Results for announcement to the market

RAMELIUS RESOURCES LIMITED

Consolidated Entity

Appendix 4E
Directors Report
Annual Financial Report
30 June 2013

RAMELIUS RESOURCES LIMITED

APPENDIX 4E

Results for announcement to the market

Preliminary Final Report for the year ended 30 June 2013 (Rule 4.3A)

Previous corresponding period - 30 June 2012

Consolidated	30 June 2013	30 June 2012	Movement $	Movement %
Revenue from ordinary activities ($000's)	**135,591**	84,331	51,260	60.78
Net profit (loss) after tax ($000's)	**(50,792)**	2,339	(53,131)	(2,271.53)
Net profit (loss) after tax attributable to members ($000's)	**(50,792)**	2,339	(53,131)	(2,271.53)
Net asset backing per ordinary security ($)	**0.45**	0.60	(0.15)	(25.00)

There were no dividends or capital returns paid in the year ended 30 June 2013.

The directors do not propose to pay any dividend or capital return for the year ended 30 June 2013.

Review of operations - highlights

- Removal of significant overburden at Galaxy pits and achieved mill capacity at Mt Magnet
- Commencement of pre-strip mining activities at Western Queen South
- Strong balance sheet at 30 June 2013 with closing cash and cash equivalents of $33.8m
- At 30 June 2013 Ramelius held a 5.1% shareholding in Doray Minerals Limited which was subsequently sold for a gross consideration of $5.1m
- Statutory and Board approvals to mine Coogee gold project
- Agreement to acquire the Vivien gold deposit from Agnew Gold Mining Company, a subsidiary of Gold Fields Limited
- Appointment of Mike Bohm as Non-Executive Director in November 2012

RAMELIUS RESOURCES LIMITED

APPENDIX 4E

Key financial highlights

	12 months to 30 June 2013	12 months to 30 June 2012	Movement $
Performance			
Total sales revenue	**135,591**	84,331	51,260
Cost of sales	**(157,178)**	(56,879)	(100,299)
Gross profit (loss)	**(21,587)**	27,452	(49,039)
Net profit (loss) after tax (NPAT)	**(50,792)**	2,339	(53,131)
Basic EPS (cps)	**(15.1)**	0.73	(15.83)
Dilutive EPS (cps)	**(15.0)**	0.73	(15.73)
Cash flows			
Cash flow from operating activities	**41,292**	5,028	36,264

	As at 30 June 2013	As at 30 June 2012	Movement %
Financial position			
Net assets	**153,667**	203,020	(24.31)
Cash balance	**33,847**	48,764	(30.59)

The audited annual financial report follows.

RAMELIUS RESOURCES LIMITED

Consolidated Entity

Annual Financial Report
30 June 2013

Your directors present their report on the consolidated entity (referred to hereafter as the group) consisting of Ramelius Resources Limited and the entities it controlled at the end of, or during, the year ended 30 June 2013.

DIRECTORS

The directors of Ramelius Resources Limited (Ramelius or Company) at any time during the financial year and until the date of this report are set out below.

Details of directors' qualifications, experience and special responsibilities are as follows:

Robert Michael Kennedy *ASAIT, Grad. Dip (Systems Analysis), FCA, ACIS, Life Member AIM, FAICD*
Independent Non-Executive Chairman

Experience and expertise

Mr Kennedy has been the non-executive chairman of Ramelius Resources Limited since the Company was listed on ASX in March 2003 [1]. He is a Chartered Accountant and a consultant to Kennedy & Co, Chartered Accountants, a firm he founded. Mr Kennedy brings to the Board his expertise and extensive experience as chairman and non-executive director of a range of listed public companies in the resources sector.

He conducts the review of the Board including the Managing Director in his executive role. Mr Kennedy oversees the development of strategies for the development and future growth of the Company. Apart from his attendance at Board and Committee meetings Mr Kennedy also contributes to the Board's external engagement of the Company meeting with Government, investors and the media. He is a regular attendee of Audit Committee functions of the major accounting firms and is a regular presenter on topics relating to directors with the AICD and the CSA. In 2012 he attended the Masterclass of the Australian Institute of Directors with members of top ASX200 company boards.

Other current directorships

Mr Kennedy is a director of ASX listed companies Flinders Mines Limited (since 2001), Maximus Resources Limited (since 2004), Monax Mining Limited (since 2004), ERO Mining Limited (since 2006) and Marmota Energy Limited (since 2007). He was appointed the Chairman of the University of Adelaide's Institute of Minerals and Energy Resources in 2008.

Former directorships in the last 3 years

Mr Kennedy was former director of ASX listed companies Beach Energy Limited (1991 to 2012), Somerton Energy Limited (2010 to 2012), Adelaide Energy Limited (2011 to 2012) and Impress Energy Limited (2011 to 2012).

Responsibilities

Membership of the Audit Committee and the Nomination and Remuneration Committee.

1 From 1995 to the date of listing, Mr Kennedy was a director of the entity which was a dormant proprietary company.

Ian James Gordon *BCom, MAICD*
Managing Director

Experience and expertise

Mr Gordon joined Ramelius Resources Limited in June 2007 and was appointed an executive director on 18 October 2007. He has more than 20 years of experience in the resources industry in gold, diamonds and base metals. He has held management positions with Rio Tinto Exploration Pty Ltd, Gold Fields Australia Pty Ltd and Delta Gold Limited. He was a director of ASX listed company, Glengarry Resources Limited (2004 to 2005). Mr Gordon's contribution to the Board is his broad experience in gold exploration and mining operations in Australia and knowledge of industry issues directed towards expanding and strengthening the future growth of Ramelius.

Other current directorships

None.

Former directorships in the last 3 years

None.

Responsibilities

Chief Executive Officer.

Kevin James Lines *BSc (Geology), MAusIMM*
Independent Non-Executive Director

Experience and expertise
Mr Lines joined Ramelius Resources Limited as a non-executive director on 9 April 2008. He has over 30 years of experience in mineral exploration and mining for gold, copper, lead, zinc and tin. He has held senior geological management positions with Newmont Australia Limited, Normandy Mining Limited and the CRA group of companies. He was the foundation Chief Geologist at Kalgoorlie Consolidated Gold Mines where he led the team that developed the ore-body models and geological systems for the Super-Pit Operations in Kalgoorlie, managed the Eastern Australian Exploration Division of Newmont Australia Limited that included responsibility for the expansive tenement holdings of the Tanami region. The contribution of Mr Lines to the Board is his extensive experience in the assessment and evaluation of exploration projects and development of properties and mining operations overseas.

Other current directorships
None.

Former directorships in the last 3 years
Mr Lines was former director of ASX listed companies ERO Mining Limited (2006 to 2011) and Flinders Mines Limited (2008 to 2009).

Responsibilities
Chairman of the Audit Committee.

Michael Andrew Bohm B.AppSc (Mining Eng.), MAusIMM (appointed 29 November 2012)
Independent Non-Executive Director

Experience and expertise
Mr Bohm is an experienced mining professional with extensive corporate and operational management experience in the minerals industry in Australia, South East Asia, Africa, Chile, Canada and Europe. He is a graduate of the WA School of Mines and has worked as a mining engineer, mine manager, study manager, project manager, project director and Managing Director. He has been directly involved in a number of project developments in the gold, base metals and diamond sectors in both open pit and underground mining environments.

Other current directorships
Mr Bohm is a director of ASX-TSX listed company, Perseus Mining Limited (since 2009) and is also a current director of Herencia Resources PLC (since 2006).

Former directorships in the last 3 years
None.

Responsibilities
Chairman of the Nomination and Remuneration Committee.

DIRECTORS' MEETINGS

The number of directors' meetings (including meetings of Committees of directors) and number of meetings attended by each of the directors of Ramelius during the financial year are:

Director	Board of directors		Audit committee		Nomination and remuneration committee	
	A	B	A	C	A	C
Mr Robert Michael Kennedy	12	12	4	4	3	3
Mr Ian James Gordon	12	12	-	-	-	-
Mr Kevin James Lines	12	12	4	4	3	3
Mr Michael Andrew Bohm	8	8	2	2	1	1

A Number of meetings attended
B Number of meetings held whilst a director
C Number of meetings held whilst a member

The due diligence committee did not meet during the financial year.

DIRECTORS' INTERESTS

At the date of this report, the interest of each director in shares and rights of Ramelius Resources Limited are:

Director	Number of ordinary shares	Nature of interest	Rights over ordinary shares	Nature of interest
Mr R M Kennedy	8,000,000	Indirect	-	N/A
Mr I J Gordon	796,021	Direct and indirect	500,000	Direct
Mr K J Lines	-	N/A	-	N/A
Mr M A Bohm	100,000	Indirect	-	N/A

COMPANY SECRETARY

Domenico Antonio Francese *BEc., FCA, FFin, ACSA, ACIS*

Experience and expertise

Appointed Company Secretary on 21 September 2001. Mr Francese is a Chartered Accountant with an audit and investigations background and more than 12 years experience in a regulatory and supervisory role with the ASX.

Responsibilities

Chief Financial Officer

PRINCIPAL ACTIVITIES

The principal activities of the group during the year included exploration, mine development, mine operations, the sale of gold and milling services. There were no significant changes in those activities during the year.

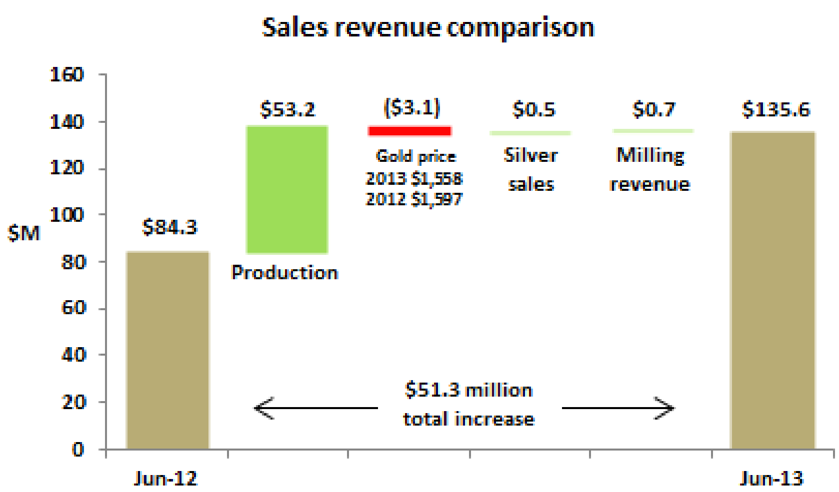
REVIEW AND RESULTS OF OPERATIONS

FINANCIAL

Sales revenue for the year ended 30 June 2013 increased by 61% to $135.6 million compared to $84.3 million reported in the previous corresponding period, mainly due to:

- higher production sales, up 64% to 86,284 ounces sold compared to 52,650 ounces sold
- greater milling revenue, up 200% to $0.9million compared to $0.3 million

The increase in sales revenue was $51.3 million consisting of gold sales that increased by $50.1 million primarily due to increased production, greater milling revenue and silver sales offset in part by lower average realised gold prices (down 2.5% from A$1,597 to A$1,558).



Gross profit (loss)
Gross loss for the year ended 30 June 2013 was $21.6 million, down from the previous corresponding period gross profit of $27.5 million as follows.

Gross profit (loss)		Jun-13	Jun-12	Movement
Sales revenue	$M	**135.6**	84.3	51.3
Cash cost of production	$M	**(99.1)**	(69.1)	(30.0)
Cash effect	**$M**	**36.5**	**15.2**	**21.3**
Amortisation and depreciation	$M	**(32.3)**	(11.1)	(21.2)
Inventory movements and write-downs	$M	**(25.8)**	23.4	(49.2)
Gross profit (loss)	**$M**	**(21.6)**	**27.5**	**(49.1)**

Profit (loss)
A loss after income tax was recorded for the year ended 30 June 2013 of $53.0 million, compared to a profit of $2.3 million in the previous corresponding period, mainly attributable to the following non-cash write-downs:

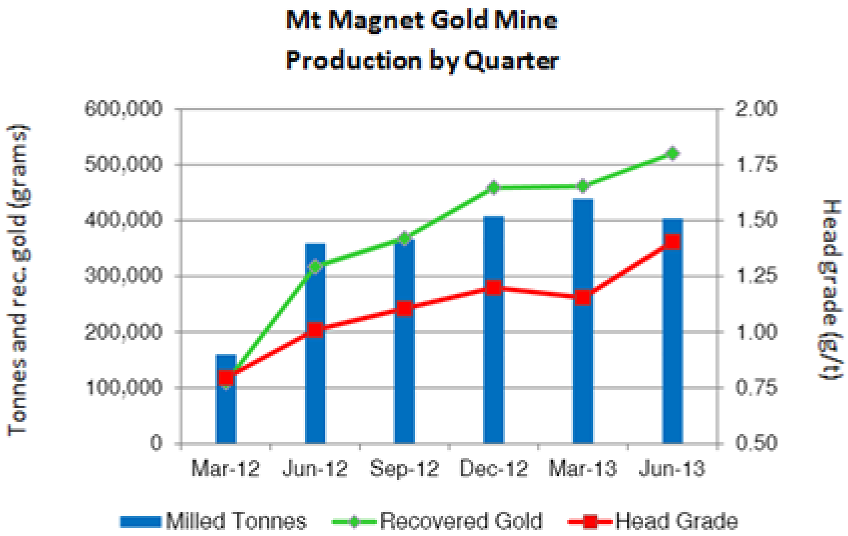
- Impairment of Wattle Dam development assets of $2.3 million (2012: $14.5 million)
- Impairment of Mt Magnet development assets of $20.3 million (2012: nil)
- Impairment of exploration assets of $14.8 million (2012: $2.6 million)
- Share based payments of $1.8 million (2012: $1.5 million)
- Write-down of inventory to lower of cost and net realisable value $21.3 million (2012: $5.3 million)
- Write-down of available-for-sale investments of $3.1 million (2012: nil)

Underlying profit (loss)
By adjusting reported profit (loss) after income tax for the year ended 30 June 2013 to exclude impairment, unrealised and non-recurring items, as shown below, the underlying loss after income tax for the consolidated entity is $7.5 million. This is a decrease on the previous corresponding period, driven predominantly by a fall in the gold price and increased production related expenditure and investment during the current reporting period in ramping up the Mt Magnet project to full production.

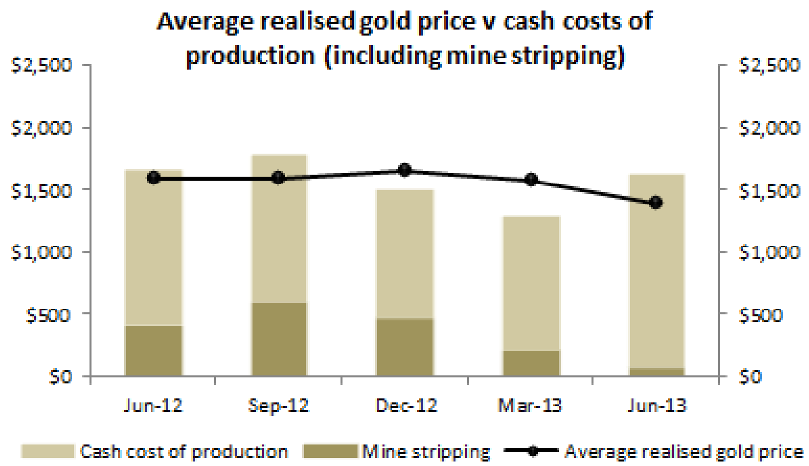
Comparison of underlying profit (loss)		Jun-13	Jun-12	Movement
Net profit (loss) after tax	**$M**	**(50.8)**	**2.3**	**(53.1)**
Adjusted for:				
Mark-to-market of investments	$M	**3.1**	-	3.1
Inventory write-downs	$M	**21.3**	5.3	16.0
Impairment of assets	$M	**37.4**	17.1	20.3
Tax effect	$M	**(18.5)**	(6.7)	(11.8)
Underlying net profit (loss) after tax	**$M**	**(7.5)**	**18.0**	**(25.5)**

MINING OPERATIONS

Mt Magnet Galaxy - Western Australia
Mining at Mt Magnet continued during the reporting period with significant progress made in the cutback of the Galaxy Pits resulting in a steady increase in production and a declining trend in the level of investment in stripping activities. An increase in head grade and recovered gold was achieved from a total of 1,616,343 tonnes of ore milled during the year. Good progress was also made at Mt Magnet since milling commenced in early 2012 with the highest grade achieved in the June 2013 quarter.



Fine gold production for the financial year at Mt Magnet totalled 58,370 ounces and in that period, group cash cost of production (inclusive of mine stripping costs) decreased from $1,781 to $1,621 per ounce. The group cash cost of production for the financial year was below the average realised gold price other than quarters where planned maintenance shutdowns occurred.



