



Ram Resources Limited

ABN 23 108 456 444

Interim Financial Report

31 December 2015

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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 Automic Registry Services Pty Ltd Level 1 7 Ventnor Avenue West Perth W.A. 6005 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; RMROA
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DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity for the half-year ended 31 December 2015. 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

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**) provides the following report on what has been a highly successful half-year for the Company at its recently acquired West Kimberley nickel-copper project in WA. Ram now keenly awaits the end of the Kimberley wet season to drill test the first round of bedrock conductors at the Kimberley West Project.

The Company's strong progress at the Kimberley West Project resulted in it being awarded a \$150,000 grant under the Exploration Incentive Scheme run by WA's Department of Mines. This money will be used to undertake a drilling program on the project.

Kimberley West Project was developed out of regional data the using GSWA magnetics and gravity data. The large area of the belt had become available with the down turn in the mining industry. Ram is currently progressing a number of tenements through an application phase for approx. 800 km².

At Ram's Fraser Range North project in WA, the Company has negotiated an extension of the term of its option to acquire the tenements until 16 June, 2016. Under the option, Ram can acquire one or more tenements at any time at a cost of \$50,000 per tenement and a net smelter royalty of 1.5 per cent.

Ram has built a portfolio of quality exploration projects in the Fraser Range belt with a land holding that now covers circa 879sqkm and includes the southern contact zones of the Fraser Range Gravity complex. Ram has extended its option agreements over its Fraser Range South tenements to 19 November 2016.

The Fraser Range strategy has been to build a portfolio of tenements with geographic spread across the Fraser Range.

HIGHLIGHTS

- Kimberley West is a regional scale project with 1100 km² under management
- 219-line km of VTEM flown at Kimberley West Project, 17 VTEM anomalies defined at the recently-acquired West Kimberley nickel-copper project in WA
- Follow up ground EM across VTEM anomalies at Kimberley West produced Strong EM conductors
- Three high priority bedrock EM conductors identified:
 - MON1A - High conductance (~10,000S), interpreted size approx. 250m * 350m
 - MON1B - High conductance (~6,000S), interpreted size approx. 300m * 300m
 - MON3A - High conductance (~6,500S), interpreted size approx. 175m * 300m
- The conductors are interpreted to lie within the Ruin dolerite structure, which hosts newly discovered nickel sulphides along strike within 7km to south-east
- Ram awarded \$150,000 grant by WA Government to drill-test West Kimberley Bed Rock Conductors

REVIEW OF OPERATIONS (continued)

West Kimberley Project

During the period, activities included geological reconnaissance, historical data collection, a versatile time-domain electro-magnetic (VTEM) aerial survey and a high-power fix-loop electromagnetic (HPFLTEM) survey focused on the Ruin Dolerite. The Ruin Dolerite intrudes the Marboo Formation (Metasediments), which is the dominant rock unit within the project area. Ruin Dolerite hosts nickel mineralisation to the south-east at Buxton Resources Limited's Double Magic project.

Ram currently has 807sqkm under application and has secured an option to acquire a further 80% interest in E04/1972 & ELA 04/2314, which cover a further 267 km².

Ram's geophysical consultants, Southern Geoscience, identified eight discrete EM conductors ranging in depth from 75 metres to 175 metres below surface. The conductors are interpreted to lie within a magnetic intensity zone within the Ruin Dolerite.

Of the eight, three high-priority, strong bedrock EM conductors were identified with conductance ranging from ~6,000S to ~10,000S (Mon1A, Mon1B and Mon3A).

The three high-priority conductors dominate the late-time channel data (indicative of highly conductive bedrock sources). The very high conductance levels indicated by modelling are consistent with the presence of well-developed sulphide mineralisation.

The HP FLTEM survey was completed across the first five strong primary VTEM anomalies identified in Ram's recently completed VTEMmax survey and involved approximately 35-line km with eight fixed loops utilised and 710 survey station readings acquired. The high quality HP FLTEM data allowed robust target modelling to be undertaken and prioritisation/ranking of bedrock conductors for upcoming drill testing next season.

