



22 August 2022

ISSUED CAPITAL

Ordinary Shares: 867M

DIRECTORS

NON-EXECUTIVE CHAIR:

Bob Vassie

MANAGING DIRECTOR:

Mark Zeptner

NON-EXECUTIVE DIRECTORS:

David Southam

Natalia Streltsova

Fiona Murdoch

COMPANY SECRETARY:

Richard Jones

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FULL YEAR RESULTS UPDATE

Ramelius Resources Ltd (ASX:RMS) provides the following update in relation to the finalisation of its full year accounts.

While the full year accounts for FY22 are yet to be approved by the Board and remain subject to the completion of the external audit, the Company has identified several transactions that are considered one-off in nature, but nonetheless will affect the Statutory Net Profit after Tax. Those items, and their potential range in value (pre-tax) are:

- Non-cash impairment of the Edna May Cash Generating Unit*: \$90-\$95 million
- Gain on Sale of Lithium Royalty: \$30.3 million (recognised in the first half accounts (Dec 2021) with cash received at time of sale); and
- Non-cash write-off of exploration and other minor assets: \$18-\$20 million

The total of the above is a net, pre-tax expense of \$77.7 million – \$84.7 million.

The prevailing environment for input costs, that has been experienced throughout the mining industry, coupled with lower than modelled ore grades at Tampia resulted in full impairment testing being completed in relation to the recoverable value of the Edna May CGU.

The impairment testing uses current operating and capital cost models, consensus real gold price forecasts (which decline over time to below A\$2,000/oz) and includes Ore Reserves and some Mineral Resources (determined on a case-by-case basis). Significantly, the cashflow modelling for Edna May does not include the Stage 3 cut-back as the project studies are still underway and the final investment decision has been held over until later this calendar year.

An impairment assessment was also completed for Mt Magnet CGU, with no issues arising.

As a result of the above one-off items, Ramelius is forecasting a full year, unaudited Underlying[^] Net Profit before Tax of \$105 million to \$110 million and an unaudited Statutory Net Profit before tax of \$20 million to \$25 million.

The Company will release its Full Year Financial Statements on Monday 29 August 2022.

This ASX announcement was authorised for release by Mark Zeptner on behalf of the Board of Directors.

**The Edna May Cash Generating Unit (CGU) comprises the Tampia and Marda Gold Mines along with the Edna May underground, processing plant and associated infrastructure*

[^]Equates to Profit before Tax adjusted for one-off items