



Ram Resources Limited

ABN 23 108 456 444

Interim Financial Report

31 December 2014

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DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity for the half-year ended 31 December 2014. 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.

Bill Guy	Managing Director
Neville Bassett	Non-Executive Director
Edward Mead	Non-Executive Director

REVIEW OF OPERATIONS

FRASER RANGE PROJECTS

Ram Resources Limited (**Ram or the Company**) has expanded its project portfolio in the Fraser Range region with a number of strategic acquisitions. The Company's landholding now stand at 850 km² over three (3) project areas - Fraser Range, Fraser Range North and Fraser Range South with all these Projects having added value to Ram.

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.

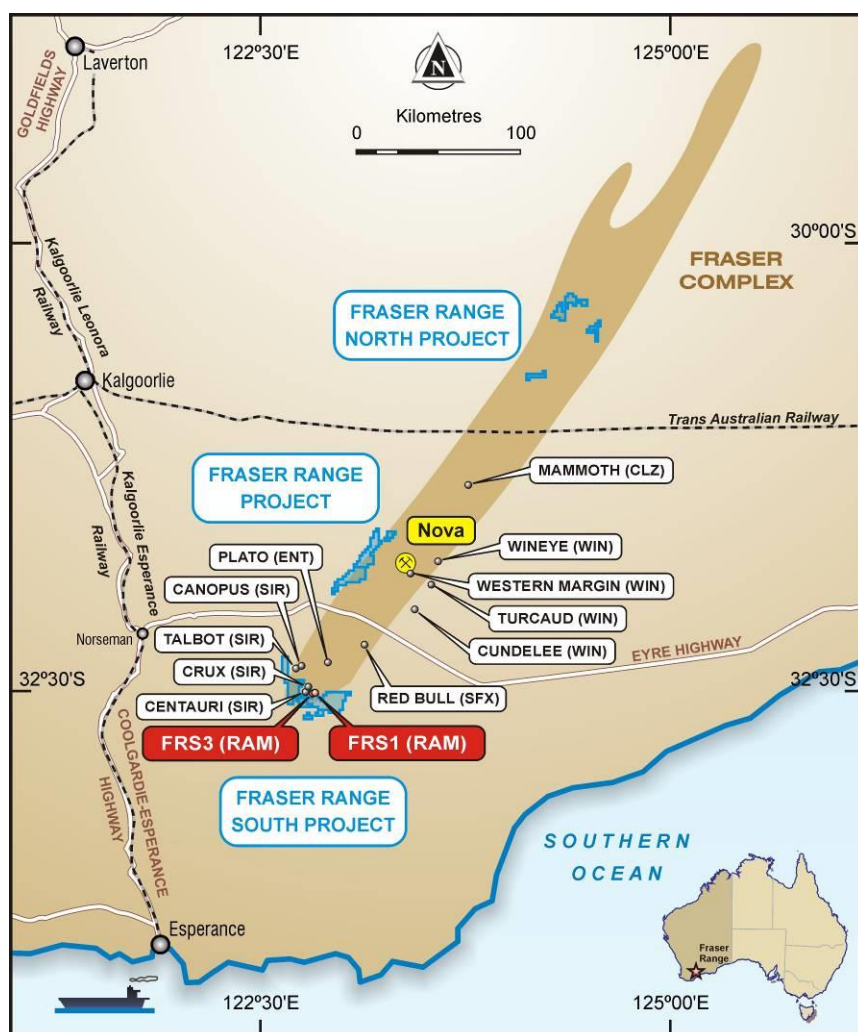


Figure 1 Projects in the Fraser Range

REVIEW OF OPERATIONS (continued)

Fraser Range South Project

Key project highlights

- Fraser Range South Project - Ground EM survey completed to test historical VTEM conductors
- Nickel soil anomalies identified above bed rock conductors at Fraser Range South
- Key anomaly measures 1.5km-long grading +110ppm immediately south of bed rock conductors FRSV 1 and FRSV 3 (peak values 191 nickel ppm)
- Fraser Range North Project - 5500 line km of aeromagnetic survey completed. Preliminary interpretation identifies 45 mafic/ultramafic intrusions in the heart of the Fraser Range
- Fraser Range North Moving Loop Electromagnetics (MLEM) survey completed
- Fraser Range Project - Reconnaissance aircore drilling completed
- ATO R&D rebate of \$250,904 received subsequent to end of Dec Quarter
- Substantial tenement package covering 850km² in the highly prospective eastern Albany-Fraser orogeny of Western Australia.

The Fraser Range South tenements cover 410sqkm and are located just 2km from Sirius Resources' Crux anomaly (Figure 2), which has generated promising early exploration results and 32km south, and along strike of Ram's existing Fraser Range Project. The southern Fraser Range area has also generated encouraging results from explorers such as Enterprise Metals (ASX:ENT) and Matsa Resources (ASX: MAT).