Two VTEMmax anomalies previously delineated (MC_T6 and MC_T7) remain untested. A HP FLTEM survey encompassing these VTEMmax anomalies will be carried out in the upcoming field season in 2016.

Ram will now turn its attention to planning drilling programs and further field work for the 2016 field season.

Fraser Range South Project

The Fraser Range South tenements cover approx. 410 km² and are located just 2km from Sirius Resources' Crux anomaly, 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/Appollo. The Fraser Range South tenements cover the southern extension of the Fraser Range Gravity complex.

A drill program comprised of 12 Reverse Circulation (RC) holes for a total of 1,500m of drilling was completed to test the conductors and soil anomalies. The conductors were developed from reprocessing historical data and new high power ground EM. The drill holes intercepted weak potassic alteration with disseminated pyrite and magnetite within shear zone. Down Hole Electromagnetics (DHEM) detected no off hole conductors.

The project area remains only partially explored with prospective lithologies and 25 km² geochemical anomalies remaining untested by ground electromagnetics or drilling. Ram intends to undertake further exploration to better target and define embayments and locations for the accumulation of massive sulphides.

Fraser Range North Project

Ram has continued to progress exploration activities at its Fraser Range North nickel project in WA, with the identification of two more prospective electro-magnetic conductors. Ram has completed a second phase of ground EM at Fraser Range North, acquiring a total of 15-line km. Outer Rim Exploration Services Pty Ltd ("Outer Rim") was contracted to carry out the ground EM program.

The new conductors were identified in the recent program involving ground Moving Loop Electro-Magnetic (MLEM) surveys. In total, about 40-line km of ground MLEM has been completed over geochemical and magnetic targets at Fraser Range North.

The new conductors are in addition to the two significant EM responses identified last year (FRN-22 and FRN-32).

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 the Plumridge Project owned by Segue Resources/MMG.

Ram completed a moving loop electromagnetic (MLTEM) ground survey on a proximal 400mx200m grid pattern over the tenements during the period. The survey targeted the interpreted mafic/ultramafic intrusions from the magnetic survey completed in the September quarter 2014. The four conductors identified so far are all considered to warrant further evaluation.

REVIEW OF OPERATIONS (continued)**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 period the Fraser Range Project was not the main focus, with desk top reviews and limited field work being completed. Ram is reanalysing all drill data, soil samples, and looking at the gold potential of the project.

Non-Core Projects**Sheoak Project**

E63/1674 is located 80km north-east of Esperance and 100km south-west of Ram's Fraser Range South project. The 28sqkm tenement covers a layered mafic complex similar in age and nature to the Fraser complex which hosts Sirius Resources' Nova nickel-copper deposit. Field inspections and a desk top study were completed.

Telfer Projects (E45/2726)

Newcrest has an option over one non-core tenement held by Ram near Newcrest's Telfer gold-copper mine in WA's Pilbara region. The tenement is managed by Newcrest and forms part of its regional Telfer operations.

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

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 2015.

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

15 March 2016

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 2015, 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
15 March 2016**

**L Di Giallonardo
Partner**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Consolidated	
	31 December 2015 \$	31 December 2014 \$
Continuing operations		
Other income	13,714	9,703
Administration	(136,353)	(191,014)
Depreciation and amortisation expense	(1,546)	(922)
Finance costs	-	(49)
Foreign exchange gain	-	7,562
Directors' costs	(90,382)	(67,335)
Other expenses	(100,649)	(163,654)
Loss before income tax	(315,216)	(405,709)
Income tax benefit	-	250,244
Net loss for the period	(315,216)	(155,465)
Other comprehensive income:		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	7,540	(13,692)
Total comprehensive loss for the period	(307,676)	(169,157)
Loss attributable to:		
Owners of the parent	(307,758)	(152,327)
Non-controlling interests	(7,458)	(3,138)
	(315,216)	(155,465)
Total comprehensive loss for the period is attributable to:		
Owners of the parent	(307,303)	(159,265)
Non-controlling interests	(373)	(9,892)
	(307,676)	(169,157)
Basic and diluted loss per share (cents per share)	(0.03)	(0.02)