Improved ore grade has been achieved from increasing access to, and available tonnage of, high grade mineralisation as the cutback deepens, combined with improved grade control selectivity. Mining of the Saturn pit has now been prioritised. Saturn mining has now reached a level where the strip ratio drops dramatically and more continuous zones of banded iron formation and breccia hosted mineralisation are being exposed in the Saturn south and Saturn west areas respectively. Increased high-grade ore availability now also means high-grade ROM stocks are available to buffer variable ore production and allow for continuous milling of high-grade material.

A process of pit redesign has been completed to adjust for the recent drop in the gold price. The Galaxy pits are large scale open-pits where enhancements due to better understanding of ore location, ground conditions and mining options using various ramp widths and gradients, and equipment sizes can be evaluated and designs compared.

Western Queen South - Western Australia

In September 2012 Ramelius announced a new mining project to be developed at Western Queen South. The Western Queen South project is located 90km north-west of Mt Magnet. A mining proposal and project management plan was lodged with the Western Australian government and approval to commence mining was granted in mid-January 2013. All mining equipment, infrastructure and manning levels requirements for the project were completed early in the June 2013 quarter. A total of 567,921 bcm of waste has been mined in the 2012/13 financial year. The initial 10-15m of lateritic cover material contained several hard caprock layers, giving inconsistent waste rock characteristics for blasting and mining. These however, have all been removed and mining rates have improved in softer oxide waste. Dewatering of the existing Harmony pit has also been effectively achieved.

Ore from the Western Queen South pit cutback mining operation will be hauled to Mt Magnet for processing at the Checkers Mill which is expected to produce an additional 23,000 ounces of gold and increase total production at Mt Magnet to 90,000 ounces in the 2013/14 financial year.

Ore mining is scheduled to commence in the third quarter of 2013, with first ore milling scheduled for September 2013.

Coogee - Western Australia
The Coogee mining proposal was approved during the June 2013 quarter and further works were completed including tendering and award of the open-pit mining contract were completed. Ramelius has commenced site clearing and access road works and expects to commence mining in the September 2013 quarter. The Coogee project is expected to produce 17,500 ounces of gold in the 2013/14 financial year.

Wattle Dam - Western Australia
Underground mining at Wattle Dam continued during the reporting period producing 20,128oz of fine gold. Final ore was extracted in October 2012. The mine site was subsequently decommissioned and the area rehabilitated to a best practice standard during November and December 2012. Certain infrastructure was transported to Mt Magnet for use at the Western Queen South project and other underground assets placed in storage for future potential underground mining projects.

Burbanks - Western Australia
Milling activities in the period included Wattle Dam ore, third party purchased ore and toll treating. Third party acquired ore produced 1,122oz of fine gold in the reporting period. Ore from the Coogee mining operation will be hauled for processing at the Burbanks Mill in the 2013/14 financial year.

EXPLORATION

Exploration in the year was primarily focused at Mt Magnet in Western Australia and Mt Windsor in North Queensland.

St George and Water Tank Hill - Western Australia
RC and diamond drilling at Mt Magnet yielded significant intersections at Water Tank Hill where drilling was focused on a plunge projection of the high grade shoot below the existing pit. A mining study was completed for the St George and Water Tank Hill projects during the June 2013 quarter which shows a $16 million profit at a gold price of $1,500. The company will review its options for developing the project if the gold price returns to these levels for a sustained period.

Saturn Deeps - Western Australia
Four deep RC holes targeting the deeper Saturn resource area were completed during the year. This exploratory drilling targets deeper resources beneath the Saturn pit which may be viable as a bulk low grade underground operation. Further drilling to the north is planned.

Mt Windsor - Queensland
Ramelius has elected to withdraw from the Mt Windsor Farm-in and Joint Venture Agreement following disappointing gold exploration drill results.

Angel Wing - Nevada
Two phases of RC drilling were completed at Angel Wing in Nevada USA during the September 2012 quarter before the field season in the northern hemisphere came to a close. Deeper RC drilling is intended to test for high grade feeder structures below the Grass Hollow anomaly. Drilling is scheduled to commence in the September 2013 quarter.

Other - Western Australia
Formal agreements were signed during the year for the purchase of the Vivien gold project. Ramelius is continuing to work with Gold Fields to complete the Vivien acquisition in WA and is currently negotiating the timing of settlement.

CORPORATE

Mr Mike Bohm was elected as a director on 29 November 2012. Mr Bohm is a mining engineer with extensive experience in a range of mines and commodities.

In October 2012 Ramelius acquired additional shares in Doray Minerals Limited (ASX: DRM) under a rights issue at $0.75 per share and at 30 June 2013, held a 5.1% interest in the entity valued at $2.9 million.

At 30 June 2013 Ramelius held put options over 42,000oz of gold at strike prices ranging from A$1,200 and A$1,350 per ounce with expiry dates through to the end of December 2013. The put options enable Ramelius to retain full exposure to the current and any future rise in the gold price while providing protection against a fall in the gold price below the strike price.

DIVIDENDS

Ramelius has not paid, declared or recommended a dividend since the end of the preceding year.

STATE OF AFFAIRS

There were no significant changes in the state of affairs of the group that occurred during the financial year not otherwise disclosed in this report or the consolidated financial statements.

SUBSEQUENT EVENTS

The following events occurred since 30 June 2013.

Ramelius agreed to enter into a conditional sale agreement with ERO Mining Limited (“ERO”) to sell 100% of Ramelius’ right, title and interest in the Spargoville Gold Project; including the abandoned Wattle Dam gold mine for the issue of 133,333,334 fully paid ordinary ERO shares to Ramelius equivalent to $400,000.

The Department of Mines and Petroleum in WA has retired as the holder of unconditional bank guarantees in respect of restoration and rehabilitation costs. The total value of the funds released to Ramelius is $7,954,390.

Ramelius sold its entire interest in Doray Minerals Limited for a gross consideration of $5,141,564.

Apart from the above, no other matter or circumstance has arisen since 30 June 2013 that has significantly affected, or may significantly affect:

(a) The group’s operations in future financial years,
(b) The results of operations in future financial years, or
(c) The group’s state of affairs in future financial years.

FUTURE DEVELOPMENTS

Further information on likely developments in the operations of the group and expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the group.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The operations of the group in Australia are subject to significant environmental regulations under both Commonwealth and State legislation in relation to discharge of hazardous waste and materials arising from any mining activities and development conducted by the group on any of its tenements. In respect of the group’s mine development, licences and permits exist to carry out these activities and the group has provided unconditional performance bonds to the regulatory authorities to provide for any future rehabilitation requirements. In respect of processing plants, the group has all the necessary licences and permits to operate the facilities and has provided unconditional performance bonds to the regulatory authorities to provide for any future rehabilitation requirements. The group’s operations have been subjected to environmental audits both internally and by the various regulatory authorities and there have been no known breaches of any environmental obligations at any of the group’s operations.

Greenhouse gas and energy data reporting requirements
The group is subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007.

The Energy Efficiency Opportunities Act 2006 requires the group to assess its energy usage, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the group intends to take as a result. The group continues to meet its obligations under this Act.

The National Greenhouse and Energy Reporting Act 2007 requires the group to report its annual greenhouse gas emissions and energy use. The group has implemented systems and processes for the collection and calculation of the data required and submitted its 2011/12 report to the National Greenhouse and Energy Reporting Scheme Data Officer in October 2012.

SHARES RIGHTS

Unissued ordinary shares of Ramelius under right at the date of this report are as follows:

Effective date share rights granted	Expiry date	Issue price of rights	Number of ordinary shares under right
26 November 2010*	26 November 2013	Nil	940,000
28 March 2011	28 March 2014	Nil	70,000
1 May 2011*	1 May 2014	Nil	100,000
18 July 2011	18 July 2014	Nil	140,000
25 July 2011	25 July 2014	Nil	140,000
22 August 2011	22 August 2014	Nil	140,000
1 March 2012*	1 March 2015	Nil	300,000
1 April 2012	1 April 2015	Nil	140,000
9 July 2012	9 July 2015	Nil	210,000
15 April 2013	15 April 2016	Nil	210,000

The share right does not entitle the holder to participate in any other share issues of the company or any other entity. There were no other unissued ordinary shares of Ramelius under right or option at the date of this report.

* Included in these share rights were rights granted as remuneration to the managing director and the five most highly remunerated officers during the year. Details of rights granted to key management personnel are disclosed in the Remuneration Report.

SHARES ISSUED ON THE EXERCISE OF RIGHTS

The following ordinary shares of Ramelius were issued during the financial year ended 30 June 2013 as a result of the exercise of rights due to the satisfaction of vesting conditions. No amounts are unpaid on any of the shares.

Effective date share rights granted	Expiry date	Issue price of rights	Number of ordinary shares issued
26 November 2010	26 November 2013	Nil	1,040,000
28 March 2011	28 March 2014	Nil	140,000
1 May 2011	1 May 2014	Nil	100,000
18 July 2011	18 July 2014	Nil	70,000
25 July 2011	25 July 2014	Nil	70,000
15 August 2011	15 August 2014	Nil	70,000
22 August 2011	22 August 2014	Nil	70,000
1 March 2012	1 March 2015	Nil	150,000
1 April 2012	1 April 2015	Nil	70,000
9 July 2012	9 July 2015	Nil	-
15 April 2013	15 April 2016	Nil	-

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Indemnification

Ramelius is required to indemnify its directors and officers against any liabilities incurred by the directors and officers that may arise from their position as directors and officers of Ramelius and its controlled entities. No costs were incurred during the year pursuant to this indemnity.

Ramelius has entered into deeds of indemnity with each director whereby, to the extent permitted by the Corporations Act 2001, Ramelius agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

Insurance premiums

Since the end of the previous year Ramelius has paid insurance premiums in respect of directors' and officers' liability and legal expenses insurance contracts. The terms of the policies prohibit disclosure of details of the amount of the insurance cover, the nature thereof and the premium paid.

PROCEEDINGS ON BEHALF OF RAMELIUS

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of Ramelius or to intervene in any proceedings to which Ramelius is a party, for the purpose of taking responsibility on behalf of Ramelius for all or part of those proceedings. There were no such proceedings brought or interventions on behalf of Ramelius with leave from the Court under section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or the group are important.

Details of the amounts paid or payable to the auditor (Grant Thornton) for audit and non-audit services provided during the year are set out below.

The board of directors has considered the position, and in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2013	2012
	$000's	$000's
Taxation services		
Tax compliance	**18**	-
Total remuneration for taxation services	**18**	-

AUDITOR INDEPENDENCE

A copy of the auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is attached.

REMUNERATION REPORT

The directors are pleased to present your company's remuneration report which sets out remuneration information for Ramelius' non-executive directors, executive directors and other key management personnel. This remuneration report forms part of the directors' report. It outlines the overall remuneration strategy, framework and practices adopted by Ramelius and its controlled entities for the period 1 July 2012 to 30 June 2013. The remuneration report has been prepared in accordance with Section 300A of the Corporations Act 2001 and its regulations and is designated as audited.

In accordance with the Corporations Act 2001, remuneration details are disclosed for the group's key management personnel. Ramelius' remuneration report:

- Details Board policies for determining remuneration of key management personnel,
- Specifies the relationship between remuneration policies and performance, and
- Identifies remuneration particulars for key management personnel.

1. Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling major activities of the group, directly and indirectly, being the Ramelius directors and senior executives. Directors and senior executives disclosed in this report are as follows:

Names	Position
Directors of Ramelius	
Mr R M Kennedy	Independent non-executive chairman
Mr I J Gordon	Managing director and chief executive officer
Mr K J Lines	Independent non-executive director
Mr M A Bohm [1]	Independent non-executive director
Mr R G Nelson [2]	Independent non-executive director
Other senior executives	
Mr D A Francese	Company secretary and chief financial officer
Mr M W Zeptner	Chief operating officer
Mr K M Seymour	General manager - exploration & business development
Mr M C Casey	General manager - Mt Magnet gold project

1 Mr M A Bohm was appointed Non-Executive Director on 29 November 2012.
2 Mr R G Nelson resigned from the position of Non-Executive Director on 1 August 2012.

There were no changes in directors or senior executives since the end of the reporting period.

2. Remuneration governance

The Nomination and Remuneration Committee is a committee of the Board. It is primarily responsible for making recommendations to the Board on:

- Non-executive director fees,
- Executive remuneration (directors and senior executives), and
- The executive remuneration framework and incentive plan policies.

The objective of the Nomination and Remuneration Committee is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company. In performing its functions, the Nomination and Remuneration Committee may seek advice from independent remuneration consultants. No independent remuneration consultants were utilised during the financial year.

3. Executive remuneration policy and framework

Ramelius aims to attract, motivate and retain a skilled executive team focused on contributing to Ramelius' objective of creating wealth and adding value for its shareholders. Ramelius' remuneration structure is formed on this basis.

The remuneration structure is based on a number of factors including the particular experience and performance of the individual in meeting key objectives of Ramelius.

The objective of Ramelius' senior executive remuneration framework includes incentives that seek to encourage alignment of management performance and shareholder interests. The framework aligns senior executive rewards with strategic objectives and the creation of value for shareholders, and conforms to market practices for delivery of rewards.

In determining senior executive remuneration, the Board aims to ensure that remuneration practices are:
- Competitive and reasonable, enabling the company to attract and retain key talent,
- Aligned to the company's strategic and business objectives and the creation of shareholder value,
- Acceptable to shareholders, and
- Transparent.

The senior executive remuneration framework is structured to ensure market competitiveness and is complementary to the reward strategy of the organisation. The remuneration of senior executives is:
- Benchmarked from time to time against similar organisations both within the industry and of comparable market size to ensure uniformity with market practices,
- A reflection of individual roles, levels of seniority and responsibility that key personnel hold,
- Structured to take account of prevailing economic conditions, and
- A mix of fixed remuneration and at risk performance based elements using short and long-term incentives.

The executive remuneration framework has three components:
- Base pay and benefits, including superannuation,
- Short-term performance incentives, and
- Long-term incentives through participation in Ramelius' Employee Share Acquisition Plan, Performance Rights Plan and as approved by the Board.

The combination of these comprises a senior executive's total remuneration package. Incentive plans are regularly reviewed to ensure continued alignment with financial and strategic objectives.

3.1 Executive remuneration mix

To ensure that senior executive remuneration is aligned to company performance, a significant portion of the senior executives' target pay is "at risk".

3.2 Base pay and benefits

Senior executives are offered a competitive base pay that comprises the fixed component of pay and rewards. When required, external remuneration consultants are utilised to provide analysis and advice to ensure base pay reflects the market for a comparable role.

Base pay for senior executives is reviewed annually in order to ensure pay remains competitive with the market. A senior executive's pay is also reviewed on promotion. Other than CPI, there are no guaranteed base pay increases included in any senior executive contracts.

The Managing Director and senior executives may elect to salary sacrifice part of their fixed remuneration for additional superannuation contributions and other benefits.

3.3 Short-term performance incentives

Short-term incentives (STI) are provided to certain executives under the direction of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee may recommend to the Board the payment of cash bonuses from time to time in order to reward individual executive performance in achieving key objectives. To assist in this assessment, the Nomination and Remuneration Committee receives recommendations from the Managing Director. This may result in the proportion of remuneration related to performance varying between individuals.

STI's are established to encourage the achievement of specific goals that may have been given high levels of importance in relation to growth and profitability of Ramelius.

3.4 Long-term incentives
Long-term incentives (LTI) are provided via the Ramelius Performance Rights Plan, Employee Share Acquisition Plan and as approved by the Board. The LTI's are designed to focus senior executives on delivering long-term shareholder returns.

Performance Rights Plan
The Performance Rights Plan enables the Board to grant performance rights (being entitlements to shares in Ramelius subject to satisfaction of vesting conditions) to selected key senior executives as a long-term incentive as determined by the Board in accordance with the terms and conditions of the plan.

The plan provides selected senior executives the opportunity to participate in the equity of Ramelius through the issue of rights as a long-term incentive that is aligned to the long-term interests of shareholders.

Employee Share Acquisition Plan
The Employee Share Acquisition Plan enables the Board to offer eligible employees ordinary fully paid shares in Ramelius as a long-term incentive, in accordance with the terms of the plan. Shares may be offered at no consideration unless the Board determines that market value or some other value is appropriate.

Other long-term incentives
The Board may at its discretion provide share rights as a long-term retention incentive to key executives and employees.

3.5 Share trading policy
The trading of shares is subject to, and conditional upon, compliance with the company's employee share trading policy. The policy is enforced through a system that includes a requirement that senior executive's confirm compliance with the policy and provide confirmation of dealings in Ramelius securities.

The ability for a senior executive to deal with an option or a right is to be restricted by the terms of issue and the plan rules which do not allow dealings in any unvested security. Ramelius' Share Trading Policy specifically prohibits an executive from entering into transactions that limit the economic risk of participating in unvested entitlements such as equity based remuneration schemes.