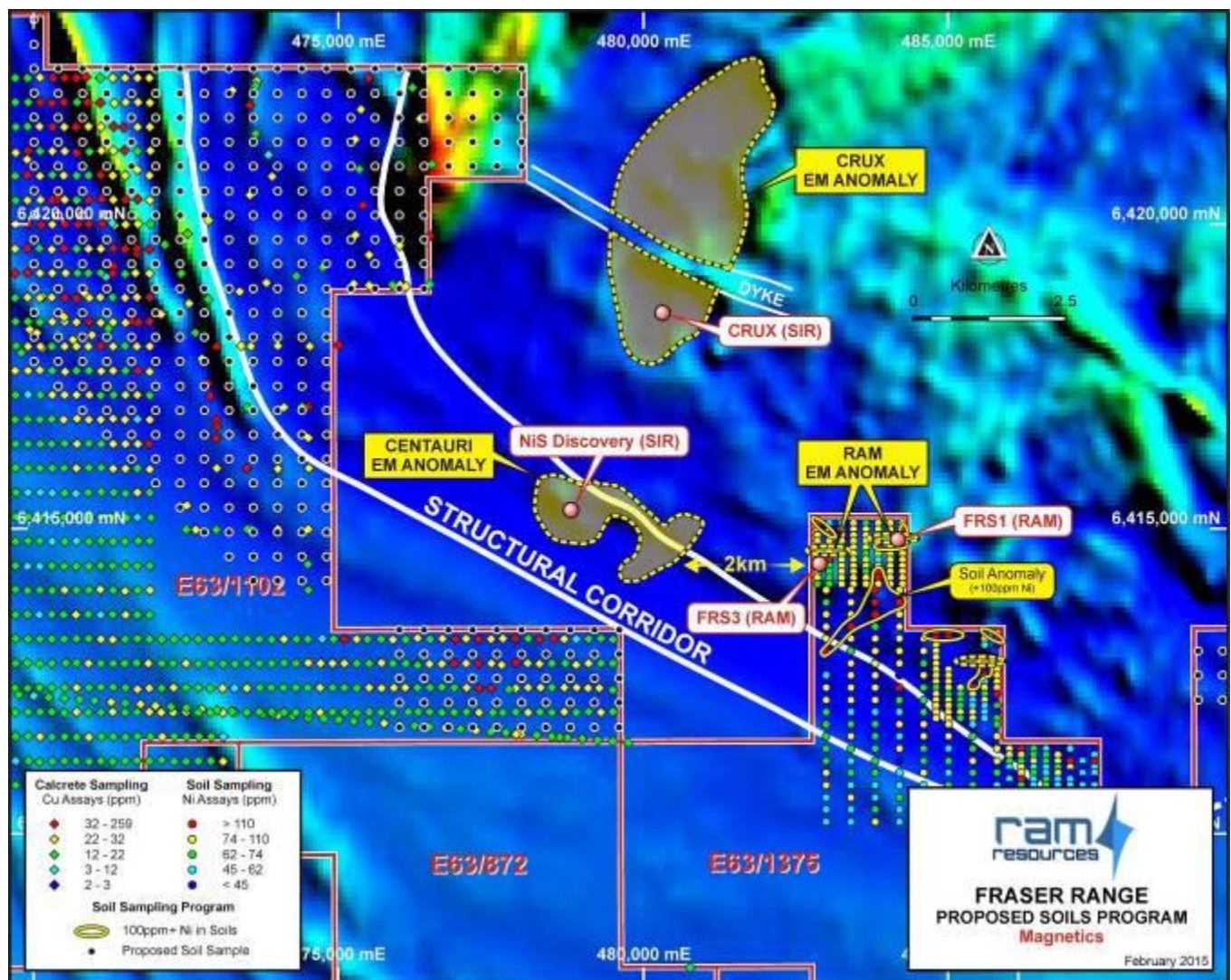


Figure 2 Ram Bed Rock Conductors and soil Anomalies

REVIEW OF OPERATIONS (continued)

The Fraser Range South tenements straddle the southern extension of the Fraser Range Gravity complex and Biranup Zone. The project is prospective for nickel. The ultramafic rock and intrusive units have potential for nickel sulphide accumulations.

At the Fraser Range South project, Ram has completed a review of historical data, magnetic interpretation, a geological reconnaissance program and a moving Loop electro-magnetic (MLEM) survey in addition to partly sampling soil.

The ground EM confirmed two (2) priority EM conductors, FRSV_1 and FRSV_3. The soil results identified a 1.5km-long soil anomaly grading +110ppm to the south of bed rock conductors FRSV_1 and FRSV_3 (peak values 191 nickel ppm XRF gun).