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

		Consolidated	
	Notes	31 December 2015 \$	30 June 2015 \$
Assets			
Current Assets			
Cash and cash equivalents		764,417	1,725,614
Trade and other receivables		51,843	59,003
Total Current Assets		816,260	1,784,617
Non-Current Assets			
Property, plant and equipment		3,132	4,680
Deferred exploration and evaluation expenditure	3	5,729,255	4,920,366
Total Non-Current Assets		5,732,387	4,925,046
Total Assets		6,548,647	6,709,663
Liabilities			
Current Liabilities			
Trade and other payables		426,877	515,075
Total Current Liabilities		426,877	515,075
Total Liabilities		426,877	515,075
Net Assets		6,121,770	6,194,588
Equity			
Issued capital	4	55,642,962	55,408,962
Reserves		9,470,875	9,469,563
Accumulated losses		(56,153,435)	(55,845,677)
Total equity attributable to the owners of the parent		8,960,402	9,032,848
Non-controlling interests		(2,838,632)	(2,838,260)
Total Equity		6,121,770	6,194,588

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	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
	\$		\$	\$	\$		\$	\$	\$	\$
Balance at 1 July 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
Loss for the period	-	-	(152,327)	-	-	-	-	(152,327)	(3,138)	(155,465)
Movements in options	-	-	-	2,355	-	-	-	2,355	-	2,355
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(6,938)	(6,938)	(6,754)	(13,692)
Shares issued during the half-year	70,000	(70,000)	-	-	-	-	-	-	-	-
Share issue costs	(1,574)	-	-	-	-	-	-	(1,574)	-	(1,574)
Balance at 31 December 2014	53,491,150	-	(55,529,349)	8,378,330	695,473	58,860	345,031	7,439,495	(2,826,487)	4,613,008
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)
Movements in options	-	-	-	857	-	-	-	857	-	857
Exchange differences on translation of foreign operations	-	-	-	-	-	-	455	455	7,085	7,540
Shares issued during the half-year	234,000	-	-	-	-	-	-	234,000	-	234,000
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

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Consolidated	
	31 December 2015	31 December 2014
	\$	\$
	Inflows/(Outflows)	
Cash flows from operating activities		
Payments to suppliers and employees	(337,235)	(365,626)
Finance costs	-	(49)
Interest received	13,714	9,703
Net cash (outflow) from operating activities	(323,521)	(355,972)
Cash flows from investing activities		
Payments for property, plant and equipment	-	(2,050)
Payments for exploration and evaluation expenditure	(569,696)	(708,630)
Net cash (outflow) from investing activities	(569,696)	(710,680)
Cash flows from financing activities		
Payments for share issue costs	(67,980)	(1,574)
Net cash (outflow) from financing activities	(67,980)	(1,574)
Net decrease in cash held	(961,197)	(1,068,226)
Cash and cash equivalents at the beginning of the period	1,725,614	1,519,513
Cash and cash equivalents at the end of the period	764,417	451,287

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

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 2015 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 2015.

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 2015, the Group had cash and cash equivalents of \$764,417, a loss for the half-year of \$315,216 and a net cash outflow from operating and investing activities of \$893,217. Subsequent to period end the company is expecting a research and development tax incentive refund of \$102,861 and are expecting a refund for the December 2015 quarter BAS in the vicinity of \$41,000 together with \$150,000 relating to an EIS Exploration Incentive scheme.

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

The Company has built strong relations with Hartleys Limited who has actively provided capital raising strategies and implementation and it is expected that this relationship will continue.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going concern (continued)

Furthermore, the Board are currently reviewing new potential acquisitions in other mineral resources as a standalone to the current projects or as an addition.

