



Ram Resources Limited

ABN 23 108 456 444

Interim Financial Report

31 December 2016

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CORPORATE INFORMATION

Directors Neville Bassett (Non-Executive Chairman) Bill Guy (Managing Director) Scott Mison (Non-Executive Director) Company Secretary Eryn Kestel Registered Office & Principal Place of Business Level 2, Spectrum 100 Railway Road Subiaco W.A. 6008 Telephone: (08) 9316 1016 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 Automic Registry Services Pty Ltd Level 2 267 St Georges Terrace Perth W.A. 6000 Telephone: (08) 9324 2099 Facsimile: (08) 9321 2337 Home Exchange Australian Securities Exchange Central Park 152-158 St Georges Terrace Perth WA 6000 ASX Codes: RMR
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DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity for the half-year ended 31 December 2016. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

The names of Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Neville Bassett	Chairman
Bill Guy	Managing Director
Edward Mead	Non-Executive Director (resigned 2 November 2016)
Scott Mison	Non-Executive Director (appointed 2 November 2016)

PRINCIPAL ACTIVITIES

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

REVIEW OF OPERATIONS

Ram Resources Limited (**Ram or the Company**) (**ASX: RMR**) is pleased to provide the following operations report for the half-year ended 31 December 2016.

Keel Zinc Project

Subsequent to the half-year end, the Company announced that it had entered into an option agreement to acquire an 80% interest in the advanced Keel Zinc Project located in Ireland (Figure 1). The Project represents a genuine brownfields zinc development opportunity with over 40,000m of historic drilling confirming the presence of significant zinc, lead and silver mineralisation. After a successful due diligence program Ram is proceeding with the option agreement.

Ram's due diligence program included onsite inspections, legal reviews and a thorough assessment of available drill data which resulted in a maiden Mineral Resource estimate. The estimate was completed by independent consulting firm CSA Global Pty Ltd ("CSA Global") and resulted in an Inferred Mineral Resource estimate of 6.9Mt at 5.6% Zn and 0.8% Pb. Ram is now focussed on designing an initial drill program aimed at upgrading the Mineral Resource estimate.