The soil sampling and mapping (which confirmed the presence of ultramafic/mafic rocks and gabbro intrusives) provide further confidence in conductors FRSV_1 (strike length 844m) and FRSV_3 (strike length 600m) as viable drill targets. FRSV_1 is modelled as starting just 35m from the surface.

The two (2) high-priority conductors are to be drill tested at Fraser Range South, both of which sit below nickel soil anomalies. Ram is in the process of securing permits to undertake a maiden drill program at the Fraser Range South project which is anticipated to commence late in March 2015.

Fraser Range North

The Fraser Range North tenement package is situated in the heart of the Fraser Range gravity high complex, 150km north of Sirius Resources' Nova nickel-copper deposit and immediately south of Segue Resources' Plumridge Project (Figure 3). The project area consists of five (5) tenements covering 163 km². Segue Resources plans to start drilling four (4) high-priority EM conductors in early October 2015.

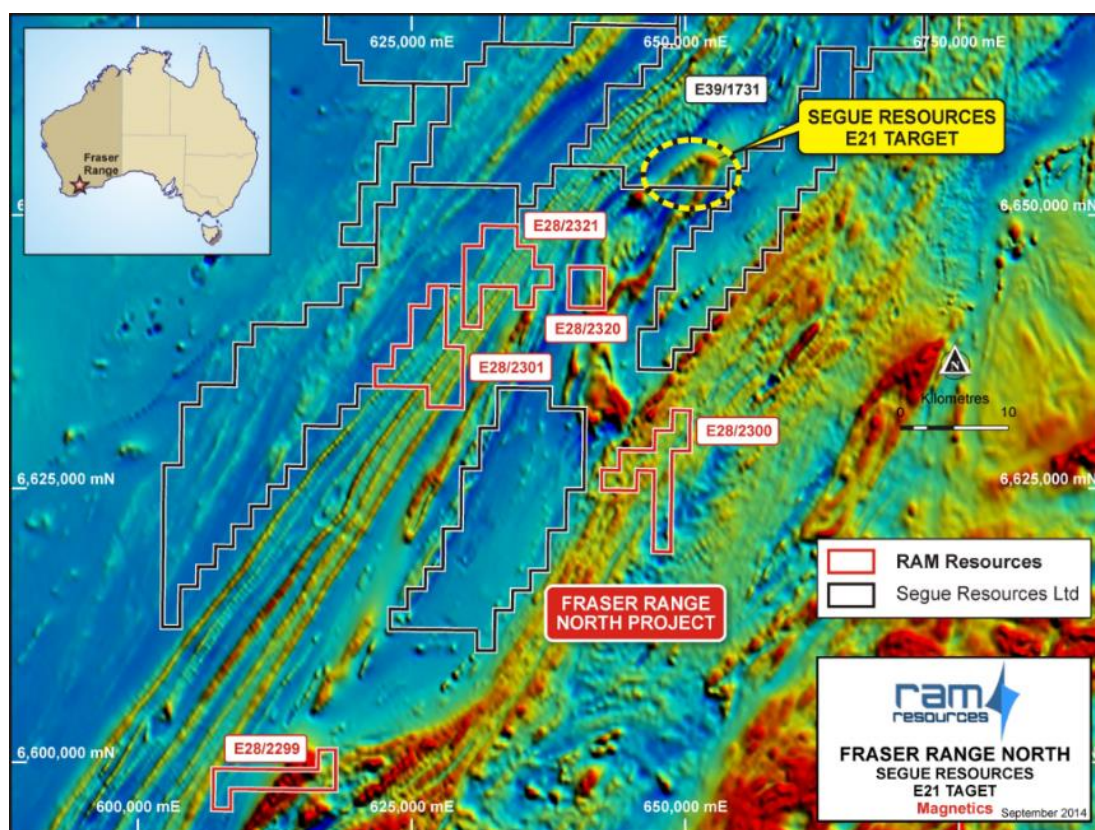


Figure 3 Location of Ram's Fraser Range North Projects

A detailed aeromagnetic survey (5500 line KM) was completed and a preliminary interpretation identified 45 mafic/ultramafic intrusions. Six (6) of these interpreted intrusions are associated with elevated nickel copper geochemistry (Figure 4 & 5).

The aeromagnetic survey data was collected at 50m line spacing's. The aeromagnetic data has been combined with existing geological data collected over the project area to produce targets for the ground electro-magnetic (EM) survey.

Ram also completed 25 line km of Ground EM in the December 2014 quarter on a proximal 400m grid pattern over tenements E28/2331 and E28/2320. The survey targeted the interpreted mafic/ultramafic intrusions from the magnetic survey completed in the September quarter. Tenement E28/2299 and E28/2300 will be looked at during the second half of 2015.

