



23 February 2022

APPENDIX 4D: HALF YEAR REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

Results for announcement to the market

Current reporting period: Half year ended 31 December 2021

Previous corresponding reporting period: Half year ended 31 December 2020

23 February 2022

ISSUED CAPITAL

Ordinary Shares: 867M

DIRECTORS

NON-EXECUTIVE CHAIR:

Bob Vassie

MANAGING DIRECTOR:

Mark Zeptner

NON-EXECUTIVE DIRECTORS:

Michael Bohm

David Southam

Natalia Streltsova

Fiona Murdoch

COMPANY SECRETARY:

Richard Jones

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RAMELIUS RESOURCES LIMITED

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Key Information		2021 A\$'000	2020 A\$'000
Revenue from ordinary activities	down 9%	310,077	342,226
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	down 3%	187,690	192,840
Earnings before Interest and Tax (EBIT)	down 10%	106,266	118,297
Net profit before tax	down 10%	105,466	116,664
Net profit after tax	down 10%	73,380	81,320
Net profit after tax attributable to members	down 10%	73,380	81,320

Dividend information

Dividends recommended but not yet paid

There were no dividends recommended but not yet paid for the half year ended 31 December 2021.

Dividends paid

On 4 October 2021, a final dividend for the year ended 30 June 2021 of 2.5 cents per fully paid ordinary share was paid. The dividend payment totalled \$20,352,426.

Financial results

The following Appendix 4D reporting requirements are found within this half year financial report which has been reviewed by Deloitte Touche Tohmatsu:

Requirement	Title	Reference
Review of results	Directors' report	Page 8
A statement of comprehensive income	Income statement	Page 15
A statement of financial position	Balance sheet	Page 16
A statement of retained earnings	Statement of changes in equity	Page 17
A statement of cash flows	Statement of cash flows	Page 18

Net tangible assets per ordinary share	31 December 2021 A\$ cps	31 December 2020 A\$ cps
Net tangible asset backing per ordinary share	0.90	0.72

Earnings per share	31 December 2021 A\$ cps	31 December 2020 A\$ cps
Basic earnings per share	8.89	10.06
Diluted earnings per share	8.78	9.93

Changes in controlled entities

During the year the Group acquired of the following entities.

Date	Type	Name
12 November 2021	Acquisition	Apollo Consolidated Limited
<i>Subsidiaries of Apollo Consolidated Limited:</i>		
12 November 2021	Acquisition	AC Minerals Pty Ltd
12 November 2021	Acquisition	Aspire Minerals Pty Ltd
12 November 2021	Acquisition	AC28 Pty Ltd
12 November 2021	Acquisition	Mount Fouimba Resources Côte d'Ivoire S.A
12 November 2021	Acquisition	Calabash Sarl
12 November 2021	Acquisition	Apollo Guinea SARLU

Associates and joint venture entities

The Group has the following direct interests in unincorporated joint operations:

Joint operation project	Joint operation partner	Principal activity	31 December 2021
Nulla South	Chalice Gold Mines Limited	Gold Exploration	75%*
Gibb Rock	Chalice Gold Mines Limited	Gold Exploration	0%*
Coogee Farm out	Unlisted entity	Gold Exploration	Diluting 90%
Parker Dome	Unlisted entity	Gold Exploration	0%*
Mt Finnerty	Rogue Resources [^]	Gold Exploration	0%*
Jupiter	Kinetic Gold [#]	Gold Exploration	0%*

* Ramelius earning in / [^]Rogue Resources is a subsidiary of Westar Resources Ltd / [#] Kinetic Gold is a subsidiary of Renaissance Gold Inc.

Audit

This report is based on financial statements which have been subject to a review by Deloitte Touche Tohmatsu.

RAMELIUS
RESOURCES



2022 Half year report

For the six months ended 31 December 2021

It is recommended that the 2022 half year report is read in conjunction with the 30 June 2021 annual financial report of Ramelius Resources Limited together with any public announcements made by Ramelius Resources Limited during the half year ended 31 December 2021 in accordance with the continuous disclosure obligations arising under the *Corporation Act 2001*.

About this report

This half year report is a summary of Ramelius and its subsidiary companies operations and financial position as at 31 December 2021 and performance for the half year ended on that date.

In this report references to 'Ramelius', 'the Company', and 'the Group' refer to Ramelius Resources Limited (ABN 51 001 717 540) and its subsidiary companies', unless otherwise stated.

References in this report to the 'half year' are to the financial period 1 July 2021 to 31 December 2021 unless otherwise stated. The prior corresponding period is the half year ended 31 December 2020.

All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated.

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Directors' report

Your directors present their report on Ramelius Resources Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2021.

Directors

Except as otherwise stated below, the directors in office during the half year reporting period and as at the date of this report are shown below.

Bob Vassie
Mark Zeptner
Michael Bohm
David Southam
Natalia Streltsova
Fiona Murdoch (appointed 1 December 2021)

Key highlights for the half year

Acquisition of the Rebecca Gold Project (Apollo Consolidated Limited)

The Rebecca Gold Project (**Rebecca**) is the primary asset of Apollo Consolidated Limited (**Apollo**) which was acquired by Ramelius during the period. Rebecca comprises 160km² of tenure located approximately 150km east of Kalgoorlie in the Eastern Goldfields of Western Australia (**WA**). The Rebecca Gold Project currently consists of three deposits being Rebecca, Duke, and Duchess along with the Cleo discovery (located 1.5km west of the Rebecca deposit). The Mineral Resource estimate is currently 29.1Mt at 1.2g/t for 1.1 million ounces of contained gold.

On 18 October 2021 Ramelius announced an off market takeover offer for Apollo. Under the offer, Apollo shareholders were to receive 0.1375 Ramelius shares and cash consideration of A\$0.34 for every Apollo share held. On the same day, the Apollo Board unanimously recommended that Apollo shareholders accept the Ramelius offer. On 1 November 2021, in response to a competing proposal from Gold Road Resources Ltd, Ramelius increased its offer to 0.1778 Ramelius shares and cash consideration of A\$0.34 for every Apollo share and made the offer unconditional, which again was unanimously supported by the Apollo Board.

Control was obtained on 12 November 2021 with Ramelius holding a relevant interest in Apollo of 51.6%, or 150,426,011 Apollo shares. The compulsory acquisition process commenced on 7 December 2021 with Ramelius obtaining 100% control on 17 December 2021.

Up to 31 December 2021 a total of \$67.0 million of cash consideration (net of cash acquired) had been paid along with 50,858,611 Ramelius shares issued to Apollo share and option holders as part of the takeover. Subsequent to the period end a total of \$2.1 million cash consideration was paid along with 991,761 Ramelius shares issued relating to the compulsory acquisition process. Acquisition costs totalled \$11.0 million which includes an estimate of the stamp duty payable on the transaction.