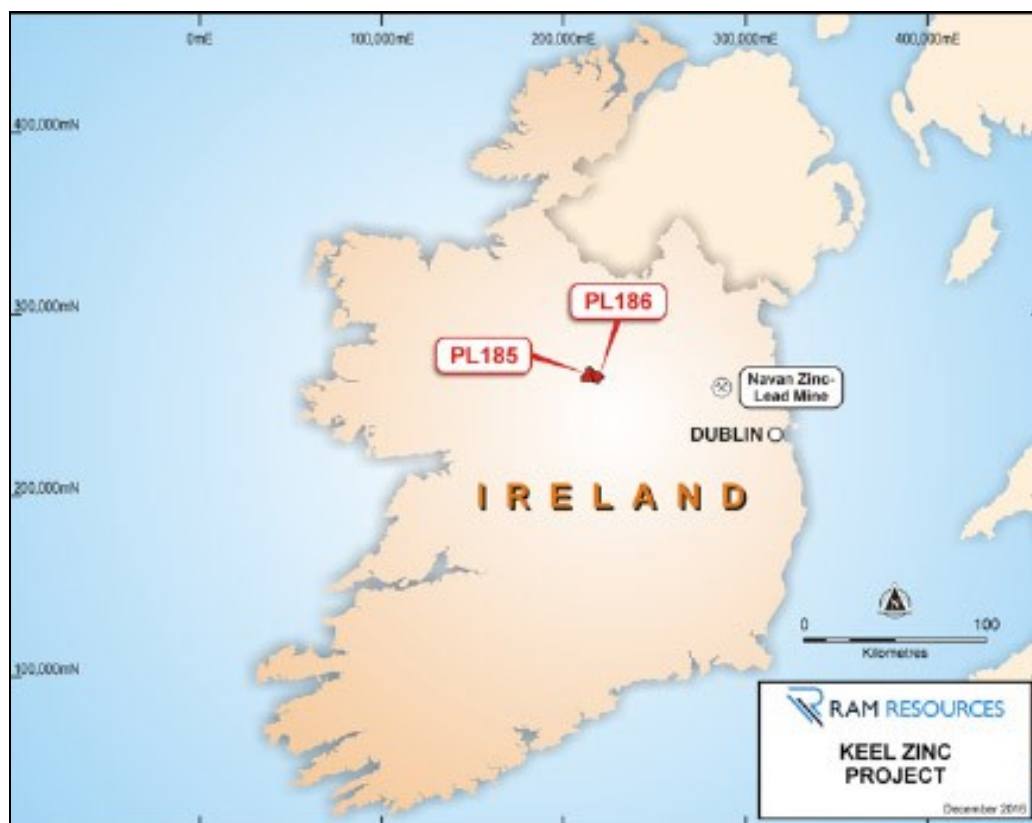


Figure 1: Location Map for the Keel Zinc Project

CSA Global was engaged by Ram to undertake a Mineral Resource estimate at Keel Zinc Project in Ireland. CSA Global have reported the Mineral Resource estimate in accordance with the JORC Code¹. A summary report prepared by CSA Global also formed part of the report (refer ASX announcement dated 7 March 2017).

Table 1: Keel Zinc Deposit Mineral Resource Estimate, March 2017 (4% Zn cut-off)

JORC Classification	Cut-off grade	Density (t/m ³)	Tonnes(Mt)	Zn (%)	Pb (%)
Inferred	4% Zn	2.85	6.9	5.6	0.8
Grand Total		2.85	6.9	5.6	0.8

**Note relating to Table 1. Due to effects of rounding the total may not represent the sum of all components.*

Competent Persons Statements

The information in this table 1 that relates to Mineral Resources is based on information compiled by Mr Steve Rose and Mr Charles (Bill) Guy. Mr Steve Rose is a full-time employee of CSA Global Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Charles Guy is a full-time employee of Ram Resources Limited and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Steve Rose and Mr Charles Guy have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Steve Rose and Mr Charles Guy consent to the disclosure of the information in this report in the form and context in which it appears.

Mr Charles Guy, is a director of Ram Resource and currently holds securities in the Company.

Keel Project Location and Overview

The Keel Zinc Project is situated in Co. Longford, south of Longford Town in Ireland. The project area is formed by two Prospecting Licences, PL 185 and PL 186, and covers an area of 66km². The area is covered mainly by agricultural land, much of which is poorly drained pasture, and minor forestry. The ground covered by the Prospecting Licences has been held by major mining companies since 1960's, Prospect Rio Tinto Finance & Exploration Plc (1963-2001) and Lundin Mining (2006-2012). Historical diamond drilling by Rio Tinto, Boliden Group, Lundin Mining and others has delineated two main mineralised horizons (Figure 2) over 2 km in length. Zinc, lead and silver grades from annual reports are high grade sitting within the Keel Fault system.

Regional Geology

Ireland has widespread carbonate succession that are favourable hosts for Zinc deposits. The main area of carbonate occurs in the world class ore field of the Central Ireland Basin mineral province. The Keel Zinc Project sits within central Ireland Basin. The Central Ireland Basin is mainly formed by Navan Group Beds a shallow water carbonates.

The Keel Zinc Project is underlain by the prospective Lower Carboniferous carbonates of Navan Group. Both of the primary stratigraphic targets of the Irish carbonate orefield are present in the project area, the Waulsortian Limestone and the Navan Beds. The Navan beds host the world class Navan zinc-lead mine, Europe's largest zinc mine.

The Waulsortian Limestone (up to 1,500m) host several base metal deposits, Tynagh, Silvermines, Glamoy, Lisheen and Harberton Bridge deposit. The Waulsortian Limestone sits on the eastern side of project area and has not been a focus for historical exploration.

PL 185 and PL 186 contain Zinc(Zn)-Lead(Pb) and Barite (BaSO_4) mineralisation within a faulted sedimentary basin. Within these PLs, two mineralised types have been discovered. The Keel Fault system hosting Zn-Pb with minor Cadmium (Cd) and Silver (Ag) and Garrycam hosting barite within a massive pyrite lens. The geographic distribution of these two bodies is illustrated in Figure 2.