REVIEW OF OPERATIONS (continued)

The MLEM was externally outsourced. An estimated 266 stations were completed using a high powered Transmitter HPTX (100 amps). The survey consisted of a 200 x 200m single turn loop.

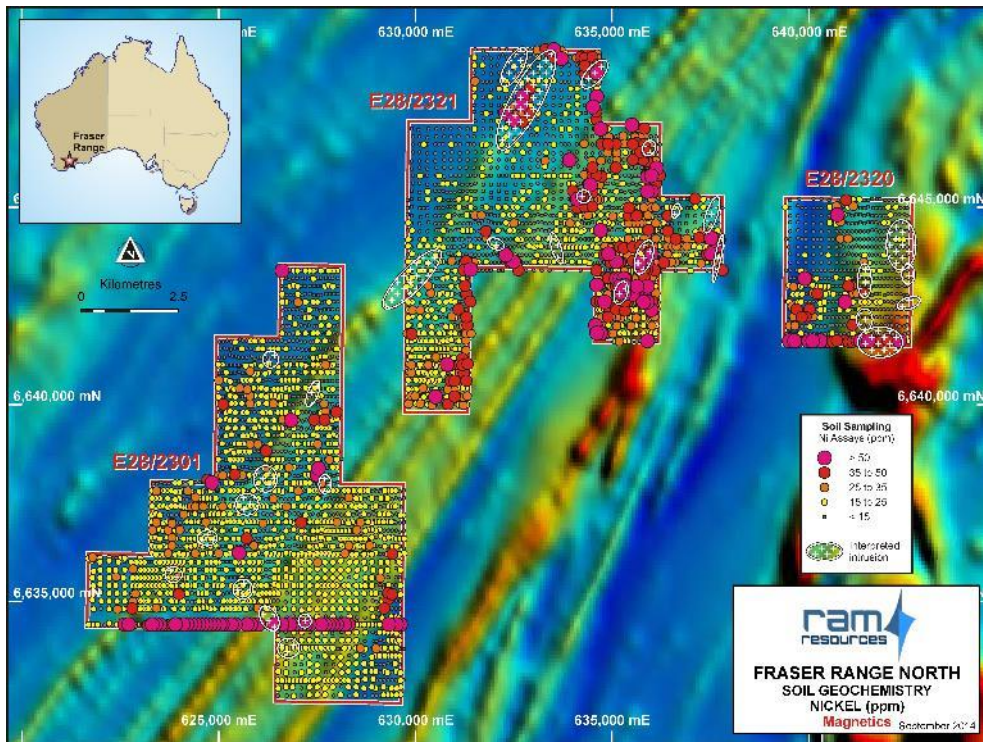


Figure 4 Magnetic map with Nickel soil anomalies and interpreted intrusive

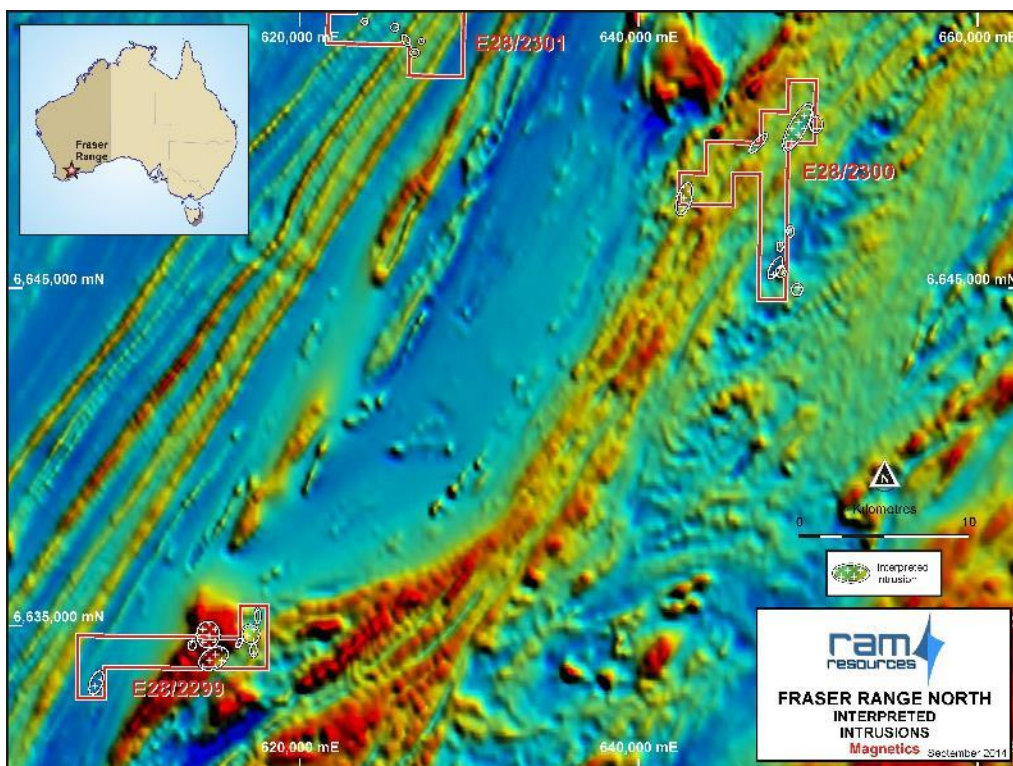


Figure 5 Magnetic map with interpreted intrusions

REVIEW OF OPERATIONS (continued)