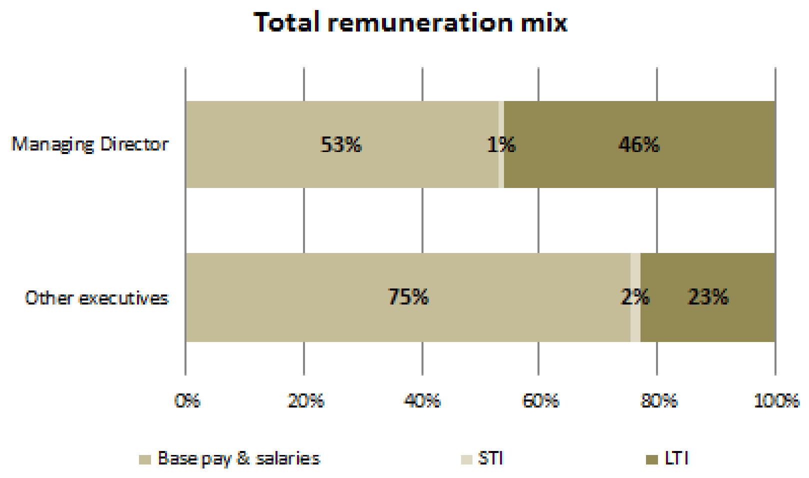
The Share Trading Policy can be viewed on Ramelius' website.

4. Relationship between executive remuneration and Ramelius' performance
The following table shows key performance indicators for the group over the last five years:

	2013	2012	2011	2010	2009
Net profit (loss) after tax ($000)	**(50,792)**	2,339	62,401	20,199	4,973
Dividend / capital return ($000)	**-**	-	20,395	-	-
Share price 30 June ($)	**0.11**	0.49	1.28	0.45	0.50
Basic earnings per share (cents)	**(15.1)**	0.7	21.4	7.5	2.6
Diluted earnings per share (cents)	**(15.0)**	0.7	21.2	7.5	2.6

The total remuneration mix for the Managing Director and other senior executives and the key links between remuneration and Ramelius' performance is detailed and explained according to each type of remuneration referred to in the total remuneration mix below.

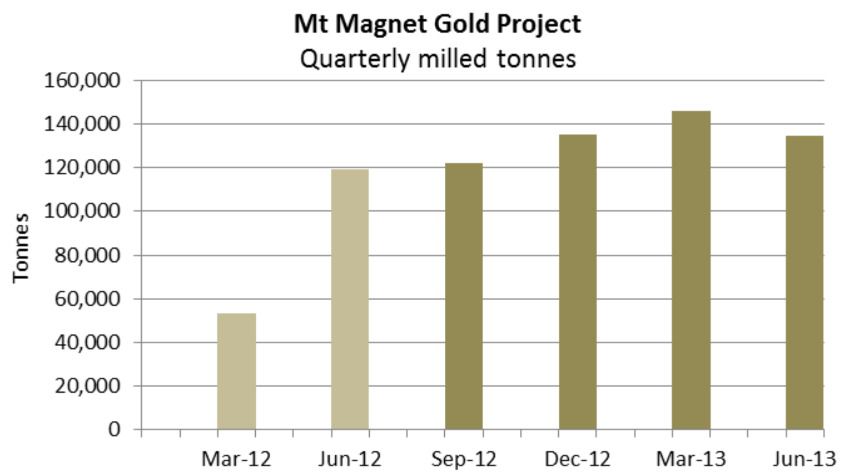
The first graph illustrates the total remuneration mix for senior executives shown separately for the Managing Director and other executives.



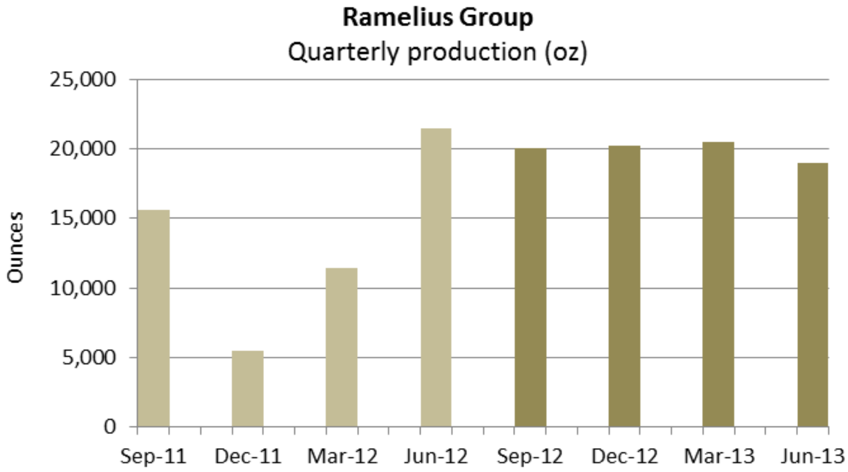
Base pay and salaries
Base pay and salary levels have remained reasonably consistent with the remuneration mix in the prior year. Base pay and salary levels are established in accordance with section 3.2 above.

Short term incentives
The graphs below illustrate the link between Ramelius' operational achievements and short term incentives paid to employees in the financial year. Operational achievements epitomise the accomplishment of key milestones including the establishment of the Mt Magnet project into full scale production ensuring appropriate processing capacity and the return of consistent quarterly production levels in line with budget in the 2012/13 financial year.

The following graph illustrates the company's achievement in bringing the Mt Magnet project into full production and achieving processing capacity at the Checkers Mill in the December 2012 quarter.



The following graph illustrates the company's achievement in returning the company to regular production levels in line with expectations in the 2012/13 financial year.



Long term incentives

The link between Ramelius' key management personnel turnover rates and long term incentives illustrates the effectiveness of the long term incentives as all key management personnel disclosed in the current or prior year financial statements have been retained. Staff retention is a key measure resulting in internal efficiencies, knowledge retention and cost savings.

5. Non-executive directors remuneration policy

Non-executive director fees are determined using the following guidelines. Fees are:

- Determined by the nature of the role, responsibility and time commitment necessary to perform required duties,
- Not performance or incentive based but are fixed amounts, and
- Determined by the desire to attract a well-balanced group of individuals with pertinent knowledge and experience.

In accordance with Ramelius' Constitution, the total amount of remuneration of non-executive directors is within the aggregate limit of $550,000 per annum as approved by shareholders at the 2010 Annual General Meeting. Non-executive directors may apportion any amount up to this maximum level amongst the non-executive directors as determined by the Board. Remuneration consists of non-executive director fees, committee fees and superannuation contributions. Non-executive directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as directors.

Non-executive directors do not participate in any performance based pay including schemes designed for the remuneration of senior executives, share rights or bonus payments and are not provided with retirement benefits other than salary sacrifice and superannuation.

6. Voting and comments made at the company's 2012 Annual General Meeting

Of the total valid available votes lodged, Ramelius received 85% of "yes" votes on its remuneration report for the 2012 financial year. The company did not receive any specific feedback at the AGM on its remuneration practices.

7. Details of remuneration

Details of remuneration fees paid to non-executive directors are set out below.

Non-executive directors	Directors fees $000	Super contributions $000	Total $000
Mr R M Kennedy			
2013	**156**	**14**	**170**
2012	154	14	168
Mr K J Lines			
2013	**77**	**8**	**85**
2012	77	7	84
Mr M A Bohm [1]			
2013	**45**	**5**	**50**
2012	-	-	-
Mr R G Nelson [2]			
2013	**6**	**1**	**7**
2012	77	7	84
Total			
2013	**284**	**28**	**312**
2012	308	28	336

1 Mr M A Bohm was appointed Non-Executive Director on 29 November 2012.
2 Mr R G Nelson resigned from the position of Non-Executive Director on 1 August 2012.

Details of the remuneration package by value and by component for executive directors and other senior executives in the reporting period and previous period are set out below:

Executive director and senior executives	Short-term benefits		Post-employment benefits		Long-term benefits	Share-based payments	
	Salary & leave $000	STI cash bonus $000	Super $000	Other $000	Long service leave $000	LTI rights [1] $000	Total $000
Mr I J Gordon							
2013	**470**	**11**	**24**	**-**	**4**	**435**	**944**
2012	426	-	38	-	31	435	930
Mr D A Francese							
2013	**315**	**7**	**16**	**-**	**9**	**87**	**434**
2012	264	-	47	-	13	87	411
Mr M W Zeptner [2]							
2013	**394**	**9**	**20**	**-**	**1**	**140**	**564**
2012	125	-	11	-	-	47	183
Mr K M Seymour							
2013	**260**	**6**	**27**	**-**	**12**	**87**	**392**
2012	227	-	20	-	9	87	343
Mr M C Casey							
2013	**315**	**8**	**32**	**-**	**4**	**112**	**471**
2012	300	-	27	-	1	131	459

1 LTI rights relate to rights over ordinary shares issued to key management personnel. The fair value of rights granted shown above is non-cash and was determined in accordance with applicable accounting standards and represents the fair value calculated at the time rights were granted and not when shares were issued.
2 Mr M Zeptner commenced employment as COO on 1 March 2012.

The relative proportions of remuneration that are 'at risk' and those that are fixed are as follows:

Executive director and senior executives	Fixed remuneration	At risk - short term incentive (STI)	At risk - long term incentive (LTI) [1]
Mr I J Gordon			
2013	**52.7%**	**1.2%**	**46.1%**
2012	53.2%	-	46.8%
Mr D A Francese			
2013	**78.3%**	**1.6%**	**20.1%**
2012	78.8%	-	21.2%
Mr M W Zeptner			
2013	**73.6%**	**1.6%**	**24.8%**
2012	74.3%	-	25.7%
Mr K M Seymour			
2013	**76.3%**	**1.5%**	**22.2%**
2012	74.6%	-	25.4%
Mr M C Casey			
2013	**74.5%**	**1.7%**	**23.8%**
2012	71.5%	-	28.5%

1 Since the LTI's are provided exclusively by way of right, the percentages disclosed also reflect the value of remuneration consisting of rights, based on the value of rights expensed in the year.

8. Service agreements

Remuneration and other terms of employment for senior executives are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in short term and long term incentives are at the discretion of the Board. Other major provisions of the agreements relating to remuneration are set out below. Contracts with executives may be terminated early by either party as detailed below.

Name and position	Term of agreement	Base salary including super [1]	Company / employee notice period	Termination benefit [2]
Mr I J Gordon Managing director and chief executive officer	On-going commencing 1 Mar 2013	$492,570	6 / 3 months	12 months base salary
Mr D A Francese Company secretary and chief financial officer	On-going commencing 31 Dec 2008	$329,541	6 / 3 months	6 months base salary [3]
Mr M W Zeptner Chief operating officer	On-going commencing 1 Mar 2012	$412,500	6 / 3 months	6 months base salary
Mr K M Seymour General manager - Business development and exploration	On-going commencing 1 July 2009	$286,000	3 / 3 months	3 months base salary
Mr M C Casey General manager - Mt Magnet gold project	On-going commencing 1 May 2011	$346,500	6 / 2 months	6 months base salary

1 Base salaries quoted are for the year ended 30 June 2013, they are reviewed annually by the Nomination and Remuneration Committee.
2 Termination benefits are payable on early termination by the company, other than for gross misconduct, unless otherwise indicated.
3 In certain circumstances the termination benefit may be 12 months base salary.

9. Details of share-based compensation and bonuses

For each cash bonus and grant of right to deferred shares included in the remuneration tables above, the percentage of available bonus or grant that was paid, or that vested, in the financial year, and the percentage forfeited because the person did not meet the service and performance criteria is set out below. The minimum value of the rights yet to vest is nil, as the rights will be forfeited if the key management persons fail to satisfy the vesting conditions. The maximum value of the rights yet to vest has been determined as the amount of the grant date fair value of the rights that is yet to be expensed.

9.1 Cash bonuses

Details of cash bonuses paid to key management personnel of the group are set out in Section 7 above. Cash bonuses are paid at the discretion of the Board on achievement of key milestones that are important for the company. The cash bonuses were paid as a short term incentive in December 2012 for reasons set out in Section 4 above. No cash bonuses have since been paid or recommended.

9.2 Rights to deferred shares

Details of rights over ordinary shares in Ramelius provided as remuneration are set out below.

Executive director and senior executives	Rights to deferred shares							
	Financial year granted	Number granted	Value per share [1]	Vested %	Vested number	Forfeited %	Financial year in which shares may vest [2]	Fair value in financial year in which shares may vest [1]
Mr I J Gordon								
	2014	-	-	33.33%	500,000	-	2014	176,079
	2013	-	-	33.33%	500,000	-	2013	434,250
	2012	-	-	33.33%	500,000	-	2012	434,250
	2011	1,500,000	$0.869	-	-	-	-	258,171
Mr D A Francese								
	2014	-	-	33.33%	100,000	-	2014	35,216
	2013	-	-	33.33%	100,000	-	2013	86,850
	2012	-	-	33.33%	100,000	-	2012	86,850
	2011	300,000	$0.869	-	-	-	-	51,634
Mr M Zeptner								
	2015	-	-	33.33%	150,000	-	2015	93,771
	2014	-	-	33.33%	150,000	-	2014	140,272
	2013	-	-	33.33%	150,000	-	2013	140,272
	2012	450,000	$0.936	-	-	-	-	46,885
Mr K M Seymour								
	2014	-	-	33.33%	100,000	-	2014	35,216
	2013	-	-	33.33%	100,000	-	2013	86,850
	2012	-	-	33.33%	100,000	-	2012	86,850
	2011	300,000	$0.869	-	-	-	-	51,634
Mr M C Casey								
	2015	-	-	33.33%	100,000	-	2015	93,614
	2014	-	-	33.33%	100,000	-	2014	112,398
	2013	-	-	33.33%	100,000	-	2013	131,488
	2012	300,000	$1.13	-	-	-	-	-

1 The fair value of rights granted as remuneration shown above was determined in accordance with applicable accounting standards.
2 Rights first become exercisable, subject to satisfaction of vesting at each anniversary date. Rights vest evenly over three years at each anniversary of the effective grant date.

Rights granted carry no dividend or voting right. When vested, each right is convertible into one ordinary share.

The assessed fair value at effective grant date of share rights granted to the individuals is allocated equally over the period from effective grant date to vesting date, and the amount is included in the remuneration tables above. The fair value of share rights is determined using the market price of the underlying shares at the date the rights were granted and assumes that all holders continue to be employees of the group until the end of the vesting period. The risk that this vesting condition is not met is 10%.

9.3 Interests in shares and options of key management personnel
Relevant interests in Ramelius shares and options of key management personnel are disclosed in Note 28 to the Financial Statements.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investment Commission, relating to 'rounding off' of amounts in the directors report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order, or in certain cases, to the nearest dollar.

The directors report, incorporating the remuneration report is signed in accordance with a resolution of the Board of directors.

