporting to shareholders.

In accordance with ASX Principle 1, the Board has established a Board Charter which sets out functions reserved to Board and those delegated to senior executives. This Charter is available on the Company's website. The Board has delegated responsibilities and authorities to management to enable management to conduct the Company's day to day activities. Matters which are not covered by these delegations, such as approvals which exceed certain limits, require Board approval.

Board composition

At the date of this Annual Report, the Ram Board totals three (3) and is comprised of one (1) Executive Director and two (2) Non-Executive Directors.

The Company's website contains details on the procedures for the selection and appointment of new directors and the re-election of incumbent directors, together with the Board's policy for the nomination and appointment of directors.

ASX Principle 2 recommends the Board establish a Nomination Committee to focus on the selection and appointment practices of the Company. It is further recommended that the Nomination Committee have a formal Charter.

The Company has adopted a formal Nomination Committee Charter, available on the Company's website, which includes information on the Company's approach to selection and appointment of Directors. However due to the current nature and scale of Ram's activities the Company does not presently have a separate Nomination Committee. The full Board conducts the function of such a committee, in accordance with the Charter.

The composition of the Board is reviewed at least annually to ensure the balance of skills and experience is appropriate. The current Directors have the broad range of qualification, experience and expertise within the technical, mining exploration and finance industries that the Board is looking to achieve. The skills, experience and expertise of Directors are set out in the Directors' Report. The Board is considering the current composition of the Board to ensure it is adequate for the Company's current size and operations, and includes the appropriate mix of skills and expertise, relevant to the Company's business.

CORPORATE GOVERNANCE STATEMENT (continued)

The table below sets out the detail of the tenure of each director at the date of this Report.

Director	Role of Director	First Appointed	Non Executive	Independent
Neville BASSETT	Non-Executive Chair	22 March 2004	Yes	Yes
Charles (Bill) GUY	Executive	28 March 2013	No	No
Edward MEAD	Non Executive	11 July 2012	Yes	Yes

Details of the Board including their experience, expertise and qualifications are set out in the Directors' Report.

Independence of non-executive directors

The Board considers an independent Director to be a Non-Executive Director who meets the criteria for independence included in Principle 2 of the ASX Corporate Governance Principles and Recommendations. Materiality for these purposes is based on quantitative and qualitative bases. An amount of over 5% of the annual turnover of the Company or 5% of the individual Directors' net worth is considered material for these purposes.

As outlined in ASX Principle 2, Directors of Ram are expected to contribute independent views.

An independent Director is a non-executive director (i.e. is not a member of management) and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
-
- within the last three years has not been employed in an executive capacity by the Company or its subsidiaries, or been a Director after ceasing to hold any such employment;
- is not a principal or employee of a professional adviser to the Company or its subsidiaries whose billings are a material amount of the adviser's total revenue;
- is not a significant supplier or customer of the Company or its subsidiaries, or an officer of or otherwise associated directly or indirectly with a significant supplier or customer. A significant supplier is defined as one whose revenues from the Company are a material amount of the supplier's total revenue. A significant customer is one whose amounts payable to the Company are a material amount of the customer's total operating costs;
- has no material contractual relationship with the Company or its subsidiaries other than as a Director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company;
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

Mr Charles Guy (Managing Director) is not in the context of the above definition considered to be independent. The Board has reviewed and considered the positions and associations of each of the Directors in office at the date of this report and consider that a majority of the Directors are independent, namely Mr Neville Bassett and Mr Edward Mead.

The current composition of the Board is adequate for the size and activities and includes an appropriate mix of skills and expertise, relevant to Ram's activities and the composition is not unusual for a company the size of Ram and undertaking the level of activity that it currently does.

CORPORATE GOVERNANCE STATEMENT (continued)

Chair and Managing Director

The roles of the Non-Executive Chair and the Managing Director are not exercised by the same individual.

The Chair is responsible for leading the Board, ensuring that Board activities are organised, efficiently conducted and ensuring that the Directors are properly briefed for meetings.

The Managing Director has responsibility for the day to day activities and operations and is totally accountable to the Board for all authority delegated.

The Chair must be appropriately qualified and have the required experience to discharge the responsibilities for leading, managing and delegating and in the absence of a Nomination Committee the Board from amongst themselves have nominated the Director that they believe can fulfil the role of Chair.

The Board has not yet into place procedures to assess the performance of the Managing Director; as the person to this role has recently completed twelve (12) months in office. The Board will develop necessary performance assessment procedures.

Independent professional advice

The Board has adopted a formal policy on access to independent professional advice which provides that Directors are entitled to seek independent professional advice for the purposes of the proper performance of their duties. The advice is at the Company's expense and advice so obtained is to be made available to all Directors.