Development of Penny Gold Mine

Open pit mining commenced at the Penny Gold Mine (**Penny**) during the period with the small Magenta pit being completed. The Magenta pit contained a small quartz lode, however its primary purpose will be to serve as a dewatering location for the Penny West cut back and Penny North underground. In addition to the Magenta pit the Penny West cut back works were well advanced to re-establish a suitable long term ramp access and underground portal location in the north wall. These works are expected to be completed in the March 2022 Quarter with highwall preparation for the underground portal occurring late in that Quarter.

During the period a total of 17,824t at 3.41g/t for 1,953 ounces of contained gold was mined and stockpiled awaiting transport to the Mt Magnet mill later in the year.

Commencement of haulage and processing of Tampia Gold Mine ore

Following the commencement of mining at the Tampia Gold Mine (**Tampia**) late in the 2021 financial year haulage and processing commenced in this half year. Despite our ore haulage contractor facing labour shortages exacerbated by the WA border closure haulage levels were close to that expected with Tampia's higher grade ore taking priority over Marda ore. For the period, a total of 316kt of ore at a grade of 3.01g/t was hauled to, and milled at, the Edna May mill for a total recovered gold of 28,252 ounces.

COVID-19

Ramelius maintains certain procedures, related to physical distancing and pre commute screening. The Company continues to apply new restrictions as they are introduced, wearing of clinical masks on aircraft and in the workplace where required, as well as carrying out temperature testing and screening processes prior to commuting to sites. Ramelius has secured sufficient supplies of PPE and rapid antigen test kits for testing required upon a COVID-19 outbreak. The Company has run COVID-19 on site emergency drills and corporate crisis management exercises in order to be as prepared as possible.

Directors' report

Mandatory vaccination requirements, introduced by the WA government during the half year to 31 December 2021, have resulted in the loss of approximately 2.5% of the Ramelius employed workforce (7 out of 300) and reportedly a similar percentage of contractor employees. These workers may be in a position to return to their roles if they become vaccinated in accordance with WA government requirements.

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

Dividends

Dividends paid to members during the half year were as follows:

	31 Dec 2021 \$M	31 Dec 2020 \$M
Final dividend for the year ended 30 June 2021 of 2.5 cents (2020: 2 cents) per fully paid ordinary share paid on 4 October 2021	20.4	16.2

Table 1: Dividends paid during the half year

Events since the end of the reporting period

There were no matters or circumstances that have arisen since 31 December 2021 that have, or may, significantly affect the Group's operations, results, or state of affairs, or may do so in the future.

Operations review



Figure 1: Ramelius' operations & development project locations

Directors' report

Overview

Ramelius is an established ASX 200 gold production and exploration company. Gold production for the half year period was 132,605 ounces.

Following record production of 272,109 ounces in the 2021 financial year Ramelius has set guidance for the 2022 financial year at 260,000 – 300,000 ounces. Current forecasts are indicating the lower end of the production range will be achieved. However, whilst some allowance has been made, the actual impacts of the delayed WA border opening and/or any COVID-19 infections to mine site personnel or supply pipeline disruptions are difficult to accurately assess at this time.

Furthermore, a mine plan was released on 2 August 2021 which detailed a new 1.84 million ounce mine plan across seven years to FY28, plus a low grade tail in FY29 and FY30. This represents a 27% increase on the prior year's mine plan.

Coming off the back of a strong 2021 financial year Ramelius has reported earnings before interest and tax (**EBIT**) of \$106.3 million compared to \$118.3 million for the prior corresponding period. This represents a 10% decrease which has been driven by a 5% decrease in milled grade across the Group, which combined with 4% lower throughput, resulted in an 8% decrease in gold production. Costs were also higher than the prior corresponding period with continued tightening of the labour market and increasing energy prices. These negative variances from the prior corresponding period have been offset in part by the proceeds from the termination of the Lithium Royalty with Liontown Resources Limited which contributed \$30.3 million to the Group EBIT.

During the 2022 half year the company produced 132,605 ounces from its Mt Magnet and Edna May production centres at an All in Sustaining Cost (**AISC**) of \$1,473 per ounce.

Sales for the half year totalled 132,300 ounces at an average realised gold price of \$2,340 per ounce generating a strong AISC margin of \$867 per ounce.

Notwithstanding the higher AISC per ounce the strong gold price ensured the AISC margin remained strong at 37% as shown in the figure below.

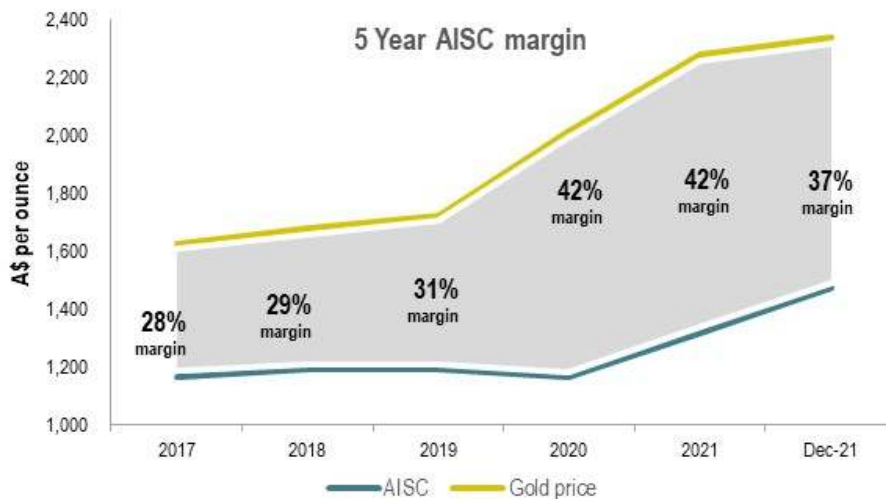


Figure 2: AISC per ounce and realised gold price from June 2017 to December 2021

The financial results are discussed further below.

Directors' report

Operational summary	Unit	Mt Magnet ¹	Edna May ²	2021	2020	Change	Change %
Open pit							
Ore mined	kt	712	987	1,699	1,321	378	+ 29 %
Grade	g/t	1.21	2.21	1.79	1.53	0.26	+ 17 %
Contained gold	oz	27,703	70,280	97,983	64,870	33,113	+ 51 %
Underground							
Ore mined	kt	356	111	467	476	(9)	- 2 %
Grade	g/t	4.23	4.23	4.23	4.66	(0.43)	- 9 %
Contained gold	oz	48,362	15,064	63,426	71,409	(7,983)	- 11 %
Total ore mined	kt	1,068	1,098	2,166	1,797	369	+ 21 %
Mill production							
Tonnes milled	kt	902	1,368	2,270	2,366	(96)	- 4 %
Grade	g/t	2.35	1.66	1.93	2.03	(0.10)	- 5 %
Contained gold	oz	68,004	73,134	141,138	154,285	(13,147)	- 9 %
Recovery	%	96.7	93.1	94.8	95.4	(0.60)	- 1 %
Recovered gold	oz	65,734	68,088	133,822	147,187	(13,365)	- 9 %
Gold poured	oz	65,510	67,095	132,605	144,240	(11,635)	- 8 %
Gold sold	oz	65,737	66,563	132,300	147,836	(15,536)	- 11 %

Table 2: Mine operations performance for the 2022 half year

¹ In the above table and throughout this report Mt Magnet incorporates the high grade Vivien and Penny ore which is processed through the Mt Magnet processing plant.