Robert Michael Kennedy
Chairman
Adelaide 22 August 2013

Level 1,
67 Greenhill Rd
Wayville SA 5034
GPO Box 1270
Adelaide SA 5001
T 61 8 8372 6666
F 61 8 8372 6677
E info.sa@au.gt.com
W www.grantthornton.com.au

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF RAMELIUS RESOURCES LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Ramelius Resources Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP
Chartered Accountants

S J Gray
Partner

Adelaide, 22 August 2013

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

		Consolidated	
		2013	2012
	Note	**$000's**	$000's
Sales revenue	**5(a)**	**135,591**	84,331
Cost of production	**5(b)**	**(157,178)**	(56,879)
Gross profit (loss)		**(21,587)**	27,452
Other expenses	**5(c)**	**(47,368)**	(26,052)
Other income	**5(d)**	**1,205**	252
Operating profit (loss) before interest income and finance cost		**(67,750)**	1,652
Interest income	**5(e)**	**1,663**	4,592
Finance costs	**5(e)**	**(1,687)**	(1,868)
Profit (loss) before income tax		**(67,774)**	4,376
Income tax benefit (expense)	**7**	**16,982**	(2,037)
Profit (loss) for the year		**(50,792)**	2,339
Earnings per share (cents per share)			
Basic earnings per share	**8**	**(15.1)**	0.7
Diluted earnings per share	**8**	**(15.0)**	0.7

The above Consolidated Income Statement should be read in conjunction with the accompanying notes

RAMELIUS RESOURCES LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Consolidated	
	2013	2012
	$000's	$000's
Profit (loss) for the year	**(50,792)**	2,339
Other comprehensive income, net of tax		
Items that may be reclassified to profit or loss		
Change in fair value of available-for-sale assets	**(2,170)**	(1,899)
Foreign currency translation	**(68)**	(1)
Other comprehensive income for the year, net of tax	**(2,238)**	(1,900)
Total comprehensive income for the year	**(53,030)**	439

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	Consolidated 2013 $000's	Consolidated 2012 $000's
Current assets			
Cash and cash equivalents	9	**33,847**	48,764
Trade and other receivables	10	**3,611**	4,747
Inventories	11	**16,041**	39,451
Derivative financial instruments	12	**1,889**	374
Other current assets	13	**765**	686
Current income tax benefit	7	**491**	7,754
Total current assets		**56,644**	101,776
Non-current assets			
Available-for-sale financial assets	14	**2,938**	4,652
Property, plant, equipment and development assets	15	**135,262**	142,217
Intangible assets	16	**537**	353
Exploration and evaluation expenditure	17	**9,680**	17,282
Deferred tax assets	7	**29,554**	18,208
Total non-current assets		**177,971**	182,712
Total assets		**234,615**	284,488
Current liabilities			
Trade and other payables	18	**24,008**	26,598
Borrowings	19	**1,275**	4,239
Provisions	20	**1,985**	1,300
Total current liabilities		**27,268**	32,137
Non-current liabilities			
Borrowings	19	**2,337**	-
Provisions	20	**26,334**	20,007
Deferred tax liabilities	7	**25,009**	29,324
Total non-current liabilities		**53,680**	49,331
Total liabilities		**80,948**	81,468
Net assets		**153,667**	203,020
Equity			
Issued capital	21	**112,650**	112,657
Reserves	22	**3,310**	1,864
Retained earnings		**37,707**	88,499
Total equity		**153,667**	203,020

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

RAMELIUS RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Issued capital $000's	Share-based payment reserve [1] $000's	Available-for-sale reserve [1] $000's	Foreign exchange translation reserve [1] $000's	Asset revaluation reserve [1] $000's	Retained earnings $000's	Total equity $000's
Balance at 1 July 2011	**65,301**	**1,589**	**17**	**3**	**634**	**86,160**	**153,704**
Shares issued	49,406	-	-	-	-	-	49,406
Share-based payments	-	1,521	-	-	-	-	1,521
Transaction costs net of tax	(2,050)	-	-	-	-	-	(2,050)
Total comprehensive income	-	-	(1,899)	(1)	-	2,339	439
Balance at 30 June 2012	**112,657**	**3,110**	**(1,882)**	**2**	**634**	**88,499**	**203,020**
					-		
Share-based payments	-	1,836	-	-	-	-	1,836
Transaction costs net of tax	(7)	-	-	-	-	-	(7)
Impairment of available-for-sale assets	-	-	1,848	-	-	-	1,848
Total comprehensive income	-	-	(2,170)	(68)	-	(50,792)	(53,030)
Balance at 30 June 2013	**112,650**	**4,946**	**(2,204)**	**(66)**	**634**	**37,707**	**153,667**

1 Refer Note 22 for description of reserves.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated 2013 $000's	2012 $000's
Cash flows from operating activities			
Receipts from operations		**134,717**	84,548
Payments to suppliers and employees		**(102,764)**	(60,729)
Interest received		**1,864**	5,612
Finance costs		**(35)**	(8)
Receipts on settlement of derivatives		**330**	-
Payment for derivatives		**(599)**	(2,528)
Income taxes refunded (paid)		**7,779**	(21,867)
Net cash provided by (used in) operating activities	**26**	**41,292**	5,028
Cash flows from investing activities			
Payments for property, plant, equipment and development		**(41,284)**	(71,788)
Proceeds from sale of property, plant and equipment		**5**	16
Payments for available-for-sale financial assets		**(918)**	(6,963)
Payments for mining tenements and exploration		**(11,286)**	(12,252)
Proceeds from sale of mining tenements		**200**	-
Payments for restoration and demobilisation		**(2,561)**	-
Net cash provided by (used in) investing activities		**(55,844)**	(90,987)
Cash flows from financing activities			
Repayment of borrowings		**(4,452)**	(1,304)
Proceeds from borrowings		**3,825**	-
Proceeds from issue of shares		**-**	49,406
Transaction costs from issue of shares		**-**	(2,929)
Net cash provided by (used in) financing activities		**(627)**	45,173
Net increase (decrease) in cash and cash equivalents		**(15,179)**	(40,786)
Cash at beginning of financial year		**48,764**	89,546
Effects of exchange rate changes on cash held		**262**	4
Cash and cash equivalents at end of financial year	**26**	**33,847**	48,764

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

The financial report of Ramelius Resources Limited for the year ended 30 June 2013 was authorised for issue in accordance with a resolution of the directors on 22 August 2013. Ramelius Resources Limited is a listed public company, incorporated and domiciled in Australia whose shares are publicly listed on the Australian Securities Exchange Limited (ASX).

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of this financial report are presented below. These policies have been consistently applied to all years presented, unless otherwise stated.

This annual financial report includes the consolidated financial statements and notes of Ramelius Resources Limited and its controlled entities.

a) Basis of preparation and statement of compliance
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standard Board (AASB) and the Corporations Act 2001. Ramelius is a for-profit entity for the purposes of preparing the financial statements. The financial report has been presented in Australian dollars.

(i) Compliance with IFRS
The consolidated financial statements of the group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (AASB).

(ii) New and amended standards adopted by the group
None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affects any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. However, amendments made to AASB 101 Presentation of Financial Statements effective 1 July 2012 now require the statement of comprehensive income to show the items of comprehensive income grouped into those that are not permitted to be reclassified to profit or loss in a future period and those that may have to be reclassified if certain conditions are met.

(iii) Early adoption of standards
The group has elected to apply the following pronouncements before their operative date in the annual reporting period beginning 1 July 2012:

- AASB Interpretation 20 Stripping Costs and AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20 (effective 1 January 2013).

  The interpretation provides guidance on the accounting for waste removal (stripping) costs in the production phase of a mine. Such stripping costs can only be recognised as an asset if they generate a benefit of improved access to an identifiable component of the ore body, it is probable that the benefits will flow and the costs can be measured reliably. Capitalised stripping costs are amortised over the useful life of the identified component. On transition, existing production phase stripping costs will have to be written off to retained earnings unless they can be attributed to an identifiable component of an ore body.

The group has not elected to apply any other pronouncements before their operative date in the annual reporting period beginning 1 July 2012.

(iv) Historical cost convention
These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit and loss and certain classes of property, plant and equipment.

(v) Critical accounting estimates
The preparation of financial statements requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

b) Principles of consolidation

The consolidated financial statements incorporate the financial statements of the parent entity, Ramelius Resources Limited, and its controlled entities (referred to as the 'consolidated group' or 'group' in these financial statements). A list of controlled entities is contained in Note 30 to the consolidated financial statements. All controlled entities have a 30 June financial year end.

Controlled entities are all those entities over which the group has the power to govern the financial and operating policies so as to obtain benefits from their activities. Controlled entities are consolidated from the date on which control commences until the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group, refer Note 1(bb).

All intercompany balances and transactions between entities in the consolidated group, including any realised and unrealised profits or losses are eliminated. Accounting policies of subsidiaries are consistent with those adopted by the parent entity.

c) Jointly controlled assets

The proportionate interests in the assets, liabilities, revenues and expenses of a joint venture activity have been incorporated in the financial statements under the appropriate headings. Details of the joint venture and the interests in jointly controlled assets are shown in Note 31.

d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

e) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates. The functional currency of Ramelius Resources Limited and its Australian controlled entities is Australian dollars. The functional currency of the group's foreign entity is US dollars. The consolidated financial statements are presented in Australian dollars ($).

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at exchange rates prevailing at the date of the transaction. The subsequent payment or receipt of funds related to a transaction is translated at the rate applicable on the date of payment or receipt. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction.

All exchange differences in the consolidated financial report are taken to the Income Statement.

Translation of foreign operations

The assets and liabilities of the controlled entity incorporated overseas with functional currency other than Australian dollars are translated into the presentation currency of Ramelius Resources Limited (Australian dollars) at the rate of exchange at the reporting date and the Income Statements are translated at the weighted average exchange rate for the period (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the date of the transactions). Exchange differences arising on translation are taken directly to the foreign currency translation reserve in equity.

f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods or rendering of a service is recognised upon delivery of the goods or service to customers as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement with those goods.

Gold bullion and silver sales
Revenue from gold bullion and silver sales is brought to account when the significant risks and rewards of ownership have transferred to the buyer and selling prices are known or can be reasonably estimated.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax (GST).

g) Government grant
Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the group complies with the attached conditions.

Government grants relating to exploration and evaluation expenditure are recognised against the exploration and evaluation asset to match the grants with the costs that the grants are intended to compensate.

h) Income tax
The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates that have been enacted, or substantially enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profits will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Ramelius Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation.

Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity.

The tax consolidated group has entered into a tax funding arrangement whereby each company in the group contributes to the income tax payable by the group in proportion to their contribution to the group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

i) Cash and cash equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank, demand deposits held with banks, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values. For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

j) Trade and other receivables

Trade receivables comprising bullion awaiting settlement are initially recorded at the fair value of contracted sale proceeds expected to be received only when there is a passing of significant risks and rewards of ownership to the customer. Collectability of debtors is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off and an allowance account (provision for impairment of trade receivables) is raised where objective evidence exists that the debt will not be collected.

Other receivables are initially measured at fair value then amortised at cost, less an allowance for impairment.

k) Inventories

Gold ore, gold in circuit and poured gold bars are physically measured or estimated and valued at the lower of cost and net realisable value. Cost represents the weighted average cost incurred in converting ore into finished goods and includes direct costs and an appropriate allocation of fixed and variable production overhead costs, including depreciation and amortisation.

By-products inventory on hand obtained as a result of the gold production process are valued at the lower of cost and net realisable value.

Consumables and stores are valued at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting any applicable rebates and discounts. A periodic review is undertaken to establish the extent of any surplus or obsolete items and where necessary a provision is made.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion of sale.

Gold ore represents stockpiled ore that has been mined or otherwise acquired and is available for further processing. If there is significant uncertainty as to whether the stockpiled ore will be processed, it is expensed. Where future processing of ore can be predicted with confidence (e.g. it exceeds the mine cut off grade), it is valued at the lower of cost and net realisable value. If ore is not expected to be processed within 12 months after balance sheet date, it is classified as non-current assets. Ramelius believes processing ore stockpiles may have a future economic benefit to the group and accordingly ore is valued at lower of cost and net realisable value.

l) Deferred mining expenditure

Pre-production mine development

Pre-production mining costs incurred by the group in relation to accessing recoverable reserves are carried forward as part of 'development assets' when future economic benefits are established, otherwise such expenditure is expensed as part of the cost of production.

Development assets are amortised based on the unit-of-production method which results in an amortisation charge proportional to the depletion of the estimated recoverable reserves.

Where there is a change in the reserves the amortisation rate is adjusted prospectively in the reporting period in which the change occurs.

Mining costs
Mining costs incurred during the production stage of operations are deferred as part of determining the cost of inventories. This is generally the case where there are fluctuations in deferred mining costs over the life of the mine, and the effect is material. The amount of mining costs deferred is based on the ratio obtained by dividing the amount of waste mined by the quantity of gold ounces contained in the ore. Mining costs incurred in the period are deferred to the extent that the current period waste to contained gold ounce ratio exceeds the life-of-mine waste-to-ore (life-of-mine) ratio. The life-of-mine ratio is based on economically recoverable reserves of the operation.

The life-of-mine ratio is a function of an individual mine’s design and therefore changes to that design will generally result in changes to the ratio. Changes in other technical or economic parameters that impact reserves will also have an impact on the life-of-mine ratio even if they do not affect the mine’s design. Changes to the life-of-mine ratio are accounted for prospectively.

In the production stage of some operations, further developments of the mine require a phase of unusually high overburden removal activity that is similar in nature to pre-production mine development. The costs of such unusually high overburden removal activity are deferred and charged against reported profits in subsequent periods on a unit-of-production basis. The accounting treatment is consistent with that of overburden removal costs incurred during the development phase of a mine, before production commences.

Deferred mining costs that relate to the production phase of the operation are carried forward as part of ‘development assets’. The release of deferred mining costs is included in site operating costs.

m) Property, plant and equipment

Cost
Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Properties are shown at fair value based on valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The net carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset’s employment and subsequent disposal. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Major spares purchased specifically for particular plant are capitalised and depreciated on the same basis as the plant to which they relate. Assets are depreciated or amortised from the date they are installed and are ready for use, or in respect of internally constructed assets, from the time the asset is completed and deemed ready for use.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Depreciation
Items of plant and equipment are depreciated on a straight line basis over their estimated useful lives, the duration of which reflects the useful lives depending on the nature of the asset. The group uses the unit-of-production basis when depreciating certain mine specific assets, which results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining life of mine production. For the remainder of assets the straight line method is used, resulting in estimated useful lives for each class of depreciable assets as follows:

Class of fixed asset	Useful life
Properties	40 years
Plant and equipment	2.5 - 25 years
Mine and exploration equipment	2 - 33.3 years
Motor vehicles	5 - 20 years

Estimates of remaining useful lives and depreciation methods are reviewed bi-annually for all major items of plant and equipment. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Income Statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

n) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys the right to use the asset. Leases of plant and equipment under which the group assumes substantially all the risks and benefits incidental to ownership are classified as finance leases. Other leases are classified as operating leases.

Finance leases are capitalised, with a lease asset and a lease liability equal to the fair value of the leased asset, or if lower, at the present value of the minimum lease payments determined at the inception of the lease. Lease payments are apportioned between the finance charges and reduction of the lease liability. The finance charge component within the lease payments is expensed. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the group will obtain ownership by the end of the lease term.

Payments made under operating leases are expensed on a straight-line basis over the leased term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

o) Exploration, evaluation and feasibility expenditure

Exploration and evaluation

Exploration and evaluation costs related to areas of interest are capitalised and carried forward to the extent that:

(i) Rights to tenure of the area of interest are current; and

(ii) a) Costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively by sale; or

b) Where activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, active and significant operations in, or in relation to, the areas are continuing.

Such expenditure consists of an accumulation of acquisition costs and direct net exploration and evaluation costs incurred by or on behalf of the group, together with an appropriate portion of directly related overhead expenditure.

Deferred feasibility

Feasibility expenditure represents costs related to the preparation and completion of feasibility studies to enable a development decision to be made in relation to an area of interest and is capitalised as incurred.

When production commences, relevant past exploration, evaluation and feasibility expenditure in respect of an area of interest that has been capitalised is transferred to mine development where it is amortised over the life of the area of interest to which it relates on a unit-of-production basis (refer Note 1(p)).

When an area of interest is abandoned or the directors decide it is not commercial, any accumulated costs in respect of that area are written off in the year the decision is made. Each area of interest is reviewed at the end of each reporting period and accumulated costs written off to the extent they are not expected to be recoverable in the future.

p) Mine development

Development assets represent expenditure in respect of exploration, evaluation, feasibility and development incurred by or on behalf of the group, including overburden removal and construction costs, previously accumulated and carried forward in relation to areas of interest in which mining has now commenced. Such expenditure comprises net direct costs and an appropriate allocation of directly related overhead expenditure.

All expenditure incurred prior to commencement of production from each development property is carried forward to the extent to which recoupment out of future revenue from the sale of production, or from the sale of the property, is reasonably assured.

When further development expenditure is incurred in respect of a mine property after commencement of production, such expenditure is carried forward as part of the cost of the mine property only when future economic benefits are reasonably assured, otherwise the expenditure is classified as part of the cost of production and expensed as incurred. Such capitalised development expenditure is added to the total carrying value of development assets being amortised.

Amortisation and Impairment

Amortisation of costs is provided using the unit-of-production method. The net carrying values of development expenditure carried forward are reviewed half-yearly by directors to determine whether there is any indication of impairment.

q) Mineral rights

Mineral rights comprise identifiable exploration and evaluation assets, mineral resources and ore reserves, which are acquired as part of a business combination or a joint venture and are recognised at fair value at date of acquisition. Mineral rights are attributable to specific areas of interest and are classified within exploration and evaluation assets.

Mineral rights attributable to each area of interest are amortised when commercial production commences on a unit-of-production basis over the estimated economic reserve of the mine to which the rights related.

r) Intangible assets

Costs incurred in acquiring software are capitalised as intangible assets. Costs capitalised include external costs of materials and services. Costs associated with administration and maintenance of software is expensed as incurred in other expenses in the Income Statement. Amortisation is calculated on the useful life, ranging from three to five years.

s) Impairment of non-financial assets

The carrying amounts of all non-financial assets are reviewed half-yearly to determine whether there is an indication of impairment. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made. The recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed as an impairment loss to the Income Statement.

t) Available-for-sale assets

The group's investments in listed securities are designated as available-for-sale financial assets. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in the Income Statement. Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

The fair value of listed equity securities are determined by reference to quoted market prices.

u) Trade and other payables

Liabilities for trade and other payables are initially recorded at the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the group, and then subsequently at amortised cost.

v) Employee benefits

Wages, salaries, salary at risk, annual leave and sick leave

Liabilities arising in respect of wages and salaries, salary at risk, annual leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liabilities are settled. These amounts are recognised in 'trade and other payables' (for amounts other than annual leave and salary at risk) and 'current provisions' (for annual leave and salary at risk) in respect of employee services up to the reporting date. Costs incurred in relation to non-accumulating sick leave are recognised when the leave is taken and are measured at the rate paid or payable.