Evaluation of Board and Senior Executive performance

A process has been established to review and evaluate the performance of the Board, individual Directors and senior executives. The Board is required to meet annually with the specific purpose of reviewing the role of the Board, assessing the performance of the
Board and individual Directors over the previous 12 months and examine ways in which the Board can better perform its duties. As a result of the recent Board turnover, the Company has deferred its Board review until the current Board has been in place for a full year.

The Managing Director is responsible for assessing the performance of the key executives within the Company. This is performed through a formal process involving a formal meeting with each senior executive. During the reporting period, no senior executives were employed by the Company therefore a formal review process was not conducted.

Meetings

The Board held scheduled meetings during the reporting year with no unscheduled meetings.

The attendance of Directors at Board meetings during the year ended 30 June 2014 is detailed in the Directors' Report.

CORPORATE GOVERNANCE STATEMENT (continued)

Remuneration

ASX Principle 8 recommends the Board establish a Remuneration Committee to focus on appropriate remuneration policies. It is further recommended that the Remuneration Committee have a formal Charter.

The Company has adopted a formal Remuneration Committee Charter, available on the Company's website, which includes information on the Company's approach to remuneration of Directors (executive and non-executive) and senior executives. However due to the current nature and scale of Ram's activities the Company does not presently have a separate Remuneration Committee and the full Board conducts the function of such a committee, in accordance with the Charter.

In accordance with Principle 8, Executive Directors and key executives are remunerated by way of a salary or consultancy fees, commensurate with their required level of services. Currently the remuneration paid to Managing Director is $15,000 per month over 12 equal monthly instalments totalling $180,000 per annum. Non-executive Directors receive a fixed annual fee for their services. Non-executive Directors' fees are currently capped at $200,000 per annum.

The Company does not have any scheme relating to retirement benefits for Non-Executive Directors.

See the Remuneration Report for details of remuneration paid to Directors and key executives during the year.

Risk Management

In accordance with ASX Principle 7, the Company has a policy for the oversight and management of material business risks, which is available on the Company's website.

The Board recognises that the identification and management of risk, including calculated risk taking, is an essential part of creating long term shareholder value.

Management determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control. The Company's process of risk management and internal compliance and control includes:

(a) establishing the Company's goals and objectives, and implementing and monitoring strategies and policies to achieve these goals and objectives;

(b) continuously identifying and reacting to risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;

(c) formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies and internal controls; and

(d) monitoring the performance of, and continuously improving the effectiveness of, risk management systems and internal compliance and controls, including an ongoing assessment of the effectiveness of risk management and internal compliance and control.

Within the identified risk profile of the Company, comprehensive practices are in place that is directed towards achieving the following objectives:

(a) effectiveness and efficiency in the use of the Company's resources;

(b) compliance with applicable laws and regulations; and

(c) preparation of reliable published financial information.

CORPORATE GOVERNANCE STATEMENT (continued)

The Board must satisfy itself, on a regular basis, that risk management and internal control systems for the Company have been fully developed and implemented.
The Company has identified specific risk management areas being strategic, operational and compliance.
The Board has reviewed risks faced by the Company on a regular basis due to the current finance position of the Company.

The Board oversees an ongoing assessment of the effectiveness of risk management and internal compliance and control, requiring management appraise the Board of changing circumstances within the Company and within the international business environment.

During the reporting period, the Managing Director regularly reported to the Board as to the effectiveness of the Company's management of its material operational risks together with the Company's financial risk which includes confirmation that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results are in accordance with relevant accounting standards.

Corporate Reporting

The Managing Director and externally appointed independent Accountant provide written assurance to the Board on an annual basis that to the best of their knowledge and belief, the declaration provided by them in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks.

These assurances can only be reasonable rather than absolute due to factors such as the need for judgement and possible weaknesses in control procedures.

Any material changes in the Company's circumstances are released to the ASX and included on the Company's website.

Audit and Risk Management Committee

ASX Principle 4 recommends the Board establish an Audit Committee to focus on issues relevant to the integrity of the Company's financial reporting. It is further recommended the Audit Committee have a formal Charter.

The Company has not established an Audit Committee, the responsibilities and duties of this Committee were taken up by the Board during the year. Historically the Board believes a separate audit committee in a company of this size would be of little value. The small size of the company and the hands on approach of the Board enable it to handle particular issues relevant to verifying and safeguarding the integrity of the Company's financial reporting with the same efficiency as an audit committee.

The Board is committed to following the Best Practice Recommendation 4.3, and will establish an independent Audit & Risk Management Committee once the Company increases in size.

CORPORATE GOVERNANCE STATEMENT (continued)

Code of Conduct

The Board encourages appropriate standards of conduct and behaviour from Directors, officers, employees and contractors of the Company.