² In the above table and throughout this report Edna May incorporates the Marda and Tampia ore which is processed through the Edna May processing plant.

Mt Magnet

Mining

Operations at Mt Magnet continued on a multi pit / underground basis throughout the 2022 half year with mining occurring at three open pit and three underground projects. A summary of the main projects for the half year is provided below:

Area	Type	Operational commentary
Eridanus	Open Pit	<p>Mining operations at Eridanus continued during the half year. With the completion of the cutback in the prior corresponding period to the original pit level ore production has risen significantly.</p> <p>The large Eridanus open pit was the main single source of ore feed for Mt Magnet for the half year. Increased ore mining has meant the higher grade ore is being preferentially milled and surplus ore stockpiled. A total of 694k tonnes of ore was mined at an average grade of 1.15 g/t for 25,750oz of contained gold. The ROM stockpile increased by 246k tonnes in the half year.</p>
Hill 60	Underground	<p>Mining at Hill 60 underground continued during the half year with a focus on stope production. A total of 126k tonnes at an average grade of 3.17g/t were mined for 12,898oz of contained gold.</p> <p>Development of the 120 Level was completed and stoping commenced during the period.</p>
Shannon	Underground	<p>Shannon underground production continued steadily and is generating excellent high grade ore. Development of the 1125 Level was extended during the period and a remnant drive was completed in the 1205 Level.</p> <p>Production totalled 127k tonnes of ore at an average mined grade of 4.88g/t for 19,986oz of contained gold.</p>

Directors' report

Area	Type	Operational commentary
Vivien	Underground	<p>At Vivien a total of 1,022m of development was completed during the period with stoping continuing on the main and east vein.</p> <p>The underground resource infill and extensional drilling program was completed with the potential below the current deepest level, (-020mRL) appearing to reduce the likelihood of deeper extensions to Vivien as the vein narrowed and reduced in grade.</p> <p>Mining will now focus on effective extraction of the remaining reserves and remnant resource areas, which will likely involve a final open pit cutback once all underground reserves are depleted.</p> <p>Attributed mill production was 111k tonnes at 4.61g/t for 16,104 recovered ounces.</p>
Magenta & Penny West	Open Pit	<p>The Magenta pit was completed during the period which contained a small quartz lode and will also serve as a dewatering location for the Penny West cut back and Penny North underground.</p> <p>In addition to the Magenta pit the Penny West cut back works were well advanced to re-establish a suitable long term ramp access and an underground portal location in the north wall. These works are expected to be completed in the March 2022 Quarter with highwall preparation for the underground portal occurring late in that Quarter.</p> <p>During the period a total of 18k tonnes at 3.41g/t for 1,953 ounces of contained gold was mined and stockpiled awaiting transport to the Mt Magnet mill in the 2022 financial year.</p>

Milling

		Dec 21	Dec 20	Change	Change (%)
Mill production					
Tonnes milled	kt	902	956	(54)	- 6 %
Grade	g/t	2.35	2.97	(0.62)	- 21 %
Contained gold	oz	68,004	91,309	(23,305)	- 26 %
Recovery	%	96.7	96.5	0.20	+ 0 %
Recovered gold	oz	65,734	88,078	(22,344)	- 25 %
Gold poured	oz	65,510	84,119	(18,609)	- 22 %
Gold sold	oz	65,737	87,898	(22,161)	- 25 %

Table 3: Mt Magnet mill production for the 2022 half year

Strong ore production levels were maintained at Mt Magnet with a total of 902k tonnes being processed during the half year which is only 6% lower than the prior corresponding period. The milled grade was however 21% lower which resulted in 25% less recovered gold compared to the prior corresponding period.

The grades at Mt Magnet decreased with the absence of the higher grade open pit material from Stellar (104k tonnes at a grade of 4.17g/t in the prior corresponding period) with additional feed from Eridanus and low grade stockpiles (for blending purposes) compensating for this. The grade from the underground mines performed largely in line with the prior corresponding period with the exception of Shannon (4.90g/t) which had benefited from extremely high grade zones in the prior corresponding period (7.85g/t).

Directors' report

Edna May

Mining

Mining operations at Edna May focused on the underground mine, Marda Gold Mine (open pit) and Tampia Gold Mine (open pit). A summary of these projects for the half year is provided below:

Area	Type	Operational commentary
Edna May Underground	Underground	Steady production at the Edna May underground mine continued over the period with a total of 111k tonnes of high grade ore mined at an average grade of 4.23g/t for 15,064 ounces of contained gold.
Greenfinch	Open Pit	The Greenfinch pit was completed in August 2021. Final mill reconciled production was 1.7M tonnes at 1.02g/t for 50,424 ounces of recovered gold.
Marda	Open Pit	<p>Mining at Marda during the period took place at the Dolly Pott, Python, King Brown, and Golden Orb pits with both Python and King Brown now being mined to completion.</p> <p>Operations are now focussing on the Golden Orb pit with some further production planned at Dolly Pott.</p> <p>A total of 262k tonnes were mined at an average grade of 2.07g/t for contained gold of 17,466 ounces. Haulage & milling totalled 154k tonnes at a grade of 2.53g/t for 11,779 ounces of recovered gold. Haulage during the period was impacted by wet weather and labour shortages. Marda shared the haulage fleet capacity with the higher grade ore from Tampia given priority during the period.</p> <p>At 31 December 2021 a total of 470k tonnes of ore remained stockpiled at the mine site awaiting haulage and processing at Edna May.</p>
Tampia	Open Pit	<p>The haulage of ore to, and processing at, Edna May commenced during the period with the mine now significantly advanced. Large grade control drilling programs were completed and the high grade Mace ore was mined during the period.</p> <p>As expected, mining outpaced haulage with 611k tonnes at an average of 2.47g/t for 48,605 ounces of contained gold being mined and 316k tonnes at an average grade of 3.01g/t for 28,252 ounces of recovered gold being hauled and milled.</p> <p>As at 31 December 2021 a total of 316k tonnes of ore was stockpiled at the mine site ready for haulage to Edna May.</p>

Milling

		Dec 21	Dec 20	Change	Change (%)
Mill production					
Tonnes milled	kt	1,368	1,410	(42)	- 3 %
Grade	g/t	1.66	1.39	0.27	+ 19 %
Contained gold	oz	73,134	62,976	10,158	+ 16 %
Recovery	%	93.1	93.9	(0.80)	- 1 %
Recovered gold	oz	68,088	59,109	8,979	+ 15 %
Gold poured	oz	67,095	60,121	6,974	+ 12 %
Gold sold	oz	66,563	59,938	6,625	+ 11 %

Table 4: Edna May mill production for the 2022 half year

Directors' report

Throughput for the period, when compared to the prior corresponding period, was down 3% with the blend changing to include the new Tampia ore source. The main source of open pit ore at Edna May has transitioned from Greenfinch to the higher grade Tampia ore with the resulting mill grades increasing 19% and recovered gold increasing 15% when compared to the prior corresponding period. In addition to this, the underground grades remained comparable to the prior corresponding period and the Marda grade increased with the introduction of the higher grade King Brown ore.