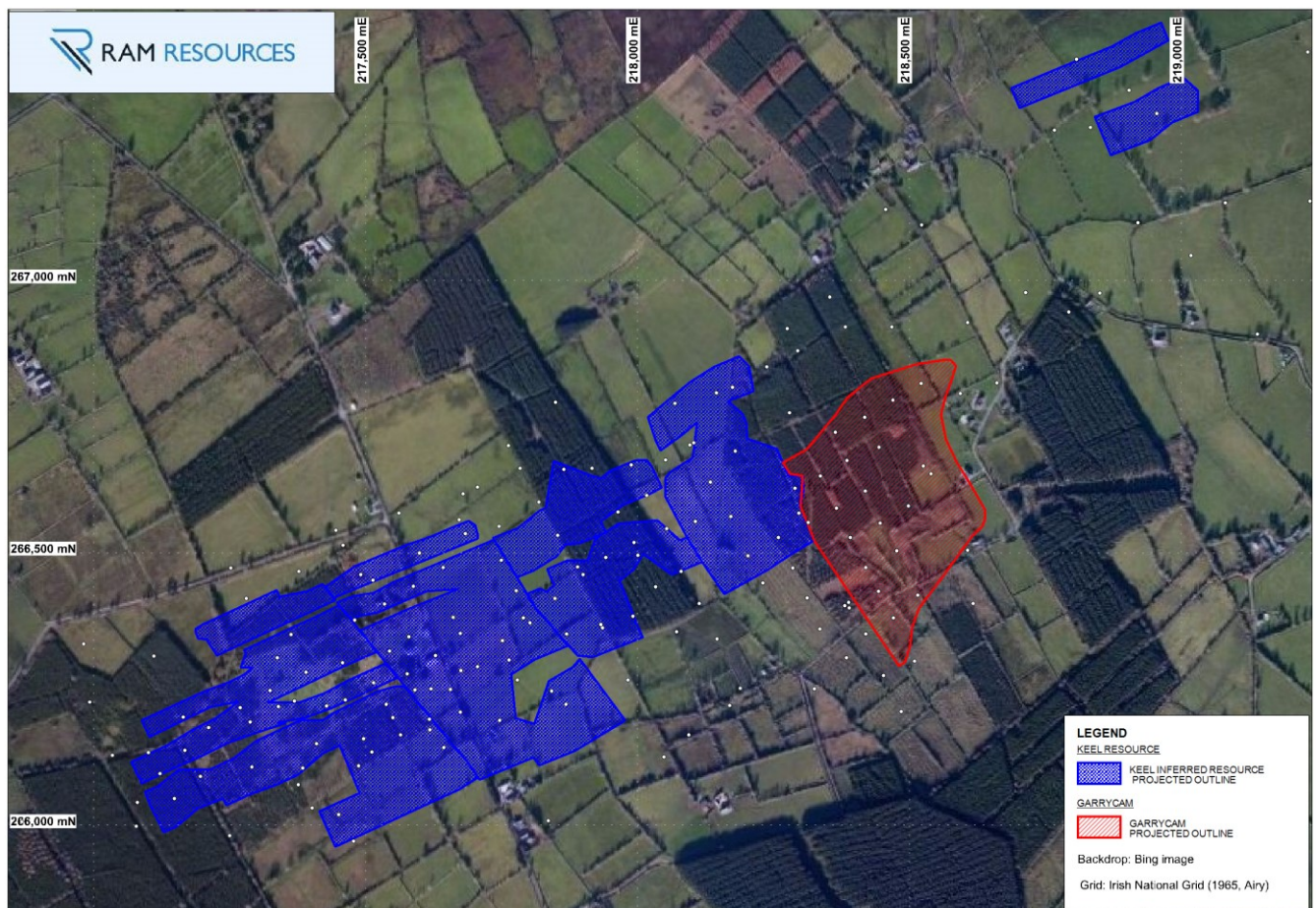


Figure 2: Keel Zinc Mineralisation Zone

The company considers the area to be highly prospective and this is highlighted by the existence of the Keel Prospect, which was discovered in the 1960's by Rio Tinto (Figure3: Geological Cross section) and the numerous historical zinc drill intercepts reported.

