

RAM TO RAISE UP TO \$3 MILLION

ANNOUNCEMENT

11 JUNE 2012

- **Proposed Convertible Note issue of \$600,000**
- **Share Purchase Plan at \$0.002 (.02 cents) per share to raise up to \$2.4 million**

The Board of Ram Resources Limited ("Ram", ASX:RMR) is pleased to announce a proposed capital raising of up to \$3 Million via:

- A \$600,000 Convertible Note, to be drawn down at \$50,000 per month (the "Convertible Note"). The Convertible Note will be undertaken subject to shareholder approval at a general meeting to be convened in due course. Full terms and conditions are provided in Appendix A.
- A Share Purchase Plan of up to \$2.4 million to be offered to all eligible shareholders at \$0.002 (.02 cents) per share (the "**SPP**").

RM Corporate Finance has been appointed as Lead Manager and Corporate Advisor and has undertaken to place any shortfall from the SPP. As part consideration for these services, Ram will issue RM Corporate Finance 13.75 million shares at a deemed issue price of \$0.002, within 7 days. An Appendix 3B will be provided in due course.

It is proposed that the SPP will entitle eligible shareholders in the Company to purchase up to a maximum of \$15,000 worth of shares at \$0.002 per share (being 2.5 million shares), free of brokerage and commission ("Offer"), in \$5,000 parcels. A timetable will be announced to shareholders detailing the important dates of the SPP in due course.

Funds raised are to be used to continue to progress exploration activities at the Company's Motzfeldt Project in Greenland and for general working capital.

ENDS

APPENDIX A

Convertible Note – Terms and Conditions

Amount (A\$) Up to \$600,000

Interest Rate (%) 4%

Security Unsecured

Repayment Date (if not converted) 30th June 2014

If the Directors deem that the Company has insufficient capital to repay the note on the Repayment Date, or the repayment of the Note would potentially lead to an act of insolvency then the Directors, at their absolute discretion, have the right to convert the Note in part or whole, at the conversion price of 85% of *VWAP five days prior to the Repayment Date.

Drawdown \$50,000 per month to be advanced by 5.00pm on the first business day of each month, with the first tranche due within seven days of execution.

Converting At any time

Conversion Price (A\$) Lower of A\$0.002 or 85% five day*VWAP

*Volume weighted average share price