Financial review

Financial performance	Mt Magnet \$M	Edna May \$M	Corp & other \$M	Group Dec 21 \$M	Group Dec 20 \$M	Change \$M	Change %
Revenue	153.9	156.2	-	310.1	342.2	(32.1)	- 9 %
Cash costs of sales	(95.3)	(90.8)	-	(186.1)	(139.5)	(46.6)	+ 33 %
Gross margin excluding "non cash" items	58.6	65.4	-	124.0	202.7	(78.7)	- 39 %
Amortisation and depreciation	(36.5)	(44.6)	-	(81.1)	(74.3)	(6.8)	+ 9 %
Inventory movements	19.4	27.2	-	46.6	(4.3)	50.9	+ 1,184 %
Gross profit	41.5	48.0	-	89.5	124.1	(34.6)	- 28 %
Other expenses	-	-	(13.7)	(13.7)	(11.7)	(2.0)	+ 17 %
Other income	-	-	30.5	30.5	5.9	24.6	+ 417 %
Earnings before interest & tax (EBIT)	41.5	48.0	16.8	106.3	118.3	(12.0)	- 10 %
Net finance costs	-	-	(0.8)	(0.8)	(1.6)	0.8	- 50 %
Profit before income tax	41.5	48.0	16.0	105.5	116.7	(11.2)	- 10 %
Income tax expense	-	-	(32.1)	(32.1)	(35.3)	3.2	- 9 %
Profit / (loss) for the period from continuing operations	41.5	48.0	(16.1)	73.4	81.3	(7.9)	- 10 %

Table 5: 2022 half year financial performance

Profit

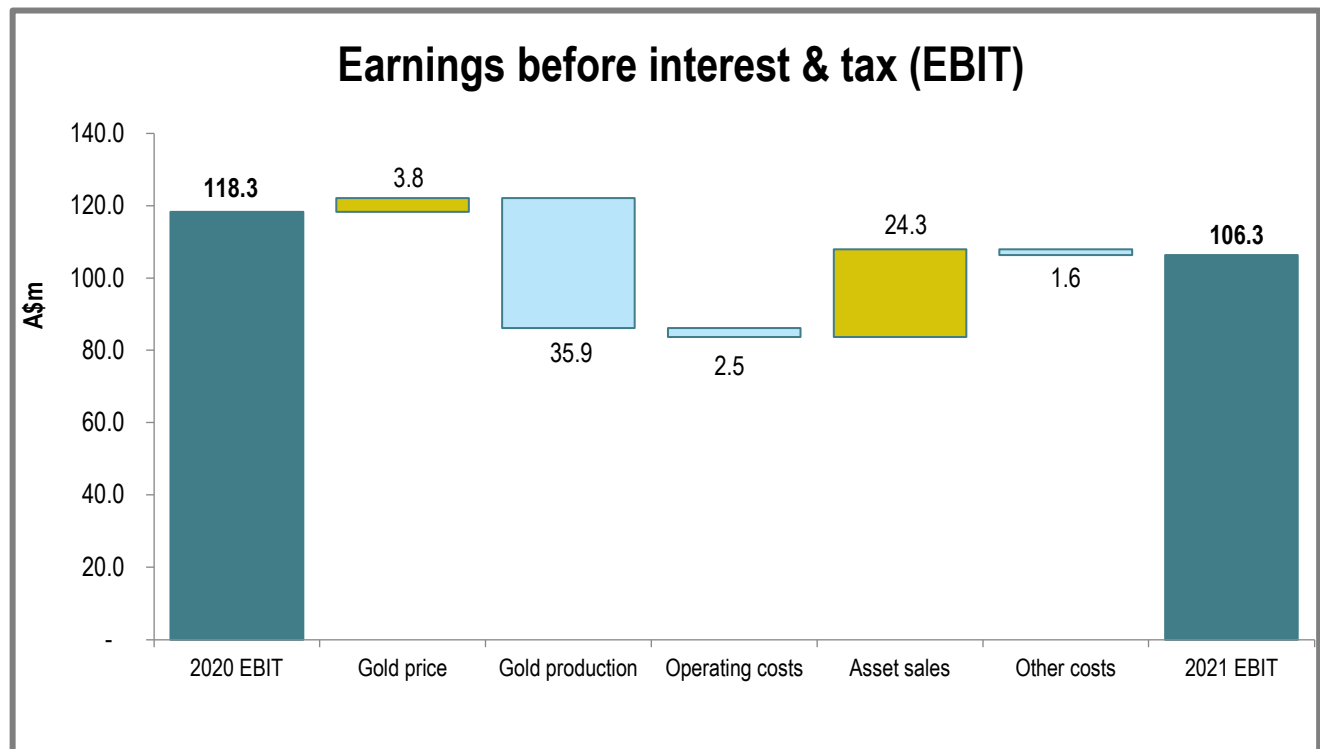


Figure 3: EBIT for the half year ended 31 December 2021

Directors' report

The Group reported an EBIT of \$106.3 million and a net profit after tax (**NPAT**) of \$73.4 million for the half year ended 31 December 2021, a decrease of 10% for both from the prior corresponding period (2020: EBIT \$118.3 million and NPAT \$81.3 million).

After removing the gain from asset and royalty disposals and exploration impairment charges for this half year and the prior corresponding period, the underlying EBIT was \$77.9 million compared to \$114.8 million, down 32%

At Edna May an EBIT of \$48.0 million was reported representing a 34% increase on the prior corresponding period (2020: \$35.7 million). This increase was driven by higher grades due to the introduction of the Tampia ore, which was offset slightly by a higher cost per tonne with this haulage model.

Mt Magnet reported an EBIT of \$41.5 million, a 53% decrease from the prior corresponding period (2020: \$88.4 million) which is primarily due to the lower milled grades at Mt Magnet, down 21% on the prior corresponding period. The EBIT was also impacted to a lesser extent by the higher cost per tonne, up 4% on the prior corresponding period.

Both Edna May and Mt Magnet earnings are discussed in detail below.

Revenue

Revenue for the half year ended 31 December 2021 decreased by 9% to \$310.1 million compared to \$342.2 million for the prior corresponding period. This drop in revenue is attributable to the lower gold production discussed above with the realised gold price increasing marginally to A\$2,340/oz (up 1% from A\$2,312). Total gold sold was 132,300 ounces compared to 147,836 ounces in the prior corresponding period.

Total gold sales included a mixture of both deliveries into the hedge book and spot sales.