Long service leave

The liability for long service leave is measured at the present value of the estimated future cash outflows to be made by the group resulting from employees' services provided up to the reporting date.

Liability for long services leave benefits not expected to be settled within 12 months are discounted using the rates attaching to notional government securities at the reporting date, which most closely match the terms of maturity of the related liability. In determining the liability for these long term employee benefits, consideration has been given to expected future increases in wage and salary rates, the groups experience with staff departures and periods of service. Related on-costs have also been included in the liability.

Provision is made for the group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year are measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made for those benefits. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Defined contribution superannuation plans

Contributions to defined contribution superannuation plans are expensed when incurred.

Share-based payments

The group provides benefits to employees (including the executive director) in the form of share-based compensation, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The group issues share-based remuneration in accordance with the employee share acquisition plan, the performance rights plan or as approved by the Board as follows:

(i) Employee share acquisition plan

The group operates an Employee Share Acquisition Plan where employees may be issued shares and/or options. Fair value of the equity to which employees become entitled is measured at grant date and recognised as an employee expense over the vesting period with a corresponding increase in equity. Fair value of shares issued is determined with reference to the latest ASX share price. Options are valued using an appropriate valuation technique which takes vesting conditions into account.

(ii) Performance rights plan

The group has a Performance Rights Plan where key management personnel may be provided with rights to shares in Ramelius. Fair values of rights issued are recognised as an employee expense over the relevant service period, with a corresponding increase in equity. Fair value of rights are measured at effective grant date and recognised over the vesting period during which key management personnel become entitled to the rights. There are a number of different methodologies that are appropriate to use in valuing rights. Fair value of rights granted is measured using the most appropriate method in the circumstances, taking into consideration the terms and conditions upon which the rights were issued.

(iii) Other long-term incentives

The Board may at its discretion provide share rights either to recruit or as a long-term retention incentive to key executives and employees.

The fair value of rights granted is adjusted to reflect market and non-market vesting conditions. The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired. The Income Statement charge for a period represents the movement in cumulative expense recognised at the beginning and end of that period. The cost of equity-settled transactions is recognised, together which a corresponding increase in equity.

Upon exercise of the rights, the balance of the Share-Based Payments Reserve relating to those rights remains in the Share-based Payments Reserve.

w) Provision for restoration and rehabilitation

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Estimated costs of decommissioning and removing an asset and restoring the site are included in the cost of the asset as at the date the obligation first arises and to the extent that it is first recognised as a provision. The group records the present value of the estimated cost of constructive and legal obligations to restore operating locations in the period in which the obligation is incurred. The nature of decommissioning activities includes dismantling and removing structures, rehabilitating mine sites, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of affected areas.

Typically the obligation arises when the asset is installed or the environment is disturbed at the development location. When the liability is initially recorded, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the change in the present value based on the discount rates that reflect the current market assessments and the risks specific to the liability. Additional disturbances or changes in decommissioning costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

The unwinding effect of discounting the provision is recorded as a finance cost in the Income Statement and the carrying amount capitalised as a part of mining assets is amortised on a unit-of-production basis.

Costs incurred that relate to an existing condition caused by past operations, but do not have future economic benefits are expensed as incurred.

x) Financial instruments

Initial recognition and measurement

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost. Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties. Quoted prices in an active market are used to determine fair value where possible.

The group does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(iii) Derivative financial instruments

The group uses derivative financial instruments to hedge its exposure to changes in commodity prices arising in the normal course of business. The principal derivative used is gold put options. Their use is subject to approval by the Board of directors. The group does not trade in derivatives for speculative purposes. Derivative financial instruments are recognised at fair value on the date a derivative contract is entered into. These derivatives are valued on a mark-to-market valuation and the gain or loss on re-measurement to fair value is recognised through the Income Statement.

(iv) Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. The group's accounting policy for available-for-sale financial assets is discussed at Note 1(t).

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. If there is objective evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously not recognised in the profit or loss - is removed from equity and recognised in profit or loss.

y) Issued capital

Issued ordinary share capital is classified as equity and is recognised at fair value of the consideration received by the group. Any transaction costs arising on the issue of ordinary shares and the associated tax are recognised directly in equity as a reduction of the share proceeds received.

z) Earnings per share (EPS)

Basic EPS is calculated as net profit attributable to equity holders, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to equity holders, adjusted for:

- Costs of servicing equity (other than dividends),
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses,
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares,

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

aa) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated in the Consolidated Statement of Financial Position inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

bb)Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the:

- assets transferred by the group,
- liabilities incurred by the acquirer to former owners of the acquiree,
- equity issued by the group, and
- the amount of any non-controlling interest in the acquiree.

Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange, unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other valuation methods provide a more reliable measure of fair value.

Acquisition-related costs are expensed as incurred. The excess of the cost of acquisition over the fair value of the group's share of identifiable net assets acquired is recognised as an increase in the assets acquired.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic condition, the group's operating or accounting policies and other pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

cc) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) and AASB 2012-6 Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures (effective 1 January 2015).

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption.

Management have yet to assess the impact that this amendment is likely to have on the financial statements of the Group. However, they do not expect to implement the amendments until all chapters of AASB 9 have been published and they can comprehensively assess the impact of all changes.

(ii) AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards and AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments (effective 1 January 2013).

In August 2011, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation - Special Purpose Entities. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns.

There is also new guidance on participating and protective rights and on agent/principal relationships. While the group does not expect the new standard to have a significant impact on its composition, it has yet to perform a detailed analysis of the new guidance in the context of its various investees that may or may not be controlled under the new rules.

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this standard by the group will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to the group’s investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a “partial disposal” concept. The group is still assessing the impact of these amendments.

Management have yet to assess the impact that this amendment is likely to have on the financial statements of the Group. The group does not expect to adopt the new standards before their operative date.

(iii) AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013).

AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. The group has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements.

The group does not intend to adopt the new standard before its operative date.

(iv) AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements.

The Standard amends AASB 124 Related Party Disclosures to remove the individual key management personnel (KMP) disclosures required by Australian specific paragraphs. This amendment reflects the AASB’s view that these disclosures are more in the nature of governance disclosures that are better dealt within the legislation, rather than by the accounting standards.

When these amendments are first adopted for the year ending 30 June 2014, they are unlikely to have any significant impact on the Group.

(v) Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)

These narrow-scope amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

When these amendments are adopted for the first time on 1 January 2014, they are unlikely to have any significant impact on the Group given that they are largely of the nature of clarification of existing requirements.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

dd) Parent entity information

The financial information of the parent entity, Ramelius Resources Limited, disclosed in Note 33 has been prepared on the same basis as the consolidated financial statements.

ee) Carbon tax impact

On 8 November 2011, the Commonwealth Government announced the "Clean Energy Legislative Package". Whilst the announcement provides further details on the framework for a carbon pricing mechanism, uncertainties continue to exist on the impact of any carbon pricing mechanism on the group. In addition, the directors do not anticipate the group will fall within the "Top 500 Australian Polluters", the impact of the Carbon Scheme will be through indirect effects of increased prices on many production inputs and general business expenses as suppliers subject to the carbon pricing mechanism are likely to pass on their carbon price burden to their customers in the form of increased prices. Directors expect that this will not have a significant impact upon the operation costs within the business, and therefore will not have an impact upon the valuation of assets and / or going concern of the business.

ff) Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

2 FINANCIAL RISK MANAGEMENT POLICIES

The group's management of financial risk is aimed at ensuring cash flows are sufficient to:
- Withstand significant changes in cash flow at risk scenarios and still meet all financial commitments as and when they fall due; and
- Maintain the capacity to fund future project development, exploration and acquisition strategies.

The group continually monitors and tests its forecast financial position against these criteria.

The group is exposed to the following financial risks: liquidity risk, credit risk and market risk (including foreign exchange risk, commodity price risk and interest rate risk).

The directors are responsible for monitoring and managing financial risk exposures of the group.

The group's financial instruments consist mainly of deposits with banks, derivatives, accounts receivable and payable.

The group holds the following financial instruments:

	Consolidated	
	2013	2012
	$000's	$000's
Financial assets		
Cash at bank	**18,830**	16,094
Term deposits	**15,017**	32,670
Receivables	**3,611**	4,747
Derivative financial instruments	**1,889**	374
Available-for-sale financial assets	**2,938**	4,652
Total financial assets	**42,285**	58,537
Financial liabilities		
Payables	**24,008**	26,598
Borrowings	**3,612**	4,239
Total financial liabilities	**27,620**	30,837

a) Liquidity risk

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash to meet obligations when due. The group manages liquidity risk by monitoring forecast cash flows.

i. Maturities of financial liabilities

(a) Payables

Trade and other payables are expected to be settled within 6 months.

(b) Borrowings

The table below analyses the group's financial arrangements at 30 June 2013 into relevant maturity groupings based on their contractual maturities. The amounts disclosed below represent a hire purchase paid in equal monthly instalments for the Mt Magnet mine camp which is held as security over the hire purchase. The hire purchase may be cancelled by Ramelius at any time at a cost equivalent to one month's repayment.

Contractual maturities of financial liabilities	**Less than 6 months**	**6 - 12 months**	**1 - 2 years**	**2 - 5 Years**	**Total**
Hire purchase	638	638	1,276	1,060	**3,612**

b) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets of the entity which have been recognised in the Consolidated Statement of Financial Position is the carrying amount, net of any provision for doubtful debts.

Credit risk is managed through the maintenance of procedures which ensure to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

No receivables are considered past due or impaired.

c) Market risk

i. Foreign currency risk

The group undertakes transactions impacted by foreign currencies; hence exposures to exchange rate fluctuations arise. The majority of the group's revenue is affected by movements in USD:AUD exchange rate that impacts on the Australian gold price whereas the majority of costs (including capital expenditure) are in Australian dollars.

Currently, the group does not hedge against this risk. The group considers the effects of foreign currency risk on its financial position and financial performance and assesses its option to hedge based on current economic conditions and available market data.

ii. Commodity price risk

The group's revenue is exposed to commodity price fluctuations, in particular to gold prices. Price risk relates to the risk that the fair value of future cash flows of gold sales will fluctuate because of changes in market prices largely due to demand and supply factors for commodities. The group is exposed to commodity price risk due to the sale of gold on physical delivery at prices determined by market at the time of sale.

Gold price risk is managed with the use of hedging strategies through the purchase of gold put options to establish gold "floor prices" in Australian dollars over the group's gold production; however this is generally at levels lower than current market prices. These put options enable Ramelius to retain full exposure to current, and any future rises in the gold price while providing protection to a fall in the gold price below the strike price. Gold prices, gold futures and economic forecasts are constantly monitored to determine whether to implement a hedging program.

iii. Price sensitivity analysis

The group has performed a sensitivity analysis relating to its exposure to gold price risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result in a change in these risks. Notwithstanding this, the sensitivity analysis is still valid for gold prices above any floor prices that may be put in place. Any impacts from such hedging would be in relation to revenue from gold sales.

Based on the gold sales of 52,650oz and 86,284oz for the 2012 and 2013 financial years respectively, if gold price in Australian dollars changed by + / - A$100, with all other variables remaining constant, the estimated impact on pre-tax profits and equity would have been as follows:

	Consolidated	
	2013	2012
	$000's	$000's
Impact on pre-tax profit		
Increase in gold price by A$100	**8,628**	5,265
Decrease in gold price by A$100	**(8,628)**	(5,265)
Impact on equity		
Increase in gold price by A$100	**8,628**	5,265
Decrease in gold price by A$100	**(8,628)**	(5,265)

iv. Cash flow and fair value Interest rate risk

Exposure to interest rate risk arises on financial assets and liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. Cash is held in an interest yielding cheque account and on short-term call deposits where the interest rate is both fixed and variable according to the financial asset.

Interest rate risk on cash assets is managed with a mixture of fixed and floating rate cash deposits. Borrowing interest rates are fixed over the life of the financial liability. Interest rate risk on borrowings is managed with a fixed borrowing rate.

Interest rate sensitivity analysis

The group has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result in a change in these risks.

Based on the cash at the end of the financial year, if interest rates were to change by + / - 2% with all other variables remaining constant, the estimated impact on pre-tax profits and equity would have been as follows:

	Consolidated	
	2013	2012
	$000's	$000's
Impact on pre-tax profit		
Increase in interest rate by 2%	**677**	975
Decrease in interest rate by 2%	**(677)**	(975)
Impact on equity		
Increase in interest rate by 2%	**677**	975
Decrease in interest rate by 2%	**(677)**	(975)

f) Capital risk management

Ramelius' objective when managing capital is to maintain a strong capital base capable of withstanding cash flow variability, whilst providing flexibility to pursue its growth aspirations. Ramelius aims to maintain an optimal capital structure to reduce the cost of capital and maximise shareholder returns.

Ramelius' capital structure consists of cash, cash equivalents, borrowings and equity. Management effectively monitors the capital of Ramelius by assessing financial risks and adjusting capital structure in response to changes in these risks and the market. Responses include the management of dividends and capital returns to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital during the year.

Ramelius' capital structure consists of:

	Consolidated	
	2013	2012
	$000's	$000's
Cash and cash equivalents	**33,847**	48,764
Finance lease	**(3,612)**	(4,239)
Net cash and cash equivalents	**30,235**	44,525
Equity	**153,667**	203,020
Total capital (net cash and equity)	**183,902**	247,545

The group is not subject to any externally imposed capital requirements.

g) Net fair values of financial assets and liabilities

The financial assets and liabilities of the group are recognised on the Consolidated Statement of Financial Position at their fair value in accordance with the accounting policies in Note 1. Measurement of fair value is grouped into levels based on the degree to which fair value is observable in accordance with AASB 7 Financial Instruments: Disclosure.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following is an analysis of financial instruments measure subsequent to initial recognition at fair value

Derivative financial assets are measured at fair value using the valuation provided from the relevant financial institution. The valuations would be recognised as a Level 2 in the fair value hierarchy as they have been derived using inputs from a variety of market data.

Available-for-sale financial assets are measured at fair value using the closing price on the reporting date as listed on the Australian Securities Exchange Limited (ASX). Available for sale financial assets are recognised as a Level 1 in the fair value hierarchy as defined under AASB 7 Financial Instruments: Disclosures.

The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

3 OPERATING SEGMENTS

Management has determined the operating segments based on internal reports about components of the group that are regularly reviewed by the Chief Operating Decision Maker, the Chief Executive Officer, in order to make strategic decisions. The reportable operating segments have changed from the previous year to reflect the Groups current strategic business units. The following summary describes the operations in each of the Groups reportable segments:

(i) Exploration,
(ii) Burbanks, and
(iii) Mt Magnet.

The Chief Executive Officer monitors performance in these areas separately. Unless stated otherwise, all amounts reported to the Chief Executive Officer are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the group.

The group operates primarily in one business segment, namely the exploration, development and production of minerals with a focus on gold. Details of the performance of each of these operating segments for the financial years ended 30 June 2013 and 30 June 2012 are set out below:

Segment performance	Exploration 2013 $000's	Exploration 2012 $000's	Burbanks 2013 $000's	Burbanks 2012 $000's	Mt Magnet 2013 $000's	Mt Magnet 2012 $000's	Total 2013 $000's	Total 2012 $000's
Segment revenue								
Sales revenue	**-**	-	**41,239**	74,277	**94,352**	10,054	**135,591**	84,331
Segment results								
Gross segment result before:	**-**	-	**5,766**	39,126	**4,924**	(610)	**10,690**	38,517
- Amortisation & depreciation cost	**-**	-	**(4,594)**	(5,287)	**(27,683)**	(5,778)	**(32,277)**	(11,065)
- Discount unwind & restoration revision	**-**	-	**(25)**	(145)	**(1,627)**	(1,715)	**(1,652)**	(1,860)
- Impairment & exploration write off	**(15,324)**	(3,204)	**(2,262)**	(14,460)	**(20,316)**	-	**(37,902)**	(17,664)
	(15,324)	(3,204)	**(1,115)**	19,234	**(44,702)**	(8,103)	**(61,141)**	7,928
Interest income							**1,663**	4,592
Finance cost							**(35)**	(8)
Other income (expenses)							**(8,261)**	(8,136)
Profit before income tax							**(67,774)**	4,376

Segment position	Exploration 2013 $000's	Exploration 2012 $000's	Burbanks 2013 $000's	Burbanks 2012 $000's	Mt Magnet 2013 $000's	Mt Magnet 2012 $000's	Total 2013 $000's	Total 2012 $000's
Capitalised expenditure								
Mine development	**-**	-	**2**	4,040	**39,195**	38,426	**39,197**	42,466
Exploration assets	**9,693**	13,539	**-**	-	**-**	-	**9,693**	13,539
Segment assets	**10,410**	17,945	**11,145**	30,731	**141,305**	151,055	**162,860**	199,731
Corporate and unallocated assets								
Cash and cash equivalents							**33,847**	48,764
Trade and other receivables							**2,467**	4,140
Derivative financial instruments							**1,889**	374
Other current assets							**193**	393
Income tax benefit							**491**	7,754
Available-for-sale financial asset							**2,938**	4,652
Property, plant and equipment							**376**	472
Deferred tax assets							**29,554**	18,208
Total consolidated assets							**234,615**	284,488
Segment liabilities	**711**	2,301	**3,084**	8,128	**49,697**	38,536	**53,492**	48,965
Corporate and unallocated liabilities								
Trade and other payables							**1,937**	2,708
Short-term provisions							**390**	372
Long-term provisions							**120**	99
Deferred tax liabilities							**25,009**	29,324
Total consolidated liabilities							**80,948**	81,468

Major customers
Ramelius provides goods that are more than 10% of external revenue through the Western Australian Mint in Perth, Australia. Goods provided through the Western Australian Mint account for 99.3% (2012: 99.7%) of sales revenue.