Fraser Range Project (EL28/2209, EL28/2210 and EL63/1528)

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 (Figure 1). At the Fraser Range Project, Ram is progressing its systematic and extensive exploration work programs.

Just over 2,300m of aircore drilling was undertaken for 71 vertical drill holes with an average depth of 37m. The main area of focus was the south-eastern section of the tenement (Figure 6) where the drilling confirmed high grade metaphoric mafic assemblages. Samples from the bottom of the holes were sent for multi-element assays. No nickel assay of significance were returned.

The drilling was designed to refine six priority targets for deeper drilling at the Fraser Range Project. The aircore has confirmed mafic lithology in Targets MELM L2/1, MELM L2/2, MELM L4/1, MLEM L5/1, and MLEM L6/1 these targets are under review for deeper drilling. No mafic units were intercepted at MLEM L14/1.

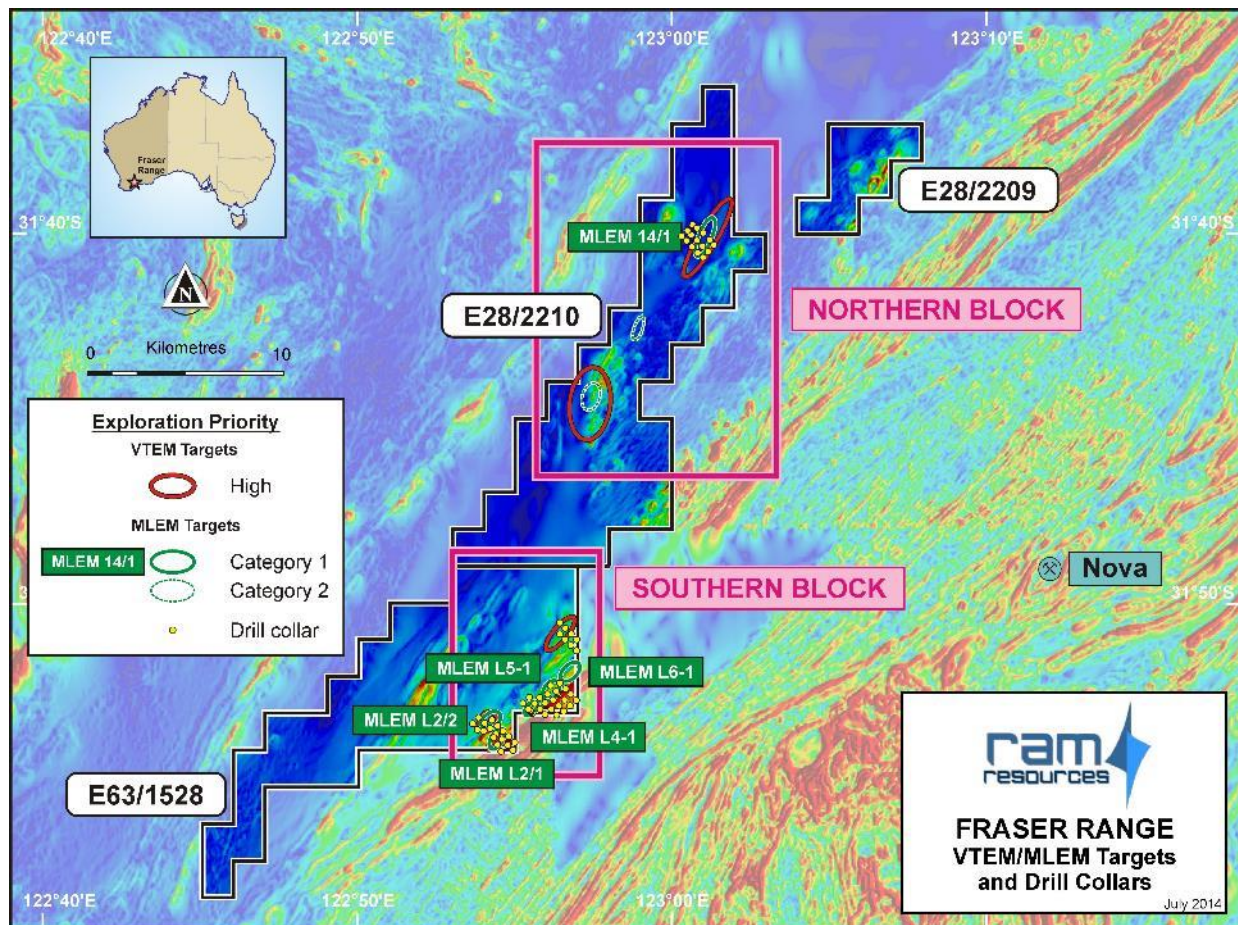


Figure 6. Aircore Drill hole locations over TMI magnetic map

REVIEW OF OPERATIONS (continued)