Kimberley West Project

During the half-year, Ram mobilised over 500m of diamond drill core from its West Kimberley Project to Western Australia Core Library. The diamond drill core was requested by Western Australia Department of Mines and Petroleum. The submission of the core to library completes Ram obligations under Exploration Incentive Scheme. The core will be stored by Western Australia Department of Mines and Petroleum for further research and testing. Ram is hopeful that this testing work will assist in its exploration efforts. Ram also completed rehabilitation work on the three diamond drill pads and access tracks during the period (Figure 3). All sumps were filled and drill collars removed.

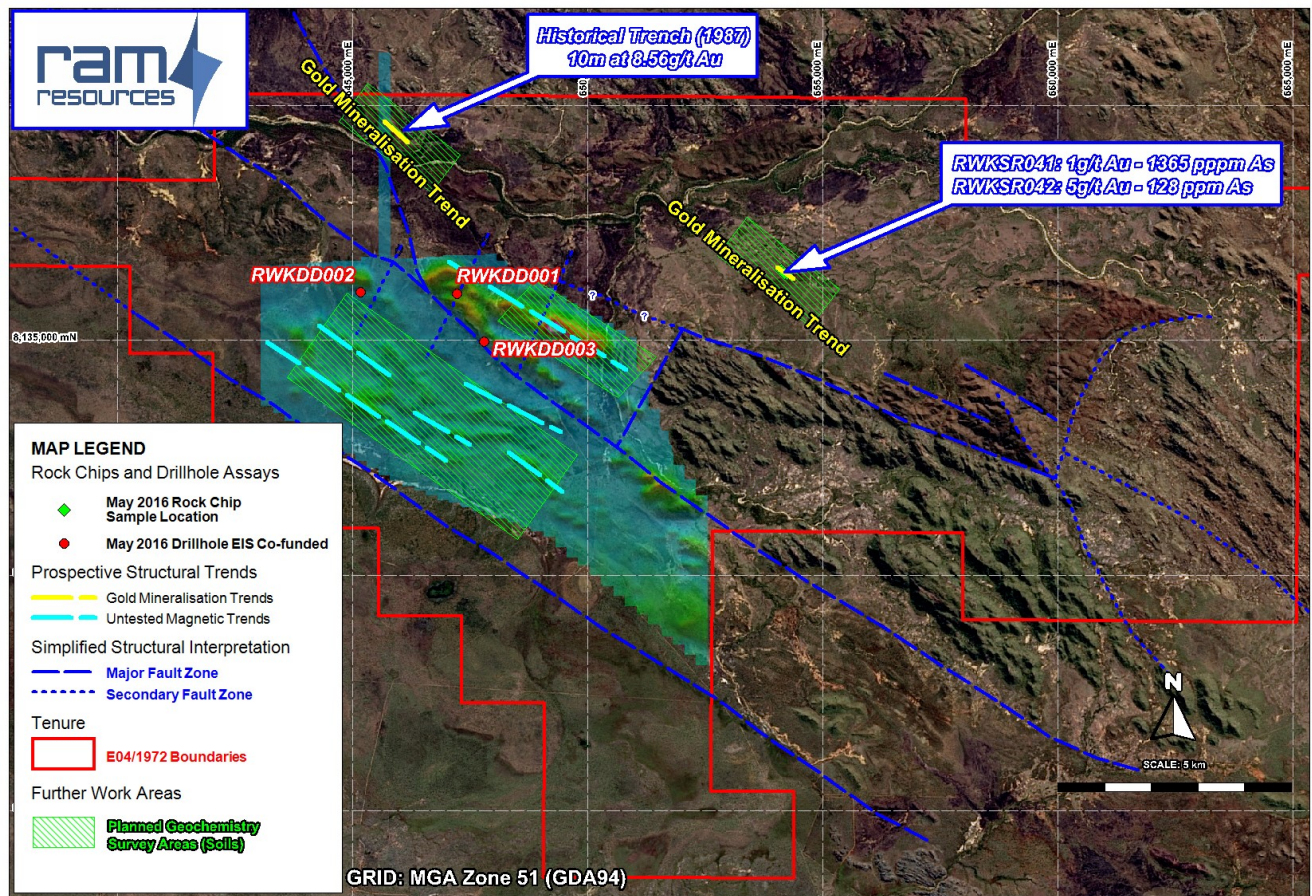


Figure 3: Drill hole location map and gold prospects location

Fraser Range Project

The Fraser Range Project is located approximately 220km south-east of Kalgoorlie and lies approximately 20km to the west of the recently discovered Nova-Bollinger Deposit.