As at 31 December 2021 the Group's hedge book totalled 218,500 ounces at a price of A\$2,419/oz representing a 6% increase in ounces committed and 4% increase in price from that at 30 June 2021 (206,000 ounces at A\$2,335/oz).

EBIT – Edna May

The EBIT for Edna May increased to \$48.0 million representing a 34% increase on the prior corresponding period. This is the first time Edna May has reported earnings greater than Mt Magnet in a half year reporting period since 2019. The increased earnings was attributable to higher grades at Edna May with the Greenfinch ore of the prior reporting period being replaced by the higher grade Tampia ore. As expected, the cost per tonne at Edna May increased 7% to \$79/t with the additional haulage costs for the operation, however the impact of the higher costs was somewhat reduced with more free carry low grade material being milled to compensate for the aforementioned haulage issues at Marda.

With the higher grade the total cost per ounce at Edna May decreased to \$1,627 per ounce for the period with the EBIT margin per ounce increasing 21% on the prior corresponding period to \$715/oz (2020: \$590/oz).

EBIT – Mt Magnet

Gold production from Mt Magnet decreased 22% on the prior corresponding period resulting in a consequential drop in EBIT to \$41.5 million. The main cause of the lower gold production has been the lower grades discussed above. The operating cost per tonne at Mt Magnet increased 4% mainly due to the higher costs incurred at Vivien as it nears the end of its life. At the Mt Magnet operations the operating cost per tonne milled decreased marginally mainly due to the additional free carry low grade ore being milled at Mt Magnet for blending purposes and cheaper Eridanus tonnes replacing the costlier, but higher grade, Stellar tonnes milled in the prior corresponding period

The slightly higher cost per tonne, along with the fall in grade resulted in a cost per ounce at Mt Magnet increasing to \$1,710 per ounce for the period with the EBIT margin per ounce decreasing 37% on the prior corresponding period to \$629/oz (2020: \$1,003/oz).

EBIT – Corporate & other

Other expenses, which include corporate costs, were up 17% on the prior corresponding period to \$13.7 million (2020: \$11.7 million). Excluding exploration impairment charges and fair value adjustments this equated to \$81 per ounce sold which is higher than the prior corresponding period in line with the lower gold production (2020: \$62 per ounce sold).

Directors' report

During the period Ramelius entered into an agreement to terminate the Lithium Royalty on Liontown Resources Limited's (LTR) Kathleen Valley Lithium Project for consideration of \$30.3 million. The sale of the Royalty was completed through a competitive process, with multiple bids being received. The divestment of this non core asset, which carried no value in the balance sheet of Ramelius, provided additional liquidity for Ramelius with the sale of a non-core asset in an extremely favourable lithium price environment. The Royalty was originally granted to Ramelius when it disposed of the Kathleen Valley Lithium-Tantalum project to LTR in 2016. The Royalty comprised both a production component of A\$0.50/t of ore mined and a sales component of 1% of the gross sales of the ore.

Income tax

The effective tax rate for the Group for the six months ended 31 December 2021 and was 30.4% (2020: 30.3%). There were no significant non assessable or non deductible amounts in either periods nor did either period record any previously unrecognised tax losses.

Balance Sheet

The net assets of the Group increased by 23% to \$782.7 million over the period as a result of a strong profit result and the acquisition of Apollo with Ramelius shares making up part of the purchase consideration. The working capital position decreased over the period to \$129.9 million (June 2021: \$212.8 million) primarily due to the acquisition of Rebecca and the reclassification of approximately \$A60M of ore stockpiles to non current assets. The reclassification simply better reflects the timeframe over which these ore stockpiles will be processed and the gold poured; the quantum on hand will not be processed within a 12 month timeframe hence some have to be reclassified as non current asset.

Assets

The total assets of the Group increased to over \$1 billion for the first time in Ramelius' history.

Current assets decreased by 23% as a result of a decrease in cash and cash equivalents (see comments below) and the reclassification of ore stockpiles as non current. Current and non current inventories on hand increased \$46.3 million over the period with ore stockpiles increasing \$45.6 million (increased stockpiles at Eridanus, Marda, and Tampia). As at 31 December 2021 the Group had 106,000 ounces of gold in ore stockpiles, gold in circuit, and bullion on hand (June 2021: 72,000 ounces).

Non current assets increased by 47% following acquisition of Apollo exploration tenements and reclassification of non current inventories.

Liabilities

Current liabilities of the Group increased by 5% which is largely attributable to the increase in the trade and other payables which has been due to increased operations and the accrual of Apollo acquisition costs (including stamp duty). Rehabilitation and restoration liabilities have also increased with increased areas of disturbance as projects move from development into mining.

Cashflow

The net cash from operations for the half year were down 51% (or \$82.4 million) on the prior corresponding period to \$78.5 million (2020: \$160.9 million). This decrease is largely attributable to income tax payments of \$39.9 million (\$Nil in prior corresponding period). The tax payment included \$26.1 million for the 2021 financial year with the balance relating to FY22 instalments. In addition to this, cash receipts were lower on reduced gold production and cash costs increased with the introduction of Tampia and a material accumulation of stockpiles (inventory values increased \$46.3 million over the period).

During the period \$30.3 million was received on the termination of the Kathleen Valley Lithium Royalty. These proceeds plus the positive cashflow from operations were reinvested to the tune of \$147.8 million including:

- Acquisition of Apollo \$67.0 million;
- Payments for development of open pit and underground mines \$50.4 million;
- Payments for property plant and equipment of \$16.3 million; and
- Payments for mining tenements and exploration of \$10.0 million

A total of \$31.7 million was used for financing activities predominantly relating to the repayment of leases and dividend payments to shareholders.

The underlying cashflow of the business (as shown below) was \$29.5 million (2020: \$69.8 million).