Non-Core Projects

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.

Newcrest holds 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.

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.

Forward Looking Statements

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.

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.

REVIEW OF OPERATIONS (continued)**CONVERTIBLE NOTE**

As at 31 December 2014, nil remained available for drawdown of the \$600,000 convertible note facility ("CN Facility") as it was extinguished in the 2014 year.

Of the \$368,678 worth of issued convertible notes, \$367,500 has been converted, leaving a balance of \$1,178 convertible notes outstanding.

COMPANY SECRETARY APPOINTMENT/RESIGNATION

On 4 July 2014, Ms Eryn Kestel was appointed Company Secretary, following the resignation of Mr Robert Hyndes.

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 2014.

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

11 March 2015

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 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 review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
11 March 2015



M R W Ohm
Partner

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Consolidated	
	31 December 2014	31 December 2013
Notes	\$	\$
Continuing operations		
Other income	9,703	25,756
Administration	(191,014)	(200,927)
Depreciation and amortisation expense	(922)	(18,351)
Exploration expenditure written off	-	(9,449)
Finance costs	(49)	(20,053)
Foreign exchange gain	7,562	3,565
Directors costs	(67,335)	(139,075)
Other expenses	(163,654)	(67,186)
Loss before income tax	(405,709)	(425,720)
Income tax benefit	250,244	-
Net loss for the period	(155,465)	(425,720)
Other comprehensive income:		
<i>Items that may be reclassified to profit and loss</i>		
Exchange differences on translation of foreign operations	(13,692)	488,798
Total comprehensive income/(loss) for the period	(169,157)	63,078
Loss attributable to:		
Owners of the parent	(152,327)	(387,619)
Non-controlling interest	(3,138)	(38,101)
	(155,465)	(425,720)
Total comprehensive income/(loss) for the period is attributable to:		
Owners of the parent	(159,265)	(138,406)
Non-controlling interest	(9,892)	201,484
	(169,157)	63,078
Basic loss per share (cents per share)	(0.02)	(0.27)

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

		Consolidated	
	Notes	31 December 2014 \$	30 June 2014 \$
Assets			
Current Assets			
Cash and cash equivalents		451,287	1,519,513
Trade and other receivables		310,131	78,866
Total Current Assets		761,418	1,598,379
Non-Current Assets			
Property, plant and equipment		6,202	5,074
Deferred exploration and evaluation expenditure	3	4,264,313	3,751,523
Total Non-Current Assets		4,270,515	3,756,597
Total Assets		5,031,933	5,354,976
Liabilities			
Current Liabilities			
Trade and other payables		417,747	572,414
Borrowings		1,178	1,178
Total Current Liabilities		418,925	573,592
Total Liabilities		418,925	573,592
Net Assets		4,613,008	4,781,384
Equity			
Issued capital	4	53,491,150	53,422,724
Unissued capital		-	70,000
Reserves		9,477,694	9,482,277
Accumulated losses		(55,529,349)	(55,377,022)
Total equity attributable to the owners of the parent		7,439,495	7,597,979
Non-controlling interest		(2,826,487)	(2,816,595)
Total Equity		4,613,008	4,781,384

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

Consolidated									
Issued Capital	Unissued Capital	Accumulated Losses	Option Reserve	Share-based Payment Reserve	Performance Rights Reserve	Foreign Exchange Reserve	Total	Non-controlling Interests	Total Equity
\$		\$	\$	\$		\$	\$	\$	\$
45,037,847	3,000,000	(52,046,158)	7,930,235	695,473	-	222,017	4,839,414	(120,790)	4,718,624
-	-	(387,619)	-	-	-	-	(387,619)	(38,101)	(425,720)
-	-	-	3,745	-	-	-	3,745	-	3,745
-	-	-	-	-	-	249,213	249,213	239,585	488,798
6,558,054	(3,000,000)	-	-	-	-	-	3,558,054	-	3,558,054
(192,687)	-	-	-	-	-	-	(192,687)	-	(192,687)
-	-	-	-	-	58,860	-	58,860	-	58,860
51,403,214	-	(52,433,777)	7,933,980	695,473	58,860	471,230	8,128,980	80,694	8,209,674
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
-	-	(152,327)	-	-	-	-	(152,327)	(3,138)	(155,465)
-	-	-	2,355	-	-	-	2,355	-	2,355
-	-	-	-	-	-	(6,938)	(6,938)	(6,754)	(13,692)
70,000	(70,000)	-	-	-	-	-	-	-	-
(1,574)	-	-	-	-	-	-	(1,574)	-	(1,574)
53,491,150	-	(55,529,349)	8,378,330	695,473	58,860	345,031	7,439,495	(2,826,487)	4,613,008