During the half-year period, the Company entered an agreement with Regency Mines Australasia Pty Ltd (Regency) to acquire the remaining interest in the Fraser Range Project. The transaction was completed during the period and Ram now holds 100% of Fraser Range Project. Note, Regency's pre-existing performance shares and royalty rights in relation to the project remain in place.

Ram continues to review the viability of the Fraser Range Project. Work completed during the period included desk top studies and an ongoing review of the regional structural analysis.

Noncore Projects

Sheoak Project (E63/1674)

Ram terminated the option to acquire the Sheoak Project and is in the process of withdrawing from the project.

Telfer Projects (E45/2726)

Newcrest did not exercise options over one non-core tenement held by Ram near Newcrest's Telfer gold-copper mine in WA's Pilbara region. The tenement was later relinquished by Ram.

Corporate

During the half-year period, the Company announced that it had completed a placement to sophisticated and professional investors. Ram raised a total of \$1,190,000 (before costs) from the placement. The placement was approved at the general meeting of shareholders held on 2 November 2016. Funds raised from the Placement are being employed towards working capital, maintenance of the Company's existing assets and the review and investigation of new opportunities including the Keel Zinc Project.

Ram shareholders also supported the appointment of Mr Scott Mison as a non-executive director of the Company. Mr Mison holds a Bachelor of Business degree, major in Accounting and Business Law, is a Member of the Institute of Chartered Accountants in Australia and Chartered Secretaries Australia. Mr Mison is also currently a Director of Jupiter Energy Limited and Company Secretary of Rift Valley Resources Limited and GetSwift Limited. He is also a member of the board of Wheelchair Sports WA Inc.

Forward Looking Statements

This report 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.

Any discussion in relation to the potential quantity and grade of Exploration Targets is only conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource

Competent Person Statements

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.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on the next page and forms part of this directors' report for the half-year ended 31 December 2016.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



.....
Neville Bassett
Chairman

16 March 2017



Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Ram Resources Limited for the half-year ended 31 December 2016, 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 review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
16 March 2017

A handwritten signature in black ink, appearing to read 'L Di Giallonardo'.

L Di Giallonardo
Partner

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

		Consolidated	
	Note	31 December 2016 \$	31 December 2015 \$
Continuing operations			
Other income		1,164	13,714
Administration		(53,540)	(136,353)
Depreciation and amortisation expense		(1,089)	(1,546)
Exploration costs written off	3	(432,314)	-
Directors' costs		(119,388)	(90,382)
Other expenses		(99,924)	(100,649)
Loss before income tax		(705,091)	(315,216)
Income tax benefit		-	-
Net loss for the period from continuing operations		(705,091)	(315,216)
Discontinued Operations			-
Loss from discontinued operation	11	(2,280,385)	-
Net loss for the period		(2,985,476)	(315,216)
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		-	7,540
<i>Items reclassified to profit or loss</i>			
Foreign exchange reserve reclassified to profit or loss on disposal of subsidiary		(365,698)	-
Other comprehensive income/(loss) for the period		(365,698)	7,540
Total comprehensive loss for the period		(3,351,174)	(307,676)
Loss attributable to:			
Owners of the parent		(2,985,476)	(307,758)
Non-controlling interests		-	(7,458)
		(2,985,476)	(315,216)
Total comprehensive loss for the period is attributable to:			
Owners of the parent		(3,351,174)	(307,303)
Non-controlling interests		-	(373)
		(3,351,174)	(307,676)
Basic and diluted loss per share from continuing operations (cents per share)		(0.57)	(0.64)
Basic and diluted loss per share from discontinued operation (cents per share)		(2.59)	(0.64)
Basic and diluted loss per share from continuing and discontinued operation (cents per share)		(3.16)	(0.64)