Directors' report

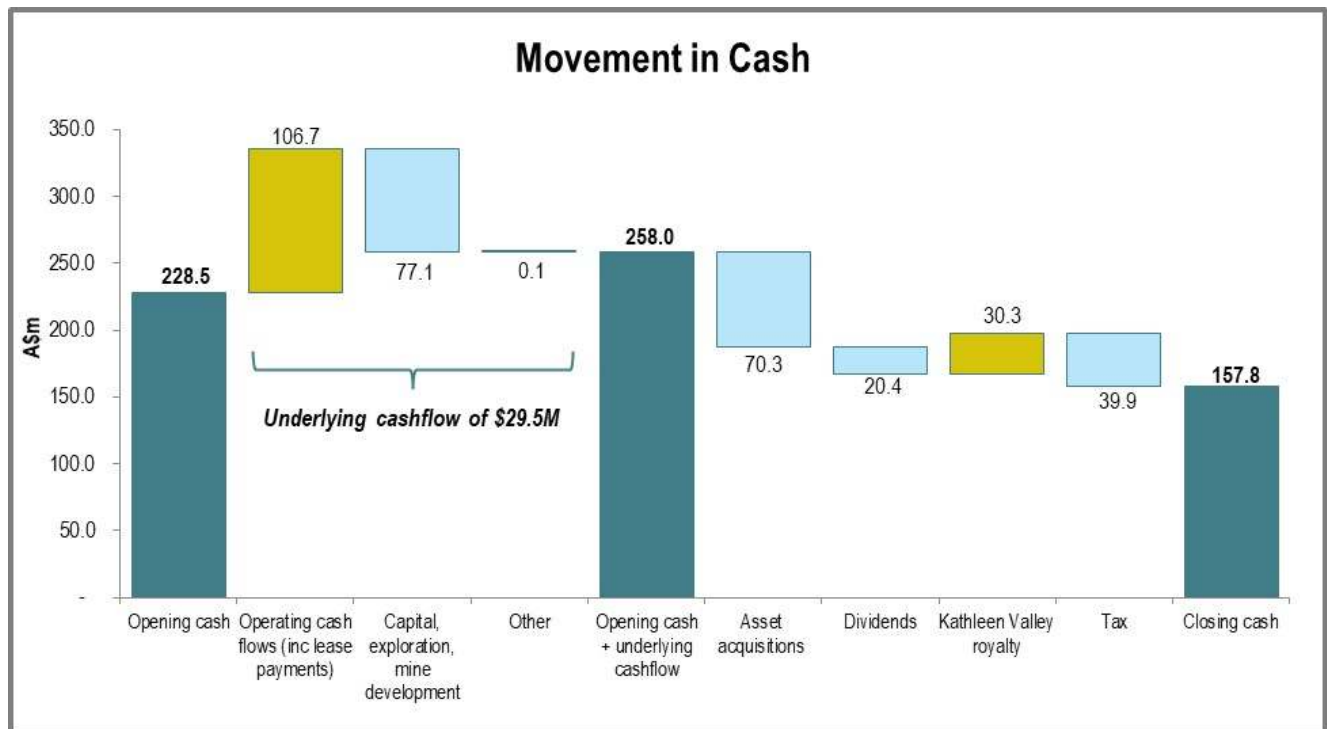


Figure 4: Movement in cash for the period ended 31 December 2021.

In the above chart asset acquisitions include payments for the acquisition of Apollo (\$67.0 million) and deferred consideration paid on Edna May (\$3.3 million).

Cash and gold at 31 December 2021 totalled \$164.5 million (June 2021: \$234.0 million) comprising cash and cash equivalents of \$157.8 million (June 2021: \$228.5 million) and gold on hand of 2,646 ounces (June 2021: 2,341 ounces).

Commodity Price Risk Management

Ramelius held forward gold sales contracts at 31 December 2021 totalling 218,500 ounces of gold at an average price of A\$2,419 per ounce over a period to June 2024. This compared to forward gold sales contracts at 30 June 2021 totalling 206,000 ounces of gold at an average price A\$2,335 per ounce over a period to March 2023.

With the continuing strong spot gold price and a change in the forward curve back into contango (i.e. higher future prices than spot prices), Ramelius took the opportunity to add some additional, high priced protection, particularly in the 2024 financial year.

Development & exploration projects

Development projects

Penny Gold Mine (Murchison region, WA)

The development of Penny has been discussed in the "Key highlights for the half year" section of this report. In addition to the project development, additional close spaced drilling was completed on the Columbia lode, close to the Magenta pit. This may form another small open pit as well as providing an additional dewatering location in the future.

Mining/Processing Studies and Resources Conversion

Mt Magnet underground mines

Works progressed on various underground studies at Mt Magnet including:

- Galaxy UG Pre-Feasibility Study;
- St George UG Remnants Study;
- Hill 50 UG Concept Study;
- Morning Star UG Concept Study.

During the period an updated Galaxy UG resource model was generated to allow for more detailed mine design work to be carried out, with mining contract rates in the process of being agreed with the incumbent underground mining contractor.

Directors' report

An inspection of the upper portion of the Hill 50 decline has been undertaken to assess its condition and suitability to access the Mars lodes, which form part of the Galaxy UG project. Ground conditions away from the influence of prior pit cutbacks were found to be very good. Dewatering of the old workings via surface raise bores has commenced.

Edna May Stage 3 Open Pit Pre-Feasibility Study

The Edna May Stage 3 assessment has focused on refinement of mining contractor costs by examining drill and blast configurations, productivity effects of different haulage routes and reconfiguration of waste dumps, as well as backfilling of the mined out Greenfinch pit and possibly mining the Golden Point end of the Stage 3 pit itself. RC drilling, focused on the Golden Point area, was also carried out during the period with drilling completed and some initial results received and reported separately.

An update on the progress of the above studies is expected in the March 2022 Quarter.

Exploration projects

Ramelius' exploration activities comprised RC and diamond drilling in the Galaxy area (Saturn and Mars), along the Macross-South Virgo trend, Bartus East and Bartus North Prospects, Eridanus Deeps, Shannon extension, Pegasus, and completions of a 2D Seismic Survey, all at Mt Magnet. At Edna May, RC and underground diamond drilling have been conducted at Golden Point, a combined exploration / resource development programme. In addition to this aircore programs were undertaken at the Mt Finnerty JV Project and Parker Dome JV along with RC drilling at the Alpaca Anomaly and Tampia.

With the completion of the off market acquisition of the Rebecca Gold Project in December 2021 preparation for exploration and resource definition drilling programmes have commenced with works scheduled for early in the 2022 calendar year.

Detailed exploration results and analysis can be found in the Quarterly reports released by Ramelius for September and December 2021.

Auditor independence

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 13.

Rounding of Amounts

The Company is of the kind referred to in ASIC Legislative Instrument 2016/191 relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of directors.



Bob Vassie
Chairman

Perth
23 February 2022

The Board of Directors
Ramelius Resources Limited
Level 1, 130 Royal Street
East Perth WA 6004

23 February 2022

Dear Directors

Auditor's Independence Declaration to Ramelius Resources Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Ramelius Resources Limited.

As lead audit partner for the review of the financial statements of Ramelius Resources Limited for the half year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



David Newman
Partner
Chartered Accountant

Ramelius Resources Limited

ABN 51 001 717 540

Half year report ended 31 December 2021

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INCOME STATEMENT

For the half year ended 31 December 2021

	Note	2021 \$'000	2020 \$'000
Revenue	4(a)	310,077	342,226
Cost of sales	5(a)	(220,675)	(218,169)
Gross profit		89,402	124,057
Other expenses	5(b)	(13,675)	(11,742)
Other income	4(b)	30,539	5,982
Interest income		229	470
Finance costs	5(c)	(1,029)	(2,103)
Profit before income tax		105,466	116,664
Income tax expense	6	(32,086)	(35,344)
Profit for the half year from continuing operations		73,380	81,320
Earnings per share		Cents	Cents
Basic earnings per share		8.89	10.06
Diluted earnings per share		8.78	9.93

STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 31 December 2021

	2021 \$'000	2020 \$'000
Profit for the half year	73,380	81,320
Other comprehensive income, net of tax		
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences on translation of foreign operations	(60)	-
<i>Items that may not be reclassified to profit or loss:</i>		
Change in fair value of financial assets	951	488
Other comprehensive income for the half year, net of tax	891	488
Total comprehensive income for the half year	74,271	81,808

BALANCE SHEET

As at 31 December 2021

	Note	31 Dec 2021 \$'000	30 Jun 2021 \$'000
Current assets			
Cash and cash equivalents		157,792	228,502
Trade and other receivables		7,106	1,920
Inventories	7	87,192	100,813
Other assets		3,827	1,484
Total current assets		255,917	332,719
Non current assets			
Other assets		502	503
Investments		7,273	6,308
Inventories	7	59,915	-
Property, plant, and equipment		102,538	100,177
Mine development	8	371,321	375,338
Exploration and evaluation assets	9	214,843	31,253
Total non current assets		756,392	513,579
Total assets		1,012,309	846,298
Current liabilities			
Trade and other payables		82,702	58,479
Lease liabilities		14,836	16,673
Deferred consideration		3,753	5,186
Current tax liabilities		13,667	30,342
Provisions		11,094	9,205
Current liabilities		126,052	119,885
Non current liabilities			
Lease liabilities		8,185	9,364
Deferred consideration		4,069	3,353
Deferred tax liabilities		44,788	35,417
Provisions		46,528	42,498
Total non current liabilities		103,570	90,632
Total liabilities		229,622	210,517
Net assets		782,687	635,781
Equity			
Share capital	10	466,556	379,391
Reserves		(26,564)	(33,277)
Retained earnings		342,695	289,667
Total equity		782,687	635,781

STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2021

	Share capital \$000's	Share-based payment reserve \$000's	Other reserves \$000's	Retained profits \$000's	Total equity \$000's
Balance at 1 July 2020	370,781	3,422	(38,129)	179,146	515,220
Profit for the half year	-	-	-	81,320	81,320
Other comprehensive income	-	-	488	-	488
Total comprehensive income	-	-	488	81,320	81,808
Transactions with owners in their capacity as owners:					
Payment of dividends	-	-	-	(16,170)	(16,170)
Share based payments	960	66	-	-	1,026
Balance at 31 December 2020	371,741	3,488	(37,641)	244,296	581,884
Balance at 1 July 2021	379,391	4,232	(37,509)	289,667	635,781
Profit for the half year	-	-	-	73,380	73,380
Other comprehensive loss	-	-	891	-	891
Total comprehensive income	-	-	891	73,380	74,271
Transactions with owners in their capacity as owners:					
Payment of dividends	-	-	-	(20,352)	(20,352)
Share based payments	570	642	-	-	1,212
Shares issued for the acquisition of Apollo (see Note 10)	86,595	-	5,180	-	91,775
Balance at 31 December 2021	466,556	4,874	(31,438)	342,695	782,687

STATEMENT OF CASH FLOWS

For the half year ended 31 December 2021

	Note	2021 \$'000	2020 \$'000
Cash flows from operating activities			
Receipts from operations		310,339	334,883
Payments to suppliers and employees		(192,281)	(173,949)
Interest received		310	391
Income tax paid		(39,871)	-
Net cash provided by operating activities		78,497	161,325
Cash flows from investing activities			
Payments for property, plant, and equipment		(16,259)	(17,723)
Payments for mine development		(50,404)	(58,623)
Proceeds from sale of tenements		-	2,000
Proceeds from termination of royalty	4(b)	30,250	-
Proceeds from the sale of subsidiary		-	1,000
Proceeds from sale of financial assets		95	-
Payments for acquisition of subsidiary, net of cash acquired	12	(67,016)	-
Loan to joint venture and joint venture parties		-	(1,074)
Payments for deferred consideration		(3,268)	(2,307)
Payments for investments		(318)	(106)
Payments for mining tenements and exploration		(10,007)	(6,630)
Payments for site rehabilitation		(542)	(353)
Net cash used in investing activities		(117,469)	(83,816)
Cash flows from financing activities			
Borrowing costs and interest paid		(49)	(301)
Repayment of lease liabilities		(11,337)	(10,133)
Repayment of borrowings		-	(16,250)
Dividends paid		(20,352)	(16,170)
Return of secured deposits		-	3,370
Net cash used in financing activities		(31,738)	(39,484)
Net (decrease) / increase in cash and cash equivalents		(70,710)	38,025
Cash and cash equivalents at the beginning of the half year		228,502	165,670
Cash and cash equivalents at the end of the half year		157,792	203,695

Notes to the financial statements

Note 1: Corporate information

The financial report of Ramelius Resources Limited (referred to as 'Ramelius', 'the Company' or 'the Group') for the half year ended 31 December 2021 was authorised for issue in accordance with a resolution of the directors on 23 February 2022. Ramelius is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange ('the ASX').

Note 2: Basis of preparation and accounting policies

Statement of compliance

The half year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Accounting policies

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the Company's 2021 annual financial report for the year ended 30 June 2021 and corresponding prior period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

New and revised Accounting Standards and Interpretations

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3: Segment information

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 (CODM), being the Managing Director and Chief Executive Officer, to make strategic decisions. Reportable operating segments are Mt Magnet, Edna May and Exploration. The Group operates primarily in one business segment, namely the exploration, development and production of minerals with a focus on Gold. The CODM monitors performance in these areas separately. Unless stated otherwise, all amounts reported to the CODM are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Notes to the financial statements

Operating segment performance details for the half years ended 31 December 2021 and 31 December 2020 are set out below:

Half year ending 31 December 2021	Mt Magnet \$'000	Edna May \$'000	Exploration \$'000	Total \$'000
Segment revenue	153,916	156,161	-	310,077
Cost of sales	(118,229)	(113,708)	-	(231,937)
Amortisation and depreciation	(36,504)	(44,622)	-	(81,126)
Movement in inventory	19,458	27,160	-	46,618
Deferred mining costs	22,876	22,894	-	45,770
Gross margin	41,517	47,885	-	89,402
Impairment and exploration write off	-	-	(2,037)	(2,037)
Segment margin	41,517	47,885	(2,037)	87,365
Interest income				229
Finance costs				(1,029)
Other income (refer note 4b)				30,539
Other items				(11,638)
Profit before income tax from continuing operations				105,466

Half year ending 31 December 2020	Mt Magnet \$'000	Edna May \$'000	Exploration \$'000	Total \$'000
Segment revenue	202,646	139,580	-	342,226
Cost of sales	(104,705)	(86,967)	-	(191,672)
Amortisation and depreciation	(39,684)	(34,593)	-	(74,277)
Movement in inventory	(9,027)	4,690	-	(4,337)
Deferred mining costs	39,171	12,946	-	52,117
Gross margin	88,401	35,656	-	124,057
Impairment and exploration write off	-	-	(2,680)	(2,680)
Segment margin	88,401	35,656	(2,680)	121,377
Interest income				470
Finance costs				(2,103)
Other items				(3,080)
Profit before income tax from continuing operations				116,664