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Consolidated	
	31 December 2014	31 December 2013
	\$	\$
	Inflows/(Outflows)	
Cash flows from operating activities		
Payments to suppliers and employees	(365,626)	(303,991)
Finance costs	(49)	(20,051)
Interest received	9,703	1,716
Net cash (outflow) from operating activities	(355,972)	(322,326)
Cash flows from investing activities		
Payments for property, plant and equipment	(2,050)	(7,160)
Payments for exploration and evaluation expenditure	(708,630)	(522,633)
Net cash (outflow) from investing activities	(710,680)	(529,793)
Cash flows from financing activities		
Proceeds from issue of shares	-	1,500,000
Proceeds from exercise of options	-	9,901
Payments for share issue costs	(1,574)	(117,687)
Proceeds from borrowings	-	11,550
Repayment of borrowings	-	(11,550)
Net cash inflow/(outflow) from financing activities	(1,574)	1,392,214
Net increase/(decrease) in cash held	(1,068,226)	540,095
Cash and cash equivalents at the beginning of the period	1,519,513	2,012
Effects of exchange rate fluctuations on cash held	-	(74)
Cash and cash equivalents at the end of the period	451,287	542,033

The accompanying notes form part of these financial statements

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

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 2014 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 adopted are consistent with those of the previous financial year and corresponding interim reporting period.

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 2014.

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 2014, the Group had cash and cash equivalents of \$451,287, a loss for the half year of \$155,465 and a net cash outflow from operating and investing activities of \$1,066,652. The Group has a working capital surplus of \$342,493. Subsequent to period end the company received a research and development grant totaling \$250,244.

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, 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.

The Company has entered into a mandate agreement with Hartleys Limited to provide corporate advisory 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going concern (continued)

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 2014, 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 2014.

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

NOTE 2: LOSS BEFORE INCOME TAX EXPENSE

	Consolidated	
	31 December 2014	31 December 2013
	\$	\$
The following revenue and expense items are relevant in explaining the financial performance for the half-year:		
Write-down/impairment of exploration expenditure	-	(9,449)
Corporate promotion and travel	(81,598)	(17,679)
Foreign exchange gain	7,562	3,565
Company secretarial	(10,500)	(16,339)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 3: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	Six months to 31 December 2014	Year to 30 June 2014
	\$	\$
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at beginning of period	3,751,523	5,461,929
Acquisition of tenements(i, ii, iii)	2,790	2,369,773
Expenditure incurred	510,000	1,398,174
Foreign exchange movement	-	279,395
	4,264,313	9,509,271
Expenditure written off	-	(5,757,748)
Total deferred exploration and evaluation expenditure	4,264,313	3,751,523

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.

(i) Fraser Range Project

Pursuant to an Acquisition Agreement (the "Agreement") entered into in July 2013, Ram acquired an 80% interest in three granted exploration licences comprising the Fraser Range Project.

Pursuant to the terms of the Agreement, Ram may acquire the remaining 20% interest on the following terms:

- The vendor is to be free carried for the period it holds an equity interest in the Fraser Range Project up to a Decision to Mine;
- The vendor, 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
- Following satisfaction of the Resource Milestone, Ram shall have the right to acquire the remaining interest (if any) at a fair market value.

The vendor retains a 1% gross revenue royalty over all the tenements of the Fraser Range Project.

In May 2014, Ram issued 40,625,000 shares to increase its interest in the Fraser Range Project by a further 6.5% to 86.5% pursuant to b) above.

Subsequent to period end Ram has acquired a further 5.6% interest (refer Note 10).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 3: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE (continued)

(ii) Fraser Range North Acquisition

In February 2014, Ram secured an option to acquire five highly prospective tenements in the Fraser Range nickel-copper belt, comprising the Fraser Range North Project.

Ram has acquired a two-year option over the tenements. Under the terms of the option, Ram has paid the sum of \$80,000. 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.

(iii) Fraser Range South Acquisition

In May 2014, Ram secured an option to acquire three highly prospective tenements totalling 410km² in the southern area of the Fraser Range nickel-copper belt, comprising the Fraser Range South Project.