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Notes	Consolidated	
		31 December 2016 \$	30 June 2016 \$
Assets			
Current Assets			
Cash and cash equivalents		893,522	164,410
Trade and other receivables		69,443	169,161
Total Current Assets		962,965	333,571
Non-Current Assets			
Property, plant and equipment		517	1,606
Deferred exploration and evaluation expenditure	3	5,262,300	5,482,873
Total Non-Current Assets		5,262,817	5,484,479
Total Assets		6,225,782	5,818,050
Liabilities			
Current Liabilities			
Trade and other payables		96,267	418,169
Total Current Liabilities		96,267	418,169
Total Liabilities		96,267	418,169
Net Assets		6,129,515	5,399,881
Equity			
Issued capital	4	56,731,562	55,642,962
Reserves		9,316,409	9,500,040
Accumulated losses		(59,918,456)	(56,932,980)
Total equity attributable to the owners of the parent		6,129,515	8,210,022
Non-controlling interests		-	(2,810,141)
Total Equity		6,129,515	5,399,881

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Issued Capital	Accumulated Losses	Option Reserve	Share-based Payment Reserve	Performance Rights Reserve	Foreign Exchange Reserve	Total	Non- controlling Interests	Total Equity
	\$	\$	\$	\$		\$	\$	\$	\$
Balance at 1 July 2015	55,408,962	(55,845,677)	8,378,799	695,473	58,860	336,431	9,032,848	(2,838,259)	6,194,589
Loss for the period	-	(307,758)	-	-	-	-	(307,758)	(7,458)	(315,216)
Exchange differences on translation of foreign operations	-	-	-	-	-	455	455	7,085	7,540
Total comprehensive loss for the period	-	(307,758)	-	-	-	455	(307,303)	(373)	(307,676)
Movements in options	-	-	857	-	-	-	857	-	857
Shares issued during the half-year	234,000	-	-	-	-	-	234,000	-	234,000
Share issue costs	-	-	-	-	-	-	-	-	-
Balance at 31 December 2015	55,642,962	(56,153,435)	8,379,656	695,473	58,860	336,886	8,960,402	(2,838,632)	6,121,770
Balance at 1 July 2016	55,642,962	(56,932,980)	8,380,009	695,473	58,860	365,698	8,210,022	(2,810,141)	5,399,881
Loss for the period	-	(2,985,476)	-	-	-	-	(2,985,476)	-	(2,985,476)
Reclassification of foreign exchange reserve on disposal of subsidiary	-	-	-	-	-	(365,698)	(365,698)	-	(365,698)
Total comprehensive loss for the period	-	(2,985,476)	-	-	-	(365,698)	(3,351,174)	-	(3,351,174)
Derecognition of non-controlling interest upon disposal of subsidiary	-	-	-	-	-	-	-	2,810,141	2,810,141
Options issued during the half-year	-	-	182,067	-	-	-	182,067	-	182,067
Shares issued during the half-year	1,309,500	-	-	-	-	-	1,309,500	-	1,309,500
Share issue costs	(220,900)	-	-	-	-	-	(220,900)	-	(220,900)
Balance at 31 December 2016	56,731,562	(59,918,456)	8,562,076	695,473	58,860	-	6,129,515	-	6,129,515

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Consolidated	
	31 December 2016	31 December 2015
	\$	\$
	<hr/>	
	Inflows/(Outflows)	
Cash flows from operating activities		
Payments to suppliers and employees	(307,731)	(337,235)
Interest received	614	13,714
Research and development refunds	103,751	-
Net cash (outflow) from operating activities	<hr/> (203,366) <hr/>	<hr/> (323,521) <hr/>
Cash flows from investing activities		
Payments for exploration and evaluation expenditure	(261,522)	(569,696)
Net cash (outflow) from investing activities	<hr/> (261,522) <hr/>	<hr/> (569,696) <hr/>
Cash flows from financing activities		
Proceeds from issues of shares	1,190,000	-
Proceeds from exercise of shares options	4,000	-
Payments for share issue costs	-	(67,980)
Net cash inflow from financing activities	<hr/> 1,194,000 <hr/>	<hr/> (67,980) <hr/>
Net increase/(decrease) in cash held	729,112	(961,197)
Cash and cash equivalents at the beginning of the period	164,410	1,725,614
Cash and cash equivalents at the end of the period	<hr/> 893,522 <hr/>	<hr/> 764,417 <hr/>

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by Ram Resources Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Basis of preparation

The interim financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2016.