Segments assets by geographical location
Segment assets of Ramelius are geographically located in Australia other than those relating to the US subsidiary of $1,334,682 (2012: $1,552,920).

4 CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. Estimates and assumptions made assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group. The judgements, estimates and assumptions will, by definition, seldom equal actual results. The judgements, estimates and assumptions having a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next financial year are detailed below.

a) Exploration and evaluation expenditure
The group's policy for exploration and evaluation is discussed at Note 1(o). Application of this policy requires management to make estimates and assumptions as to future events and circumstances, in particular the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available.

b) Development assets
The group defers pre-production mining costs which are calculated in accordance with policy Note 1(l). Changes in an individual mine's design generally results in changes to life-of-mine assumption. Changes in other technical and economic parameters that impact reserves will also have an impact on the life-of-mine ratio even if they do not affect the mine's design. Changes to the life-of-mine are accounted for prospectively.

c) Deferred mining expenditure
The group defers mining costs incurred during the production stage of its operations, which are calculated in accordance with accounting policy Note 1(l). Changes in an individual mines design will generally result in changes to the life-of-mine waste to contained gold ounces (life-of-mine) ratio. Changes in other technical and economic parameters that impact reserves will also have an impact on the life-of-mine ratio even if they do not affect the mine's design. Changes to the life-of-mine are accounted for prospectively.

d) Ore reserve estimates
The group estimates ore reserves and mineral resources based on information compiled by Competent Persons as defined in accordance with the Australian code for reporting Exploration Results, Mineral Resources and Ore Reserves of December 2004 ('JORC code'). Estimated quantities of economically recoverable reserves are based upon interpretations of geological models and require assumptions to be made including estimates of short and long-term commodity prices, exchange rates, future operating performance and capital requirements. Changes in reported reserve estimates can impact the carrying value of plant and equipment and development, provision for restoration and rehabilitation obligations as well as the amount of depreciation and amortisation.

e) Recovery of deferred tax assets
Deferred tax assets, including those arising from unutilised tax losses require management to assess the likelihood that the group comply with the relevant taxation legislation and will generate sufficient taxable earnings in future periods, in order to recognise and utilise those deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and existing tax laws in the relevant jurisdictions. To the extent that cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets reported at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the group operates could limit the ability of the group to obtain deductions in future periods.

f) Impairment of assets

The group assesses impairment at each reporting date by evaluating conditions and events specific to the group that may lead to impairment. This requires an estimation of the recoverable amount of the area of interest to which the asset belongs. The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use. Value in use is assessed on the basis of the expected net cash flows that will be recovered from the assets continued employment and subsequent disposal.

For mining assets the estimated future cash flows are based on estimates of ore reserves, future production, commodity prices, exchange rates, operating costs and any future development cost necessary to produce the reserves (including the magnitude and timing of cash flows). A recoverable amount is then determined by discounting the expected net cash flows to their present values.

g) Unit-of-production method of depreciation and amortisation

The group uses the unit-of-production basis when depreciating / amortising mine specific assets which results in a depreciation / amortisation charge proportional to the depletion of the anticipated remaining life-of-mine production. Economic life, which is assessed annually, has due regard to both its physical life limitations and to present assessments of economically recoverable reserves of the mine property. These calculations require the use of estimates and assumptions.

h) Provision for restoration and rehabilitation

The group assess its mine restoration and rehabilitation provision bi-annually in accordance with the accounting policy Note 1(w). Significant judgement is required in determining the provision for restoration and rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites. The estimate of future costs therefore requires management to make assessment of the future restoration and rehabilitation date, future environmental legislation, changes in regulations, price increases, changes in discount rates, the extent of restoration activities and future removal technologies. When these factors change or become known in the future, such differences will impact the restoration and rehabilitation provision in the period in which they change or become known. At each reporting date the rehabilitation and restoration provision is remeasured to reflect any of these changes.

i) Share based payments

The group measures the cost of equity settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined using the assumptions detailed in Note 23.

j) Impairment of available-for-sale financial assets

The group follows the guidance of AASB 139 Financial Instruments: Recognition and Measurement to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

On evaluation of the abovementioned factors the available-for-sale financial assets were impaired in the 2013 financial year. The fair value assumptions and consequent Impairment of the available-for-sale financial asset is detailed in Note 14.

		Consolidated	
		2013	2012
	Note	**$000's**	$000's

5 REVENUE AND EXPENSES

Profit before tax includes the following revenue, income and expenses whose disclosure is relevant in explaining the performance of the group:

	Note	2013 $000's	2012 $000's
a) Sales revenue			
Gold sales		**134,132**	84,075
Silver sales		**500**	-
Milling services		**911**	256
Other revenue		**48**	-
Total sales revenue		**135,591**	84,331
b) Cost of production			
Amortisation and depreciation		**32,277**	11,065
Employee benefits expense		**16,308**	10,911
Inventory movements		**4,411**	(28,624)
Inventory write-downs		**21,344**	5,295
Mining and milling production costs		**79,774**	56,028
Royalty costs		**3,064**	2,204
Total cost of production		**157,178**	56,879
c) Other expenses			
Amortisation and depreciation		**124**	79
Cost of acquisition of investments and subsidiaries		**-**	18
Employee benefits expense		**2,351**	2,335
Equity settled share-based payments		**1,836**	1,521
Exploration costs written off		**524**	644
Loss on sale of non-current assets		**17**	-
Impairment of exploration and evaluation assets	**17**	**14,800**	2,560
Impairment of development assets	**15**	**22,578**	14,460
Impairment of available-for-sale Investment		**3,117**	-
Loss on put options		**-**	2,153
Foreign exchange losses		**119**	170
Other expenses		**1,902**	2,112
Total other expenses		**47,368**	26,052
d) Other income			
Gain on sale of non-current assets		**-**	28
Gain on put options		**882**	-
Foreign exchange gains		**318**	187
Other income		**5**	37
Total other income		**1,205**	252

	Consolidated	
	2013	2012
	$000's	$000's
e) Net finance expenses (income)		
Discount unwind on provisions and borrowings	**1,652**	1,860
Interest and finance charges	**35**	8
Total finance costs	**1,687**	1,868
Interest income	**(1,663)**	(4,592)
Net finance expenses (income)	**24**	(2,724)
f) Profit (loss) before income tax includes the following specific expenses		
Defined contribution superannuation expense	**1,431**	1,030
Rental expenses relating to operating leases	**299**	218

6 REMUNERATION OF AUDITORS

Audit and other assurance services		
Audit and review of financial statements	**83**	91
Tax compliance services	**18**	**-**
Total remuneration of Grant Thornton	**101**	91

7 INCOME TAX EXPENSE

The components of tax expense comprise:		
Current tax	**(9,218)**	516
Deferred tax	**(7,711)**	1,532
Adjustments for current and deferred tax of prior years	**(53)**	(11)
Income tax expense	**(16,982)**	2,037
Reconciliation of income tax expense to prima facie tax payable:		
Accounting profit before tax	**(67,774)**	4,376
Income tax expense calculated at 30% (2012: 30%)	**(20,332)**	1,313
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
- unwind of deferred tax liability on consolidation	**1,687**	-
- share-based payments	**551**	212
- other non-allowable items	**230**	669
- derecognition of capital loss	**935**	-
Under/(over) provision in respect of prior years	**(53)**	144
Income tax expense	**(16,982)**	2,037
Applicable weighted average effective tax rate	**25%**	47%

30 June 2013 deferred tax movement

	Balance at 1 July 2012 $000's	Recognised through acquisition $000's	Charged / (credited) to income $000's	Charged / (credited) to equity $000's	Balance at 30 June 2013 $000's
Deferred tax liability					
Exploration and evaluation	4,783	-	(2,419)	-	**2,363**
Development	24,263	-	(2,331)	-	**21,932**
Property, plant and equipment	134	-	411	-	**545**
Inventory - consumables	137	-	(37)	-	**100**
Receivables	-	-	-	-	**-**
Unrealised foreign exchange gains (losses)	7	-	61	-	**68**
Available-for-sale assets	-	-	-	-	**-**
Total deferred tax liability	29,324	-	(4,316)	-	**25,009**

	Balance at 1 July 2012 $000's	Recognised through acquisition $000's	Charged / (credited) to income $000's	Charged / (credited) to equity $000's	Balance at 30 June 2013 $000's
Deferred tax asset					
Issued equity transaction costs	762	-	(233)	-	**529**
Inventory - deferred mining costs	10,072	-	(3,981)	-	**6,091**
Provisions	6,392	-	2,103	-	**8,495**
Available-for-sale assets	807	-	-	(807)	**-**
Tax losses	-	-	14,291	-	**14,291**
Other	175	-	(27)	-	**148**
Total deferred tax asset	18,208	-	12,153	(807)	**29,554**

30 June 2012 deferred tax movement

	Balance at 1 July 2011 $000's	Recognised through acquisition $000's	Charged / (credited) to income $000's	Charged / (credited) to equity $000's	Balance at 30 June 2012 $000's
Deferred tax liability					
Exploration and evaluation	1,723	-	3,060	-	4,783
Development	15,052	-	9,211	-	24,263
Property, plant and equipment	88	-	46	-	134
Inventory - consumables	61	-	76	-	137
Receivables	414	-	(414)	-	-
Unrealised foreign exchange gains (losses)	-	-	7	-	7
Available-for-sale assets	7	-	-	(7)	-
Total deferred tax liability	17,345	-	11,986	(7)	29,324
Deferred tax asset					
Issued equity transaction costs	178	-	(294)	878	762
Inventory - deferred mining costs	-	-	10,072	-	10,072
Provisions	5,732	-	660	-	6,392
Available-for-sale assets	-	-	-	807	807
Other	157	-	18	-	175
Total deferred tax asset	6,067	-	10,456	1,685	18,208

Tax effects relating to comprehensive income

	2013			2012		
	Pre-tax amount $000's	**Income tax effect $000's**	**Net of tax amount $000's**	Pre-tax amount $000's	Income tax effect $000's	Net of tax amount $000's
Revaluation of available-for-sale assets	**(2,689)**	**807**	**(1,882)**	2,713	(814)	1,899
Exchange difference on translating foreign controlled entity	**68**	**-**	**68**	1	-	1

Current tax position

	Consolidated	
	2013 $000's	2012 $000's
Income tax benefit (payable)	**491**	7,754

Franking credits

Franking credits available for subsequent financial years based on a tax rate of 30% (2012: 30%)	**21,826**	22,342

The above represents the balance of the franking account as at the end of the reporting period, adjusted for:
a) franking credits (debits) that will arise from payment of the provision for income tax (income tax benefit), and
b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date.

8 EARNINGS PER SHARE

Classification of securities
All ordinary shares have been included in basic earnings per share.

Classification of securities as potential ordinary shares
Rights to shares granted to executives and senior managers are included in the calculation of diluted earnings per share assuming all outstanding rights will vest. Rights are not included in the calculation of basic earnings per share.

Earnings used in the calculation of earnings per share		
Profit (loss) after income tax expense	**(50,792)**	2,339
Weighted average number of shares used as the denominator		
Number for basic earnings per share		
Ordinary shares	**336,981**	318,631
Number for dilutive earnings per share		
Share rights	**2,390**	3,920
Total number of dilutive earnings per share	**339,371**	322,551

	Consolidated	
	2013	2012
	$000's	$000's

9 CASH AND CASH EQUIVALENTS

Cash at bank and in hand	**18,830**	16,094
Deposits at call [1]	**15,017**	32,670
Total cash and cash equivalents	**33,847**	48,764

1 Includes deposits provided as security against unconditional bank guarantees in favour of the WA government in respect of restoration and rehabilitation required and to secure supply of gas and electricity.

Risk exposure

The group's exposure to interest rate risk is discussed in Note 2. Maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

10 TRADE AND OTHER RECEIVABLES

Current		
Trade receivables [1]	**852**	280
Other receivables [2]	**2,759**	4,467
Total current trade and other receivables	**3,611**	4,747

1 Non-interest bearing and are generally expected to settle within 1 to 6 months.

2 Comprises accrued interest, refundable deposits and amounts due from taxation authorities that are generally expected to settle within 1 to 6 months.

Risk exposure

Refer Note 2 for more information on the risk management policy of the group and the credit quality of trade receivables.

11 INVENTORIES

Gold nuggets at cost	**80**	80
Ore stockpiles	**5,490**	19,849
Gold in circuit	**5,688**	5,479
Gold bullion	**-**	10,919
Consumables and supplies	**4,783**	3,124
Total inventories	**16,041**	39,451

Inventory expense

Write-downs of inventories to net realisable value recognised as an expense during the year ended 30 June 2013 amounted to $21.3 million. The expense has been included in 'cost of sales' in profit and loss.

	Consolidated	
	2013	2012
	$000's	$000's

12 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative assets	**1,889**	374

Derivatives are used to hedge cash flow risk associated with future transactions. Current assets and liabilities reflect those instruments which are due for settlement within one year based on a valuation at year end including those instruments which have been settled prior to their expiry but subsequent to 30 June 2013.

Risk exposures and fair value measurements
Information about the group's exposure to credit risk, foreign exchange risk and about the methods and assumptions used in determining fair values is provided in Note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the abovementioned derivative financial assets.

13 OTHER CURRENT ASSETS

Prepayments	**765**	686

14 AVAILABLE-FOR-SALE FINANCIAL ASSETS

Shares in listed corporations at fair value	**2,938**	4,652

Available-for-sale financial assets are recognised as a Level 1 in the fair value hierarchy as defined under AASB 7 Financial Instruments: Disclosures. Available-for-sale assets at 30 June 2013 totalled $2,938,036 with a fair value recognised through the available-for-sale reserve in the period of $34,277. At 30 June 2013, this investment was impaired due to the prolonged and significant fall in its value with part of the cumulative value of all write downs previously charged to the available-for-sale reserve now recognised in the income statement as an impairment loss totalling $3,117,691.

Risk exposures and fair value measurements
Information about the group's exposure to credit risk and about the methods and assumptions used in determining fair values is provided in Note 2.

15 PROPERTY, PLANT, EQUIPMENT AND DEVELOPMENT ASSETS

PROPERTY, PLANT AND EQUIPMENT

Property		
Properties at fair value	**1,529**	1,512
Accumulated depreciation	**(56)**	(19)
Total property assets	**1,473**	1,493

(a) Valuation of property
The valuation basis of property is fair value being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The 2011 revaluations were made by independent valuers. At 30 June 2013, the directors are of the opinion that the carrying amounts of properties approximate their fair values. The revaluation surplus of applicable deferred income taxes was credited to the asset revaluation reserve.