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

1. Option – Tenement E63/1375
 - a. 18 month option period.
 - b. \$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.
 - c. Vendor will retain a 1.5% net smelter royalty.
2. Option – Tenement E63/872 and E63/1102 (40% interest)
 - a. 18 month option period.
 - b. \$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.
 - c. 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. \$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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 4: ISSUED CAPITAL

	Consolidated	
	31 December 2014	30 June 2014
	\$	\$
Issued capital	55,830,435	55,760,435
Share issue costs	(2,339,285)	(2,337,711)
	<u>53,491,150</u>	<u>53,422,724</u>

	31 December 2014	30 June 2014	31 December 2014	30 June 2014
	No.	No.	\$	\$
<i>Movements in ordinary shares on issue</i>				
At the beginning of the period	617,423,115	617,423,115	55,760,435	46,541,881
Placement	-	166,666,667	-	1,500,000
Option Conversion	-	11,001	-	9,901
Creditor Settlement	-	13,333,333	-	240,000
Capital Raising Fee	-	8,333,334	-	75,000
Corporate Advisory Fee	-	8,333,334	-	75,000
Motzfeldt Deferred Consideration	-	3,333,334	-	3,000,000
Part conversion of convertible note	-	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
Acquisition of tenements – E63/1102 and E63/872	6,363,636	-	70,000	-
At the end of the period	<u>623,786,751</u>	<u>617,423,115</u>	<u>55,830,435</u>	<u>55,760,435</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

NOTE 4: ISSUED CAPITAL (continued)

Performance Shares	31 December 2014 No.	30 June 2014 No.
Movements in performance shares on issue		
At the beginning of the period	22,666,668	-
Class A performance shares issued (i)	-	11,333,334
Class B performance shares issued (ii)	-	11,333,334
At end of period	22,666,668	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 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 5: SEGMENT REPORTING

The following table presents the revenue and profit/(loss) information regarding the segment information provided for the half-year periods ended 31 December 2014 and 31 December 2013.

	Continuing Operations		
	Australia	Greenland	Consolidated
	\$	\$	\$
31 December 2013			
Segment Expenses	416,045	35,131	451,476
Segment Results	(414,629)	(11,091)	(425,720)
Results from operating activities			(425,720)
Segment assets	3,344,472	5,537,485	8,881,957
Segment liabilities	381,837	290,446	672,283

	Continuing Operations		
	Australia	Greenland	Consolidated
	\$	\$	\$
31 December 2014			
Segment Expenses	410,882	4,530	415,412
Segment Results	(150,935)	(4,530)	(155,465)
Results from operating activities			(155,465)
Segment assets	5,030,807	1,126	5,031,933
Segment liabilities	202,764	216,161	418,925

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 6: OPTIONS

	Consolidated	
	31 December 2014 \$	30 June 2014 \$
Option Reserve	8,378,330	8,375,975
	31 December 2014 No.	30 June 2014 No.
Movements in options over ordinary shares on issue		
At the beginning of the period	197,833,411	12,603,357
Director options expired	(166,668)	(83,334)
Director options forfeited	-	(250,000)
Option conversion	-	(11,001)
Options expired	-	(11,925,686)
Options issued	-	197,500,075
At end of period	197,666,743	197,833,411

NOTE 7: PERFORMANCE RIGHTS

	Consolidated	
	31 December 2014 \$	30 June 2014 \$
Performance Rights Reserve	58,860	58,860
	2014 No.	2013 No.
Movements in options over ordinary shares on issue		
At start of period	6,000,000	-
Director performance rights issued (i)	-	6,000,000
At end of period	6,000,000	6,000,000

(i) issue of 6,000,000 performance rights to the Managing Director with the following performance milestones:

- a. 2,000,000 shares upon the Company's Shares trading above 1.98 cents for 20 consecutive trading days;
- b. 2,000,000 shares upon the Company's Shares trading above 2.38 cents for 20 consecutive trading days; and
- c. 2,000,000 shares upon the Company's Shares trading above 2.77 cents for 20 consecutive trading days.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

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

On the 20 February 2015, 35 million fully paid ordinary shares were issued as consideration for a further 5.6% interest in the Fraser Range Project in accordance with the Acquisition Agreement.

The Shares have been voluntarily escrowed until 21 April 2015.

Other than the above, there have been no other events subsequent to 31 December 2014 requiring disclosure.

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 2014 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

11 March 2015

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 statement of financial position as at 31 December 2014, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed 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 of the consolidated entity 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 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 consolidated entity's financial position as at 31 December 2014 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 consolidated entity's financial position as at 31 December 2014 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 in the half-year report, which indicates that the Group requires additional funding 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 signing the half-year report. These conditions, along with other matters as set forth in Note 1, indicate the existence of 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants


M R W Ohm
Partner

Perth, Western Australia
11 March 2015