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 31 December 2016, the Group had cash and cash equivalents of \$893,522, a loss for the half-year of \$2,985,476 and a net cash outflow from operating and investing activities of \$464,888.

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 next twelve months from the date of this report. The following actions either singularly or in combination have been considered by the Board as a way to derive further funding for the Company:

- Alliance with institutional brokers for raising additional capital on market to fund the Group's ongoing exploration and development program together with providing working capital requirements;
- The farm-down or sale of its mineral interests; and/or
- The successful commercial exploitation of the Group's mineral interests.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going concern (continued)

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.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2016, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations of the group and effective for annual reporting periods beginning on or after 1 July 2016.

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's business and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2016. 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's business and, therefore, no change is necessary to Group accounting policies.

NOTE 3: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	Six months to 31 December 2016	Year to 30 June 2016
	\$	\$
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at beginning of period	5,482,873	4,920,366
Acquisition of tenements	121,586	337,495
Expenditure incurred	90,155	823,995
	5,694,614	6,081,856
Expenditure impaired (i)	(432,314)	(598,983)
Total deferred exploration and evaluation expenditure	5,262,300	5,482,873

(i) The impairment expense in the current period relates to expenditure on the Group's Fraser Range North and Sheoak/Telfer projects, options over which the Board resolved not to renew. The impairment expense in the previous year related to the Fraser Range South project, the option over which the Board resolved not to renew in that year.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

NOTE 4: ISSUED CAPITAL

	Consolidated			
	Six months to 31 December 2016 No.	Year to 30 June 2016 No.	Six months to 31 December 2016 \$	Year to 30 June 2016 \$
Issued capital			59,431,665	58,122,165
Share issue costs			(2,700,103)	(2,479,203)
			56,731,562	55,642,962

	Six months to 31 December 2016 No.	Year to 30 June 2016 No.	Six months to 31 December 2016 \$	Year to 30 June 2016 \$
<i>Movements in ordinary shares on issue (prior to share issue costs)</i>				
At the beginning of the period	1,053,332,751	1,014,332,751	58,122,165	57,888,165
Fraser Range – increase in interest from 92.1% to 96.0% (ii)	-	39,000,000	-	234,000
Capital consolidation (1 for 20) (i)	(1,000,665,423)	-	-	-
Shares issued in lieu of unpaid salary (iii)	6,000,000	-	60,000	-
Shares issued in lieu of capital raising fees	5,950,000	-	59,500	-
Share Placement for cash	119,000,000	-	1,190,000	-
At the end of the period	183,617,328	1,053,332,751	59,431,665	58,122,165

(i) Issued Capital was consolidated on a 1 for 20 basis after a resolution was passed at the shareholders' meeting on 2 November 2016.

(ii) The Company issued 1,950,000 post consolidation fully paid ordinary shares in August 2015 to Regency Mines Australasia Pty Ltd as consideration for a further 3.9% interest in the Fraser Range Project in accordance with the Acquisition Agreement and as approved by Shareholders at the 16 June 2015 General Meeting

(iii) The Company issued 6,000,000 post consolidation fully paid ordinary shares in November 2016 to Executive Director Charles Guy as consideration for unpaid salaries as approved by Shareholders at the General Meeting on 2 November 2016.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

NOTE 4: ISSUED CAPITAL (continued)

Performance Shares	31 December 2016 No.	30 June 2016 No.
Movements in performance shares on issue		
At the beginning of the period	22,666,668	22,666,668
Class A performance shares issued (ii)	-	-
Class B performance shares issued (iii)	-	-
Capital consolidation (1 for 20) (i)	(21,533,335)	-
At end of period	1,133,333	22,666,668

(i) Issued Capital was consolidated on a 1 for 20 basis after a resolution was passed at the shareholders' meeting on 2 November 2016.

(ii) 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.

(iii) 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 has currently been recorded in relation to these performance shares.