	Consolidated	
	2013	2012
	$000's	$000's

(b) Carrying amounts that would have been recognised if land and buildings were stated at cost

If properties were stated on the historical cost basis, the amounts would be as follows:

Property		
Properties at cost	**607**	607
Accumulated depreciation	**(22)**	(7)
Total property assets	**585**	600
Plant and equipment		
Plant and equipment at cost	**58,395**	52,164
Less accumulated depreciation	**(11,423)**	(6,234)
Total plant and equipment	**46,972**	45,930
Total property, plant and equipment	**48,445**	47,423

(a) Leased assets

Plant and equipment includes the following amounts where the group is a lessee under a finance lease:

Leasehold equipment at cost	**5,306**	5,306
Accumulated depreciation	**(1,693)**	(808)
Total leased assets	**3,613**	4,498

(b) Assets in the course of construction

Plant and equipment includes the following expenditure which is in the course of construction:

Plant and equipment	**262**	1,280
Total assets in the course of construction	**262**	1,280

DEVELOPMENT ASSETS

Development assets		
Development assets at cost	**161,596**	147,084
Less accumulated amortisation	**(74,779)**	(52,290)
Total development assets	**86,817**	94,794
Total property, plant, equipment and development assets	**135,262**	142,217

		Consolidated	
	Note	**2013 $000's**	2012 $000's
PROPERTY, PLANT AND EQUIPMENT AND DEVELOPMENT ASSET RECONCILIATIONS			
Property, plant and equipment			
Balance at beginning of financial year		**47,423**	24,368
Additions		**6,543**	26,660
Disposals		**(7)**	(8)
Assets written-off		**(104)**	(6)
Depreciation		**(5,410)**	(3,591)
Total property, plant and equipment		**48,445**	47,423
Development assets			
Balance at beginning of financial year		**94,794**	74,321
Development cost additions		**5,258**	6,570
Deferred mining cost additions		**33,939**	35,896
Transfer from exploration and evaluation expenditure		**2,495**	-
Impairment	**34**	**(22,578)**	(14,460)
Amortisation		**(27,091)**	(7,533)
Total development assets		**86,817**	94,794

16 INTANGIBLE ASSETS

Intangible assets		
Intangible assets at cost	**858**	545
Accumulated amortisation	**(321)**	(192)
Total intangible assets	**537**	353
Reconciliation - intangible assets		
Balance at beginning of financial year	**353**	90
Additions	**313**	349
Amortisation	**(129)**	(86)
Total intangible assets	**537**	353

		Consolidated	
		2013	2012
	Note	$000's	$000's

17 EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation		**9,680**	17,282

Reconciliation - exploration and evaluation

Reconciliations of the movements of exploration and evaluation expenditure.

Balance at beginning of financial year		**17,282**	6,303
Additions		**9,623**	13,509
Transfers to development assets		**(2,495)**	-
Impairment [1]		**(14,800)**	(2,560)
Foreign exchange translation		**70**	30
Total exploration and evaluation expenditure		**9,680**	17,282

1 Impairment of exploration assets is with assets in the Spargoville, Mt Windsor and certain Nevada and Mt Magnet exploration and evaluation expenditure where senior management conclude that capitalised expenditure is unlikely to be recovered by sale or future exploration.

18 TRADE AND OTHER PAYABLES

Trade payables		**11,198**	11,284
Other payables and accrued expenditure		**12,810**	15,314
Total trade and other payables		**24,008**	26,598

Risk exposure

Refer Note 2 for more information on the risk exposure to foreign exchange risk.

19 BORROWINGS

Current			
Hire purchase		**1,275**	4,239
Non-current			
Hire purchase		**2,337**	-

Lease liability

The group's lease liabilities represent deferred payments for the Mt Magnet mine camp which are secured against the mine camp asset. In the event of default, the assets revert to the lessor.

20 PROVISIONS

Current			
Employee benefits		**1,985**	1,300
Non-current			
Employee benefits		**356**	301
Rehabilitation and restoration costs	1(w)	**25,978**	19,706
Total non-current provisions		**26,334**	20,007
Number of employees at year end		**132**	119

	Consolidated	
	2013	2012
	$000's	$000's
EMPLOYEE BENEFIT RECONCILIATION		
Employee benefits		
Current		
Balance at beginning of financial year	**1,300**	698
Amount provided	**1,841**	1,199
Amount used	**(1,156)**	(597)
Balance at end of financial year	**1,985**	1,300
Non-current		
Balance at beginning of financial year	**301**	173
Amount provided	**55**	159
Amount used	**-**	(31)
Balance at end of financial year	**356**	301
Total provisions for employee benefits	**2,341**	1,601

Provision for long service leave

Provision for long service leave is recognised for employee benefits. In calculating its present value, the probability of leave being taken is based on historical data. Refer Note 1(v) for measurement and recognition criteria.

REHABILITION AND RESTORATION RECONCILIATION

Rehabilitation and restoration		
Balance at beginning of financial year	**19,706**	18,235
Amount capitalised [1]	**4,945**	-
Discount unwind	**1,327**	1,471
Total provision for rehabilitation and restoration	**25,978**	19,706

Provision for rehabilitation and restoration

Provision for rehabilitation and restoration represents management's assessment of expenditure expected to be incurred for Western Queen and Mt Magnet mines and the groups processing plants. Refer Note 1(w) for measurement and recognition criteria.

1 Amount capitalised represents an increase in future restoration liability resulting from an approved mine plan in the financial year as well as a change in provision assumptions. Key provision assumption changes included a reduction in the life of mine plan and a revision in the discount rate.

21 ISSUED CAPITAL

a) Ordinary shares	Number of Shares	$
Issued fully paid ordinary shares at 30 June 2011	291,867,805	65,300,700
Issued during the 2011-12 financial year		
Issue of shares resulting from vesting of rights	1,140,000	-
Issue of shares under share purchase plan	8,179,246	9,406,133
Issue of shares under placement	34,782,608	39,999,999
Less cost of share issues (net of tax)	-	(2,050,225)
Issued fully paid ordinary shares at 30 June 2012	335,969,659	112,656,607
Issued during the 2012-13 financial year		
Issue of shares resulting from vesting of rights	**1,780,000**	**-**
Less cost of share issues (net of tax)	**-**	**(7,053)**
Issued fully paid ordinary shares at 30 June 2013	**337,749,659**	**112,649,554**

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

b) Options

There were no options on issue at any time during the 30 June 2012 and 30 June 2013 financial years.

c) Share and rights over shares

Refer Note 23 for further information on shares and rights, including details of any shares and rights issued, exercised and lapsed during the financial year and rights outstanding at financial year end.

	Consolidated	
	2013	2012
	$000's	$000's
22 RESERVES		
Share-based payments reserve [1]	**4,946**	3,110
Available-for-sale reserve [2]	**(2,204)**	(1,882)
Foreign currency translation reserve [3]	**(66)**	2
Asset revaluation reserve [4]	**634**	634
Total reserves	**3,310**	1,864

1 Share-based payments reserve records items recognised as expenses on valuation of employees share options and rights.
2 Available-for-sale reserve records changes in the fair value of available for sale financial assets.
3 Foreign currency translation reserve records exchange differences arising on translations of a foreign controlled subsidiary.
4 Asset revaluation reserve records revaluations of non-current assets.

23 SHARE-BASED PAYMENTS

Shares

Under Ramelius' Employee Share Acquisition Plan, which was approved by shareholders in November 2007, eligible employees are granted ordinary fully paid shares in Ramelius for no cash consideration. All Australian resident permanent employees who are employed by the group are eligible to participate in the plan.

No shares were issued to employees during the 2013 financial year (2012: nil).

Members of the plan receive all the rights of ordinary shareholders. Unrestricted possession of these shares occurs at the earliest of, three years from date of issue or the date employment ceases.

Share rights

As approved by the Board, eligible executives were granted rights to ordinary fully paid shares in Ramelius for no cash consideration. Executives and senior management of Ramelius participate in this plan. Set out below are summaries of the rights granted to employees:

Effective grant date	Expiry date	Exercise price $	Fair value per right [1] $	Rights at start of year	Rights granted	Rights vested & exercised	Rights lapsed [2]	Rights at end of year	Date rights next vest and become exercisable
2013									
26 Nov 2010	26 Nov 2013	-	0.869	2,080,000	-	1,040,000	100,000	940,000	26 Nov 2013
28 Mar 2011	28 Mar 2014	-	1.296	140,000	-	70,000	-	70,000	28 Mar 2014
1 May 2011	1 May 2014	-	1.125	200,000	-	100,000	-	100,000	1 May 2014
18 Jul 2011	18 Jul 2014	-	1.305	210,000	-	70,000	-	140,000	18 Jul 2013
25 Jul 2011	25 Jul 2014	-	1.296	210,000	-	70,000	-	140,000	25 Jul 2013
15 Aug 2011	15 Aug 2014	-	1.368	210,000	-	70,000	140,000	-	15 Aug 2013
22 Aug 2011	22 Aug 2014	-	1.494	210,000	-	70,000	-	140,000	22 Aug 2013
1 Mar 2012	1 Mar 2015	-	0.936	450,000	-	150,000	-	300,000	1 Mar 2014
1 Apr 2012	1 Apr 2015	-	0.774	210,000	-	70,000	-	140,000	1 Apr 2014
9 Jul 2012	9 Jul 2015	-	0.450	-	210,000	-		210,000	9 Jul 2013
15 Apr 2013	15 Apr 2016	-	0.230	-	210,000	-		210,000	15 Apr 2014
Total				**3,920,000**	**420,000**	**1,710,000**	**240,000**	**2,390,000**	

Effective grant date	Expiry date	Exercise price $	Fair value per right [1] $	Rights at start of year	Rights granted	Rights vested & exercised	Rights lapsed [2]	Rights at end of year	Date rights next vest and become exercisable
2012									
26 Nov 2010	26 Nov 2013	-	0.869	3,330,000	-	1,040,000	210,000	2,080,000	26 Nov 2012
28 Mar 2011	28 Mar 2014	-	1.296	-	210,000	70,000	-	140,000	28 Mar 2013
1 May 2011	1 May 2014	-	1.125	-	300,000	100,000	-	200,000	1 May 2013
18 Jul 2011	18 Jul 2014	-	1.305	-	210,000	-	-	210,000	18 Jul 2012
25 Jul 2011	25 Jul 2014	-	1.296	-	210,000	-	-	210,000	25 Jul 2012
15 Aug 2011	15 Aug 2014	-	1.368	-	210,000	-	-	210,000	15 Aug 2012
22 Aug 2011	22 Aug 2014	-	1.494	-	210,000	-	-	210,000	22 Aug 2012
1 Mar 2012	1 Mar 2015	-	0.936	-	450,000	-	-	450,000	1 Mar 2013
1 Apr 2012	1 Apr 2015	-	0.774	-	210,000	-	-	210,000	1 Apr 2013
Total				**3,330,000**	**2,010,000**	**1,210,000**	**210,000**	**3,920,000**	

1 The fair value of rights granted as remuneration shown above was determined in accordance with applicable accounting standards.

2 Value of rights that lapsed due to vesting conditions not being satisfied have been determined at the time the rights lapsed as if vesting conditions were satisfied.

	Consolidated	
	2013	2012
	$000's	$000's

The fair value of share rights is determined using the market price of the underlying shares at the date the rights were granted and assumes that all holders continue to be employees of the group until the end of the vesting period, the risk that this vesting condition is not met is 10%.

Options
There were no options granted as share-based payments in the 2013 financial year (2012: nil). There are no outstanding options on issue as at 30 June 2013.

Expenses arising from share-based payment transactions
Total expenses arising from share-based payment transaction recognised during the period as part of employee benefits expense were as follows:

Shares issued during the year	-	-
Rights issued during the year	**1,836**	1,521
Total share-based payment expense	**1,836**	1,521

24 COMMITMENTS FOR EXPENDITURE

a) Finance lease commitments
The hire purchase represents finance for mine camp facilities at Mt Magnet. These obligations are provided for in the financial statements.

Within 1 year	**1,406**	4,564
Later than 1 year but not later than 5 years	**2,578**	-
Total minimum lease payments	**3,984**	4,564
Less future finance charges	**372**	(325)
Present value of minimum lease payments	**3,612**	4,239
Included in the financial statements as borrowings (Note 19):		
Current	**1,275**	4,239
Non-current	**2,337**	-

b) Capital expenditure commitments
Capital expenditure contracted but not provided for in the financial statements.

Within 1 year	**140**	150
Total capital expenditure commitments	**140**	150

c) Operating lease commitments
Future minimum rentals payable on non-cancellable operating leases due:

Within 1 year	**608**	578
Later than 1 year but not later than 5 years	**431**	622
Total operating lease commitments	**1,039**	1,200

	Consolidated	
	2013	2012
	$000's	$000's

Significant operating leases include the following:
The group has a 3 year non-cancellable operating leases for office space in Adelaide effective from 1 December 2011 at a cost of $83,610 per annum.

The group has a 2 year non-cancellable operating leases for office space in Perth effective from 1 June 2013 at a cost $135,694 per annum.

The group has a 3 year non-cancellable operating lease for a front end loader effective from 18 May 2011 at a cost of $191,616 per annum.

The group has a 3 year non-cancellable operating lease for storage and dispensing equipment effective from 1 January 2012 at a cost of $84,989 per annum.

d) Minimum exploration and evaluation commitments
In order to maintain current rights of tenure to exploration tenements, the group is required to perform minimum exploration work to meet minimum expenditure requirements. These obligations are subject to renegotiation and may be farmed out or relinquished. These obligations are not provided for.

Within 1 year	**2,321**	4,878
Later than 1 year but not later than 5 years	**6,345**	15,404
Due later than 5 years	**19,241**	20,905
Total minimum exploration and evaluation commitments	**27,907**	41,187

e) Other commitments
The group has contractual obligations for various expenditures such as royalties, production based payments, exploration and the cost of goods and services supplied to the group. Such expenditures are predominantly related to the earning of revenue in the ordinary course of business. These obligations are not provided.

25 CONTINGENT LIABITLIES

The directors are of the opinion that the recognition of a provision is not required in respect of the following matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

(i) Expenditure to acquire mineral rights on tenements
Ramelius has agreed to purchase the Vivien gold project from Agnew Gold Mining Company, subsidiary of Gold Fields Limited. The settlement balance for the acquisition totalling $9.5 million and a production royalty is subject to certain conditions precedent.

(ii) Bank guarantees
The group has negotiated a number of bank guarantees in favour of various government authorities and service providers. The total nominal amount of these guarantees at the reporting date is $9,931,290 (2012: $8,968,290). These bank guarantees are fully secured by cash on term deposit.

	Note	Consolidated 2013 $000's	2012 $000's

26 CASH FLOW INFORMATION

a) Reconciliation of cash

For the purposes of the Consolidated Statement of Cash Flows, cash includes cash on hand and at bank and highly liquid investments in money market instruments, net of outstanding bank overdrafts. Cash at end of the financial year as shown in Consolidated Statement of Cash Flows is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

	Note	2013 $000's	2012 $000's
Cash		**18,830**	16,094
Cash on deposit		**15,017**	32,670
Total cash and cash equivalents	9	**33,847**	48,764

b) Reconciliation of net profit to net cash provided by operating activities

	2013 $000's	2012 $000's
Profit after income tax	**(50,792)**	2,339
Non-cash items		
- Share-based payments	**1,836**	1,521
- Depreciation and amortisation	**32,401**	11,146
- Stock write-downs	**21,344**	5,295
- Impairment of exploration and development	**37,378**	17,071
- Discount unwind on provisions	**1,327**	1,860
- Effect of exchange rate	**(201)**	(4)
- Net fair value of derivative instruments	**(1,514)**	(375)
Items presented as investing or financing activities		
- Available-for-sale investments	**3,117**	19
- (Gain) loss on disposal of non-current assets	**2**	(9)
- Non-current assets written off	**104**	6
- Demobilisation and restoration activities	**2,126**	-
Changes in assets and liabilities		
(Increase)/decrease in:		
- Prepayments	**(66)**	(244)
- Trade and other receivables	**943**	262
- Inventories	**2,064**	(28,990)
- Deferred tax assets	**(12,154)**	(9,939)
(Decrease)/increase		
- Trade and other payables	**(119)**	14,315
- Provisions	**549**	645
- Current tax liabilities	**7,262**	(21,362)
- Deferred tax liabilities	**(4,315)**	11,472
Net cash provided by operating activities	**41,292**	5,028

	Consolidated	
	2013	2012
	$000's	$000's

27 RELATED PARTIES

Transactions with related parties are on normal commercial terms and at conditions no more favourable than those available to other parties unless otherwise stated.

a) Key management personnel

Disclosures relating to key management personnel are set out in Note 28. There were no transactions with key management personnel and their related entities during the financial year other than as shown in (d) below.

b) Subsidiaries

Interests in subsidiaries are set out in Note 30.

c) Transactions with wholly-owned controlled entities

Ramelius advanced interest free loans to wholly-owned controlled entities. In addition to these loans, Ramelius Milling Services Pty Ltd provides milling services for Ramelius Resources Limited. These transactions and inter-company loans have been eliminated in full on consolidation.

d) Transactions with other related parties

The terms and conditions of transactions with directors and their director related entities were no more favourable to the directors and their director related entities than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

The aggregate amounts recognised during the year (excluding re-imbursement of expenses incurred on behalf of Ramelius) relating to directors and their director-related entities were as follows:

Director	Transaction	2013 $000's	2012 $000's
Mr R M Kennedy	**Amount paid to** a related party of the director in respect of a leased property in Adelaide SA on an arm's length basis from 1 July 2012 to 30 June 2013.	**85**	68

A $13,935 bond has been paid to a related party of Mr Kennedy in relation to the leased property in Adelaide SA which is receivable on completion of the lease term or upon termination. There was no other amounts receivable from or payable to directors and their related entities at reporting date.