The Board has adopted a Code of Conduct in relation to Directors and employees, available from the Company's website. This Code of Conduct is regularly reviewed and updated as necessary to ensure that it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Company's integrity.

A fundamental theme is that all business affairs are conducted legally, ethically and with strict observance of the highest standards of integrity and propriety.

Diversity Policy

ASX Principle 3 recommends companies establish a policy concerning diversity and disclose the policy or a summary of that policy.

Ram is committed to workplace diversity and recognises the benefits arising from having a broader pool of quality employees, improving employee retention rates and tapping into all available talent. Diversity includes such areas as gender, age and background.

Due to the current nature and scale of Ram's activities, the Board has not established a diversity policy or measurable objectives for achieving gender diversity to report against in this Annual Report for the current financial year. Ram currently has no employees and cannot therefore disclose the proportion of women in the organisation or senior executive positions. The Company currently has no female Directors but the position of Company Secretary is held by a women.

Due to the current nature and scale of Ram's activities, the Board is yet to establish measurable objectives for achieving gender diversity to report against. No measurable objectives will be established until the number of employees and level of activities of the Company have increased to sufficient levels to enable meaningful and achievable objectives to be developed.

Securities Trading

The Board has adopted a Securities Trading Policy which complies with the requirements of Listing Rule 12.12 which regulates dealings by Directors, officers and employees in securities issued by the Company.

The policy, which is available on the Company's website, includes the Company's closed periods, restrictions on trading that apply to the Company's key management personal, trading that is not subject to the policy, exceptional circumstances in which key management personnel may be permitted to trade during a prohibited period with prior written clearance and the procedure for obtaining written clearance. The policy provides that employees, directors and officers must not enter into transactions or arrangements which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining written acknowledgement from the Chair.

Privacy

The Company has resolved to comply with the National Privacy Principles contained in the Privacy Act 1988, to the extent required for a company the size and nature of Ram.

CORPORATE GOVERNANCE STATEMENT (continued)

Continuous Disclosure

In accordance with ASX Principle 5, the Board has an established Continuous Disclosure Policy which is available from the Company's website.

The Company is committed to:

(a) complying with the general and continuous disclosure principles contained in the Corporations Act and the ASX Listing rules;

(b) preventing the selective or inadvertent disclosure of material price sensitive information;

(c) ensuring shareholders and the market are provided with full and timely information about the Company's activities;

(d) ensuring that all market participants have equal opportunity to receive externally available information issued by the Company.

The Chairman and the Company Secretary have been nominated as the people responsible for communication with the ASX. This involves complying with continuous disclosure requirements outlined in ASX Listing Rules, ensuring that disclosure with the ASX is co-ordinated and being responsible for administering and implementing this Policy.

Shareholder Communication

In accordance with ASX Principle 6, the Board has established a communications strategy which is available from the Company's website. The Board aims to ensure that shareholders are kept informed of all major developments affecting the Company.

The directors of Ram recognise the importance of forthright communication and in order to prosper and achieve growth, it must (among other things) earn the trust of customers, suppliers, communities and shareholders by being forthright in its communications and consistently delivering on its commitments.

The Board aims to ensure that the shareholders on behalf of whom they act are informed of all information necessary in order to make effective decisions about Ram and to be kept informed of all major developments affecting the Company in a timely and effective manner.

The Managing Director and Company Secretary have primary responsibility for communication with shareholders. Information is communicated through:

(a) continuous disclosure to relevant stock markets of all material information;

(b) periodic disclosure through the annual report (or concise annual report), half year financial report and quarterly reporting of corporate activities;

(c) notices of meetings and explanatory material;

(d) the annual general meeting;

(e) periodic newsletters or letters from the Chairman or Managing Director; and

(f) the Company's web-site at www.ramresources.com.au

The Company is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market.

Shareholders are encouraged at annual general meetings to ask questions of Directors and senior management and also the Company's external auditors concerning the conduct of the audit and the preparation and content of the Auditor Report as contained in the 2014 Annual Report.

It is a Corporations Act requirement that the auditors of the Company attend the Annual General Meeting.

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Ltd, and not shown elsewhere in this report is as follows. The information is current as at 23 September 2014.

(a) Distribution of equity securities

(i) Ordinary share capital

- 623,786,751 fully paid shares held by 2,569 shareholders. All issued ordinary shares carry one vote per share and carry the rights to dividends.