NOTE 5: SEGMENT REPORTING

The Company operates its mining and exploration activities in Western Australia and no longer engages in any activities in Greenland. The entity situated in Greenland and previously forming part of the consolidated financial report has been deregistered and subsequently deconsolidated from the Group. Mining and exploration activities will commence operation in Ireland in the coming year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

NOTE 6: OPTIONS

	Consolidated	
	31 December 2016 \$	30 June 2016 \$
Option Reserve	8,562,076	8,380,009
	Six months to 31 December 2016 No.	Year to 30 June 2016 No.
Movements in options over ordinary shares on issue		
At the beginning of the period	375,356,409	375,439,473
Director options expired	(83,334)	(83,334)
Options issued (ii) & (iii)	416,666,666	-
Capital consolidation (1 for 20) (i)	(752,342,754)	-
At end of period	39,596,987	375,356,409

(i) Issued Capital was consolidated on a 1 for 20 basis after a resolution was passed at the shareholders' meeting on 2 November 2016.

(ii) The Company issued 833,334 post consolidation options in September 2016 to Regency Mines Australasia Pty Ltd, in addition to a cash component of \$100,000, as consideration for a further 4% interest in the Fraser Range Project in accordance with the Acquisition Agreement and subsequently approved by shareholders.

(iii) The Company issued options to advisors for assistance in the November 2016 placement – 20,000,000 post consolidation options were issued on 3rd November 2016.

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

	Advisor Options	Fraser Range Options
Dividend yield (%)	0.00	0.00
Expected volatility (%)	100.00	100.00
Risk-free interest rate (%)	1.41	1.41
Expected life of option (years)	1.159	4.003
Exercise price (cents)	2	12
Grant date share price (cents)	2	4

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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

NOTE 7: PERFORMANCE RIGHTS

	Consolidated	
	Six months to	Year to
	31 December 2016	30 June 2016
	\$	\$
Performance Rights Reserve	58,860	58,860
	2016	2015
	No.	No.
Movements in options over ordinary shares on issue		
At start of period	50,000,000	6,000,000
Director performance rights lapsed	(12,500,000)	(6,000,000)
Director performance rights issued	-	50,000,000
Capital consolidation (1 for 20) (i)	(35,625,000)	-
At end of period	1,875,000	50,000,000

(i) Issued Capital was consolidated on a 1 for 20 basis after a resolution was passed at the shareholders' meeting on 2 November 2016.

In December 2015, 2,500,000 Performance Rights were issued to the Board as part of their remuneration package. This issue was approved by Shareholders at the 30 November 2015 Annual General Meeting.

In November 2016, 625,000 Performance Rights previously issued to one of the Company's Non-Executive Director as part of his remuneration package lapsed as a result of resignation and were subsequently cancelled.

NOTE 8: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 9: FINANCIAL INSTRUMENTS

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair value.

NOTE 10: EVENTS SUBSEQUENT TO REPORTING DATE

As announced on 7th February & 7th March 2017 Ram Resources has signed a binding option agreement to acquire 80% of the Keel Zinc project located in Ireland. Following the successful completion of an exclusive 30 day due diligence period the Company will now proceed with the project and has paid vendors the required option fee comprising \$200,000 cash and 20,000,000 fully paid ordinary shares subject to a six month voluntary escrow period from the date of issue.

Apart from the above event there are no matters or circumstances that have arisen since the end of the interim period which significantly affects 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.

NOTE 11: DISCONTINUED OPERATIONS

At 30 June 2016, the Company held a 51% interest in subsidiary Greenland Resources Limited. During the current period this entity was wound up, and as a result, the total of the non-controlling interest balance, foreign exchange reserve balance and the loan due from the subsidiary at the date the company was wound up (total of \$2,280,385) has been shown as a loss from discontinued operation in the condensed consolidated statement of comprehensive income.

DIRECTORS' DECLARATION

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

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance for the half-year then ended; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



Neville Bassett
Chairman

16 March 2017



Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ram Resources Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Ram Resources Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2016, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ram Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 to the financial report which indicates that the ability of the Group to continue as a going concern is dependent on the Group's ability to obtain sufficient funding.

Should the Group not be able to obtain sufficient funding, there is a material uncertainty that may cast significant doubt whether the Group will continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business.

A handwritten signature in black ink that reads 'HLB Mann Judd'.

HLB Mann Judd
Chartered Accountants

A handwritten signature in black ink that reads 'L Di Giallonardo'.

L Di Giallonardo
Partner

Perth, Western Australia
16 March 2017