28 DIRECTORS AND KEY MANAGEMENT PERSONNEL DISCLOSURES

Key management personnel compensation		
Short-term employee benefits	**2,079**	1,650
Post-employment benefits	**147**	171
Other long-term benefits	**30**	54
Share-based payments	**861**	787
Total key management personnel compensation	**3,117**	2,662

Detailed remuneration disclosures are provided in the remuneration report.

Equity instrument disclosures relating to key management personnel

The relevant interest of each key management personnel in the ordinary share capital of Ramelius or in a related body corporate at the date of this report are:

Names	Shares	Rights
Directors of Ramelius		
Mr R M Kennedy	8,000,000 [2]	-
Mr K J Lines	-	-
Mr M A Bohm	100,000 [2]	-
Mr I J Gordon	27,326 [1]	500,000 [1]
	768,695 [2]	
Other key management personnel		
Mr D A Francese	1,086,486 [1]	100,000 [1]
Mr M W Zeptner	150,000 [1]	300,000 [1]
	12,500 [2]	
Mr K M Seymour	94,866 [1]	100,000 [1]
	33,043 [2]	
Mr M C Casey	200,000 [1]	100,000 [1]
	210,000 [2]	

1 Held directly
2 Held by entities in which a relevant interest is held

Movements in equity instruments held by key management personnel are as follows:

	Shares	Rights [1]
Mr R M Kennedy		
1 July 2011	7,729,572	-
Acquired	39,129	-
Balance at 30 June 2012	7,768,701	-
Acquired	231,299	-
Balance at 30 June 2013	**8,000,000**	**-**
Mr K J Lines		
1 July 2011	-	-
Movement	-	-
Balance at 30 June 2012	-	-
Movement	-	-
Balance at 30 June 2013	**-**	**-**
Mr M A Bohm		
1 July 2011	-	-
Movement	-	-
Balance at 30 June 2012	-	-
Acquired	100,000	-
Balance at 30 June 2013	**100,000**	**-**

	Shares	Rights [1]
Mr I J Gordon		
1 July 2011	234,979	1,500,000
Vested and exercised	500,000	(500,000)
Sold	(249,000)	-
Acquired	13,042	-
Balance at 30 June 2012	499,021	1,000,000
Vested and exercised	500,000	(500,000)
Sold	(1,003,000)	-
Acquired	800,000	-
Balance at 30 June 2013	**796,021**	**500,000**
Mr D A Francese		
1 July 2011	873,443	300,000
Vested and exercised	100,000	(100,000)
Acquired	13,043	-
Balance at 30 June 2012	986,486	200,000
Vested and exercised	100,000	(100,000)
Balance at 30 June 2013	**1,086,486**	**100,000**
Mr M W Zeptner		
1 July 2011	-	-
Issued	-	450,000
Balance at 30 June 2012	-	450,000
Vested and exercised	150,000	(150,000)
Acquired	12,500	-
Balance at 30 June 2013	**162,500**	**300,000**
Mr K M Seymour		
1 July 2011	20,000	300,000
Vested and exercised	100,000	(100,000)
Sold	(93,713)	-
Acquired	13,043	-
Balance at 30 June 2012	39,330	200,000
Vested and exercised	100,000	(100,000)
Sold	(31,041)	-
Acquired	19,620	-
Balance at 30 June 2013	**127,909**	**100,000**

	Shares	Rights [1]
Mr M C Casey		
1 July 2011	-	300,000
Vested and exercised	100,000	(100,000)
Acquired	10,000	-
Balance at 30 June 2012	110,000	200,000
Vested and exercised	100,000	(100,000)
Sold	-	-
Acquired	200,000	-
Balance at 30 June 2013	**410,000**	**100,000**

1 Details of the rights issued are included in the remuneration report section of the directors' report. All equity-based remuneration is 'at risk' and will lapse or is forfeited, in the event that minimum prescribed vesting conditions are not met by the group or individual employees.

Loans to key management personnel
There were no loans made to key management personnel or their personally related parties during the current or prior periods.

Other transactions with key management personnel
Apart from the details disclosed in this note, no key management personnel have entered into a material contract with Ramelius or the group since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end. For details or other transactions with key management personnel, refer Note 27 - Related Party Disclosures.

29 DEED OF CROSS GUARANTEE

Pursuant to Class Order 98/1418, wholly-owned subsidiary Mt Magnet Gold Pty Ltd (formerly Mt Magnet Gold NL) (Subsidiary) is relieved from the Corporations Act requirements for preparation, audit and lodgement of its financial reports.

As a condition of the Class Order, Ramelius and Mt Magnet Gold Pty Ltd (the Closed Group) entered into a Deed of Cross Guarantee on 15 December 2011 (Deed). The effect of the Deed is that Ramelius has guaranteed to pay any deficiency in the event of winding up of the abovementioned Subsidiary under certain provisions of the Corporations Act 2001. Mt Magnet Gold Pty Ltd has also given a similar guarantee in the event that Ramelius is wound up. The Consolidated Income Statement and Statement of Financial Position of the Closed Group are as follows:

Consolidated Statement of Comprehensive Income	**Closed Group** **2013** **$000's**	2012 $000's
Sales revenue	**134,438**	84,075
Cost of production	**(159,274)**	(59,308)
Gross profit (loss)	**(24,836)**	24,767
Other expenses	**(46,737)**	(26,012)
Other income	**1,205**	252
Operating profit (loss) before interest income and finance cost	**(70,368)**	(993)
Interest income	**1,538**	4,385
Finance costs	**(1,661)**	(1,808)
Profit (loss) before income tax	**(70,491)**	1,584
Income tax benefit (expense)	**17,977**	(1,194)
Profit (loss) for the year	**(52,514)**	390
Other comprehensive income		
Net change in fair value of available-for-sale assets	**(2,170)**	(1,899)
Other comprehensive income for the year, net of tax	**(2,170)**	(1,899)
Total comprehensive income for the year	**(54,684)**	(1,509)

	Closed Group	
Consolidated Statement of Financial Position	**2013**	2012
	$000's	$000's
Current assets		
Cash and cash equivalents	**31,078**	46,165
Trade and other receivables	**2,507**	4,327
Inventories	**14,500**	38,919
Derivative financial instruments	**1,889**	375
Other current assets	**704**	617
Current income tax benefit	**492**	8,830
Total current assets	**51,170**	99,233
Non-current assets		
Available-for-sale financial assets	**2,938**	4,652
Trade and other receivables	**6,432**	4,727
Exploration and evaluation expenditure	**8,375**	15,944
Property, plant, equipment and development assets	**128,662**	136,715
Intangible assets	**537**	353
Deferred tax assets	**28,868**	17,881
Total non-current assets	**175,812**	180,272
Total assets	**226,982**	279,505
Current liabilities		
Trade and other payables	**23,077**	25,123
Borrowings	**1,275**	4,239
Provisions	**1,772**	1,117
Total current liabilities	**26,124**	30,479
Non-current liabilities		
Borrowings	**2,337**	-
Provisions	**24,292**	19,140
Deferred tax liabilities	**24,492**	29,143
Total non-current liabilities	**51,121**	48,283
Total liabilities	**77,245**	78,762
Net assets	**149,737**	200,743
Equity		
Issued capital	**112,650**	112,657
Reserves	**3,376**	1,862
Retained earnings	**33,711**	86,224
Total equity	**149,737**	200,743

30 INVESTMENTS IN CONTROLLED ENTITIES

The consolidated financial statements incorporate assets, liabilities and results of the ultimate parent entity, Ramelius Resources Limited, and the following subsidiaries in accordance with the accounting policy described in Note 1(b).

	Country of Incorporation	Percentage Owned (%) [1]	
		2013	2012
Parent entity			
Ramelius Resources Limited	Australia		
Subsidiaries of Ramelius Resources Limited			
Ramelius Milling Services Pty Ltd	Australia	**100**	100
Ramelius Nevada LLC	United States	**100**	100
Mt Magnet Gold Pty Ltd	Australia	**100**	100

1 Percentage of voting power is in proportion to ownership

31 INTERESTS IN UNINCORPORATED JOINT VENTURES

The group has a direct interest in a number of unincorporated joint ventures, as follows:

Joint venture project	Principal activities	Interest
Black Cat	Gold	90%
Hilditch	Nickel	90%
Wattle Dam	Nickel	80%
Logan's Larkinville	Nickel	80%
	Gold and tantalum	75%
Nevada - Angel Wing [1]	Gold	70%

1 Under an alliance with Marmota Energy Limited, Marmota may participate and earn 40% in Ramelius' interest once minimum expenditure is achieved by Ramelius.

Ramelius' share of assets in unincorporated joint ventures is as follows:

	Consolidated	
	2013 $000's	2012 $000's
Non-current assets		
Exploration and evaluation expenditure (Note 17)	**1,382**	7,128

32 SUBSEQUENT EVENTS

The following events occurred since 30 June 2013.

Ramelius agreed to enter into a conditional sale agreement with ERO Mining Limited ("ERO") to sell 100% of Ramelius' right, title and interest in the Spargoville Gold Project; including the abandoned Wattle Dam gold mine for the issue of 133,333,334 fully paid ordinary ERO shares to Ramelius equivalent to $400,000.

The Department of Mines and Petroleum in WA has retired as the holder of unconditional bank guarantees in respect of restoration and rehabilitation costs. The total value of the funds released to Ramelius is $7,954,390.

Ramelius sold its entire interest in Doray Minerals Limited for a gross consideration of $5,141,564.

Apart from the above, no other matter or circumstance has arisen since 30 June 2013 that has significantly affected, or may significantly affect:

(a) The group's operations in future financial years,
(b) The results of operations in future financial years, or
(c) The group's state of affairs in future financial years.

33 PARENT ENTITY INFORMATION

	Parent entity	
	2013	2012
	$000's	$000's
a) Summary of financial information		
Financial statements for the parent entity show the following aggregate amounts:		
Current assets	**29,072**	72,009
Total assets	**195,034**	227,153
Current liabilities	**(1,721)**	(22,321)
Total liabilities	**(2,537)**	(20,127)
Net assets	**192,497**	207,026
Equity		
Issued capital	**112,650**	112,657
Reserves	**2,742**	1,228
Retained earnings	**77,105**	93,141
Total equity	**192,497**	207,026
b) Income Statement		
Profit (loss) after income tax	**(16,036)**	6,487
Total comprehensive income (loss)	**(18,206)**	4,588
c) Commitments		
(i) Operating lease commitments		
Future minimum rentals payable on non-cancellable operating leases due:		
Within 1 year	**232**	212
Later than 1 year but not later than 5 years	**161**	124
Total operating lease commitments	**393**	336

(ii) Minimum exploration and evaluation commitments

In order to maintain current rights of tenure to exploration tenements, Ramelius is required to perform minimum exploration work to meet minimum expenditure requirements. These obligations are subject to renegotiation and may be farmed out or relinquished. These obligations are not provided for in the parent entity financial statements.

Within 1 year	**354**	2,756
Later than 1 year but not later than 5 years	**122**	10,241
Later than 5 years	**197**	6,711
Total minimum exploration and evaluation commitments	**673**	19,708

(iii) Other commitments
Ramelius Resources Limited has contractual obligations for various expenditures such as royalties, production based payments, exploration and the cost of goods and services supplied to the parent entity. Such expenditures are predominantly related to the earning of revenue in the ordinary course of business. These obligations are not provided for in the parent entity financial statements.

d) Contingent liabilities
The directors are of the opinion that the recognition of a provision is not required in respect of the following matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

(i) Expenditure to acquire mineral rights on tenements
Ramelius has agreed to purchase the Vivien gold project from Agnew Gold Mining Company, subsidiary of Gold Fields Limited. The settlement balance for the acquisition totalling $9.5 million and a production royalty is subject to certain conditions precedent.

(ii) Bank guarantees
Ramelius has negotiated a number of bank guarantees in favour of various government authorities and service providers. The total nominal amount of these guarantees at the reporting date is $790,900 (2012: $8,792,290). These bank guarantees are fully secured by cash on term deposit.

e) Guarantees in relation to debts of subsidiaries
Ramelius and Mt Magnet Gold Pty Ltd (the Closed Group) entered into a Deed of Cross Guarantee on 15 December 2011 (Deed) as noted in Note 29 above. The effect of the Deed is that Ramelius has guaranteed to pay any deficiency in the event of winding up of the abovementioned Subsidiary under certain provisions of the Corporations Act 2001. Mt Magnet Gold Pty Ltd has also given a similar guarantee in the event that Ramelius is wound up.

34 IMPAIRMENT OF NON-CURRENT ASSETS

In accordance with the group’s accounting policies and processes, the group performs its impairment testing annually as at 30 June. Non-current assets are reviewed at each reporting period to determine whether there is an indication of impairment. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made.

The significant and sustained decline in gold prices and resulting fall in market value of gold company share prices, reflected in the market capitalisation of Ramelius, in the latter part of the 2013 financial year represented indicators of impairment. As a result, the group assessed the recoverable amounts of the Mt Magnet cash-generating unit (CGU). The Wattle Dam CGU was assessed in the 2013 financial year and impaired by $2.3 million ($2012: $14.5 million) as part of the 31 December 2012 half year accounts and the remaining carrying value was fully amortised prior to 30 June 2013.

Methodology
The impairment assessment was performed on a value in use basis for the Mt Magnet CGU using an internal valuation based on board approved mine plans. In assessing the recoverable amount of the Mt Magnet CGU, the company made a number of significant assumptions, including assumptions regarding commodity prices, foreign exchange rates and future cash flows. The company considered information from industry analysis in relation to short and long term commodity prices and forward exchange rates.

Significant judgements and assumptions are required in making estimates of a CGU’s value in use. It should be noted that CGU valuations are subject to variability in the abovementioned key assumptions. An adverse change in one or more of the assumptions used could result in a reduction in the CGU’s value in use.

Key assumptions

The table below summarises the key assumptions used in the 2013 end of year carrying values assessments.

Key assumptions	2014	2015	2016	2017
Gold (US$ per ounce)	1,285	1,290	1,301	1,323
AUD:USD exchange rate	0.88	0.86	0.84	0.83
Pre-tax discount rate (%)	11.3	11.3	11.3	11.3

Commodity prices and exchange rates

The group considered information available from industry analysts in relation to short and long term commodity prices and forward exchange rates.

Discount rate

In determining the fair value of the Mt Magnet CGU, the future cash flows were discounted using rates based on the groups estimated pre-tax weighted average cost of capital.

Operating and capital costs

Life of mine operating costs assumptions is based on the group's latest budget and internal mine plan assessments.

Impact

After reflecting the write-down of certain assets arising from the groups revised operating plans, the group has conducted the carrying value analysis and recognised non-current assets impairments of $20.3 million for the Mt Magnet CGU.

Sensitivity analysis

After effecting the impairment for the Mt Magnet CGU the value in use is assessed as being equal to the carrying amount as at 30 June 2013.

Any variation in the key assumptions would result in a change of the assessed value in use. If the variation in assumption has a negative impact on value in use it could indicate a requirement for additional impairment to non-current assets.

It is estimated that changes in the key assumptions would have the following approximate impact on the value in use of the Mt Magnet CGU.

Changes in key assumptions	Mt Magnet CGU $m's
5% increase/decrease in A$ gold price	20.8
0.5% increase/decrease in discount rate	0.75
5% increase/decrease in operating costs from that assumed	15.1

35 COMPANY DETAILS

The registered office and principal place of business of Ramelius is:

Suite 4, 148 Greenhill Road
PARKSIDE SA 5063

In the directors' opinion:

a) the financial statements and notes set out on pages 21 to 70, are in accordance with the Corporations Act 2001, including:

   (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

   (ii) giving a true and fair view of the consolidated group's financial position as at 30 June 2013 and of its performance for the financial year ended on that date, and

b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, and

c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in Note 29 will be able to meet any obligations or liabilities to which they are, or may become, subject by the virtue of the deed of cross guarantee described in Note 29.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Australian Standards Board.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

The declaration is made in accordance with a resolution of the directors.

Robert Michael Kennedy
Chairman
Adelaide 22 August 2013

Level 1,
67 Greenhill Rd
Wayville SA 5034
GPO Box 1270
Adelaide SA 5001
T 61 8 8372 6666
F 61 8 8372 6677
E info.sa@au.gt.com
W www.grantthornton.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RAMELIUS RESOURCES LIMITED

Report on the financial report

We have audited the accompanying financial report of Ramelius Resources Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

Auditor's opinion

In our opinion:

a the financial report of Ramelius Resources Limited is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

  ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 11-19 of the directors' report for the year ended 30 June 2013. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Ramelius Resources Limited for the year ended 30 June 2013, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP
Chartered Accountants

S J Gray
Partner

Adelaide, 22 August 2013