The Company are also targeting further exploration work at West Kimberly, which as previously advised have provided strong indicators.

The Board believe that maintaining strong relations with institutional brokers, reviewing new acquisitions and growing the West Kimberley tenement will have a positive impact on the Company's Share price. Therefore, 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 2015, 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 2015.

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 2015. 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 2015 \$	31 December 2014 \$
The following revenue and expense items are relevant in explaining the financial performance for the half-year:		
Corporate promotion and travel	(42,612)	(81,598)
Foreign exchange gain	1,638	7,562

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 3: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	Six months to 31 December 2015	Year to 30 June 2015
	\$	\$
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at beginning of period	4,920,366	3,751,523
Acquisition of tenements	280,933	341,898
Expenditure incurred	527,956	829,560
	5,729,255	4,922,981
Expenditure written off	-	(2,615)
Total deferred exploration and evaluation expenditure	5,729,255	4,920,366

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 2015

NOTE 4: ISSUED CAPITAL

	Consolidated	
	31 December 2015 \$	30 June 2015 \$
Issued capital	58,122,165	57,888,165
Share issue costs	(2,479,203)	(2,479,203)
	<u>55,642,962</u>	<u>55,408,962</u>

	Six months to 31 December 2015 No.	Year to 30 June 2015 No.	Six months to 31 December 2015 \$	Year to 30 June 2015 \$
<i>Movements in ordinary shares on issue</i>				
At the beginning of the period	1,014,332,751	617,423,115	57,888,165	55,760,435
Fraser Range – acquisition of tenements	-	6,363,636	-	70,000
Placement for working capital	-	120,946,000	-	604,730
Share Purchase Plan for working capital	-	234,600,000	-	1,173,000
Fraser Range – increase in interest from 86.5% to 92.1%	-	35,000,000	-	280,000
Fraser Range – increase in interest from 92.1% to 96.0% (i)	39,000,000	-	234,000	-
At the end of the period	<u>1,053,332,751</u>	<u>1,014,332,751</u>	<u>58,122,165</u>	<u>57,888,165</u>

(i) The Company issued 39,000,000 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 4: ISSUED CAPITAL (continued)

Performance Shares	31 December 2015 No.	30 June 2015 No.
Movements in performance shares on issue		
At the beginning of the period	22,666,668	22,666,668
Class A performance shares issued (i)	-	-
Class B performance shares issued (ii)	-	-
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.

NOTE 5: SEGMENT REPORTING

The Company operates its mining and exploration activities in Western Australia and no longer engages in any activities in Greenland.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

NOTE 6: OPTIONS

	Consolidated	
	31 December 2015 \$	30 June 2015 \$
Option Reserve	8,379,656	8,378,799
	Six months to 31 December 2015 No.	Year to 30 June 2015 No.
Movements in options over ordinary shares on issue		
At the beginning of the period	375,439,743	333,336
Director options expired	(83,334)	(166,666)
Options issued	-	375,273,073
At end of period	375,356,409	375,439,743

NOTE 7: PERFORMANCE RIGHTS

	Consolidated	
	Six months to 31 December 2015 \$	Year to 30 June 2015 \$
Performance Rights Reserve	58,860	58,860
	2015 No.	2014 No.
Movements in options over ordinary shares on issue		
At start of period	6,000,000	6,000,000
Director performance rights lapsed	(6,000,000)	-
Director performance rights issued	50,000,000	-
At end of period	50,000,000	6,000,000

In October 2015, the 6 million Performance Rights previously issued in November 2013 to the Company's Managing Director as part of his remuneration package lapsed and subsequently were cancelled.

In December 2015, 50 million 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

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

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.

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 2015 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

15 March 2016

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 2015, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and 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 of 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 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 2015 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 2015 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.



HLB Mann Judd
Chartered Accountants



L Di Giallonardo
Partner

Perth, Western Australia
15 March 2016