Analysis of numbers of equity security holders by size of holding are:

	Class of Equity Security			
	Number of Holders	**Fully Paid Ordinary Shares**	**Number of Holders**	**Listed Options**
1 – 1,000	679	217,942	3	597
1,001 – 5,000	294	783,787	5	10,230
5,001 – 10,000	145	1,088,759	5	31,710
10,001 – 100,000	732	38,878,474	73	3,366,686
100,001 and over	719	582,817,789	145	174,090,852
	2,569	**623,786,751**	**231**	**177,500,075**

1,472 Shareholders holding less than a marketable parcel

(b) Twenty largest holders of quoted equity securities (fully paid ordinary shares)

	Number held	**Percentage %**
1. Rubicon Nominees Pty Ltd	45,396,768	7.28
2. Southern Terrain Pty Ltd <Southern Terrain A/c>	18,000,000	2.89
3. Mr Chris Wells and Mrs Josephine Wells <C & J Wells Super Fund A/c>	12,309,068	1.97
4. Mr Brian and Mrs Adriana McCubbing <B McCubbing Super Fund A/c>	12,000,000	1.92
5. Goldfire Enterprises Pty Ltd	10,598,150	1.70
6. Mr Ross Williams and Mrs Nicola Williams <Williams Super Fund A/c>	10,000,000	1.60
7. Quebec Nominees Pty Ltd	9,000,000	1.44
8. Superglam Pty Ltd	8,333,334	1.34
9. BT Global Holdings Pty Ltd <BT Unit A/c>	8,274,722	1.33
10. Mrs Karen Sobey and Mr Bruce Sobey <SobeySuper Fund A/c>	8,087,000	1.30
11. J P Morgan Nominees Australia Limited	6,214,639	1.00
12. TT Nicholls Pty Ltd <Nicholls Super Fund A/c>	5,272,873	0.85
13. Mr Bradley John Kenney	5,100,000	0.82
14. Glenrose Nominees Pty Ltd	5,000,000	0.80
15. Octavian Services Pty Ltd	5,000,000	0.80
16. Mr Adam Raszewski	5,000,000	0.80
17. Perizia Investments Pty Ltd	4,967,317	0.80
18. Quayside Services Limited	4,750,001	0.76
19. State One Nominees Pty Ltd <Settlement A/c>	4,298,000	0.69
20. Invesco Nominee Pty Ltd	4,027,520	0.65
	191,629,392	**30.74**

(c) Twenty largest holders of quoted equity securities (listed options exercisable on February 2017)

	Number held	Percentage %
1. Zenix Nominees Pty Ltd	20,000,000	11.27
2. Invia Custodian Pty Limited <Paula Super Fund A/c>	16,100,099	9.07
3. Pershing Australia Nominees Pty Ltd <Indian Ocean A/c>	14,319,883	8.07
4. Mr Ian Thomas Bell	7,500,000	4.23
5. Mr Brian Boyd Bradford	6,000,000	3.38
6. Southern Terrain Pty Ltd <Southern Terrain A/c>	4,250,000	2.39
7. Red Stripe Pty Ltd <Rippon Investment A/c>	4,000,000	2.25
8. Mr Clint Rippon and Mrs Emma Rippon <Rippon Super Fund A/c>	4,000,000	2.25
9. BT Portfolio Services Limited <Warrell Holdings S/F A/c>	3,500,000	1.97
10. Mr Bo Ulf Lennart Johansson	3,200,000	1.80
11. Mr William Fleming and Mrs Coralie Fleming <Acerver Super Fund A/c>	3,125,000	1.76
12. Jemaya Pty Ltd <JH Featherby Super Fund A/c>	3,125,000	1.76
13. Mr Michael Lynch and Mrs Sudan Lynch <Lynch Family A/c>	3,125,000	1.76
14. Perth Select Seafoods Pty Ltd	3,125,000	1.76
15. Goldfire Enterprises Pty Ltd	2,761,437	1.56
16. Mr Nicholas Simon & Mrs Melinda Jane Draper<Draper Super Fund A/c>	2,400,000	1.35
17. Mr Richard Simpson	2,400,000	1.35
18. Mr Walter Graham	2,300,000	1.30
19. Mr David Wuehrl	2,050,000	1.15
20. Brijohn Nominees Pty Ltd <Nelsonio A/c>	2,011,437	1.13
	109,292,856	**61.56**

(d) Substantial holders

Substantial holders in the company are set out below:

	Number held	Percentage
Ordinary shares		
RUBICON NOMINEES PTY LTD	45,396,768	7.28
Listed Options		
Zenix Nominees Pty Ltd	20,000,000	11.27
Invia Custodian Pty Limited <Paula Super Fund A/c>	16,100,099	9.07
Pershing Australia Nominees Pty Ltd <Indian Ocean A/c>	14,319,883	8.07

(e) Voting rights

All ordinary shares carry one vote per share without restriction.

(f) Business Objective

The Company has used its cash and assets that are readily convertible to cash in a way consistent with its business objectives.