Notes to the financial statements

Note 4: Revenue

The Group derives the following types of revenue:

(a) *Sales revenue*

Half year ended	31 Dec 2021 \$'000	31 Dec 2020 \$'000
Gold sales	309,620	341,732
Silver sales	322	396
Other revenue	135	98
Total sales revenue from continuing operations	310,077	342,226

(b) *Other income*

Gain on sale of non core projects	44	5,000
Foreign exchange gains	245	-
Gain on termination of royalty	30,250	-
Gain on sale of subsidiary	-	982
Total other income from continuing operations	30,539	5,982

Note 5: Expenses

Profit before tax includes the following expenses whose disclosure is relevant in explaining the performance of the Group:

(a) *Cost of sales*

Half year ended	Note	31 Dec 2021 \$'000	31 Dec 2020 \$'000
Mining and milling production costs		150,374	102,327
Employee benefits expense		24,075	23,211
Royalties		11,718	14,017
Amortisation and depreciation	8	81,126	74,277
Inventory movements		(46,618)	4,337
Total cost of sales from continuing operations		220,675	218,169

(b) *Other expenses*

Half year ended	Note	31 Dec 2021 \$'000	31 Dec 2020 \$'000
Employee benefit expense		5,831	5,021
Equity settled share based payments		1,212	1,026
Other expenses		3,227	2,443
Depreciation		298	266
Foreign exchange losses		-	214
Exploration and evaluation costs		194	148
Fair value of deferred consideration		358	92
Fair value losses on investments FVPL		712	-
Impairment of exploration and evaluation assets	9	1,843	2,532
Total other expenses from continuing operations		13,675	11,742

Notes to the financial statements

(c) Finance costs

Half year ended	Note	31 Dec 2021 \$'000	31 Dec 2020 \$'000
Provisions: unwinding of discount		334	184
Deferred consideration: unwinding of discount		262	445
Interest on leases		384	505
Interest and finance charges		49	969
Total finance costs from continuing operations		1,029	2,103

Note 6: Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective income tax rate expected for the full financial year. The estimated average tax rate used for the half year ended 31 December 2021 is 30.4%, compared to 30.3% for 31 December 2020. The effective tax rate is higher than 30% for the half year due to non-deductible expenditure.

Note 7: Inventory

	31 Dec 2021 \$'000	30 Jun 2021 \$'000
<i>Current</i>		
Ore stockpiles	62,508	76,792
Gold in circuit	6,759	5,889
Gold bullion and doré	4,165	4,048
Gold nuggets	80	80
Consumables and supplies	13,680	14,004
Total current inventory	87,192	100,813
<i>Non current</i>		
Ore stockpiles	59,915	-
Total non current inventory	59,915	-

Ore stockpiles not expected to be processed in the 12 months after the reporting date are classified as non current inventory. There is a reasonable expectation that the processing of these stockpiles will have a future economic benefit to the Group and accordingly the value of these stockpiles is the lower of cost and net realisable value. The non current ore stockpiles represent the stockpiles held at Eridanus that are not expected to be processed in the 12 months following balance date. The determination of the current and non current portion of the ore stockpiles includes the use of estimates and judgements about when ore stockpile drawdowns for processing will occur. These estimates and judgements are based on current forecasts and mine plans.

Notes to the financial statements

Note 8: Mine development

	31 Dec 2021 \$'000	30 Jun 2021 \$'000
Development assets	867,862	812,021
Less: accumulated amortisation	(496,541)	(436,683)
Net book amount	371,321	375,338
Mine development reconciliation		
Opening net book amount	375,338	208,268
Additions	50,404	119,163
Restoration and rehabilitation adjustment	5,220	2,935
Transfer from property, plant, and equipment	217	181
Transfer from exploration and evaluation asset	-	173,608
Amortisation	(59,858)	(128,817)
Closing net book amount	371,321	375,338

The comparative information shown above, reconciling the opening and closing mine development asset written down value, is for the financial year ended 30 June 2021.

Note 9: Exploration and evaluation assets

Exploration and evaluation asset reconciliation			
Opening net book amount		31,253	196,247
Additions on the acquisition of subsidiaries	12	175,620	-
Additions		9,813	13,652
Disposals		-	(18)
Impairment		(1,843)	(5,014)
Exchange differences		-	(6)
Transfer to development asset		-	(173,608)
Closing net book amount		214,843	31,253

The comparative information shown above, reconciling the opening and closing exploration and evaluation expenditure written down value, is for the financial year ended 30 June 2021.

(i) Impairment

At reporting date, the Group undertook an assessment of the carrying amount of its exploration and evaluation assets. During the period the Group identified indicators of impairment on certain exploration and evaluation assets under *AASB 6 Exploration and Evaluation of Mineral Resources*. As a result of this review, an impairment loss of \$1.8 million (30 June 21: \$5.0 million) has been recognised in the income statement in relation to areas of interest where results have been unsuccessful and no future exploration and evaluation activities are expected.

Notes to the financial statements

Note 10: Share capital

	Number of shares	\$'000
Ordinary shares		
Share capital at 1 July 2020	805,954,460	370,781
Shares issued from exercise of performance rights	3,062,806	960
Shares issues as consideration for asset aquisiton ¹	5,000,000	7,650
At 30 June 2021	814,017,266	379,391
Shares issued from exercise of performance rights	1,517,471	570
Shares issued as consideration for asset acquisition ²	51,850,372	86,595
At 31 December 2021	867,385,109	466,556

¹ Represents the shares issued for the acquisition of the minority interest of the Tampia Gold Mine.

² Represents the shares issued for the acquisition of Apollo Consolidated Limited (refer note 12).

Note 11: Dividends

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
Final dividend for the year ended 30 June 2021 of 2.5 cents (2020:2 cents) per fully paid share paid on 4 October 2021	20,352	16,170

Note 12: Asset acquisition

Rebecca Gold Project (Apollo Consolidated Limited)

The Rebecca Gold Project (**Rebecca**) is the primary asset of Apollo Consolidated Limited (**Apollo**) which was acquired by Ramelius during the period. Rebecca comprises 160km² of tenure located approximately 150km east of Kalgoorlie in the Eastern Goldfields of Western Australia. The Rebecca Gold Project currently consists of three deposits being Rebecca, Duke, and Duchess along with the Cleo discovery (located 1.5km west of the Rebecca deposit). The Mineral Resource estimate is currently 29.1Mt at 1.2g/t for 1.1 million ounces of contained gold.

On 18 October 2021 Ramelius announced an off market takeover offer for Apollo. Under the offer Apollo shareholders were to receive 0.1375 Ramelius shares and cash consideration of A\$0.34 for every Apollo share held. On the same day, the Apollo Board unanimously recommended that Apollo shareholders accept the Ramelius offer. On 1 November 2021, in response to a competing proposal from Gold Road Resources Ltd, Ramelius increased its offer to 0.1778 Ramelius shares and cash consideration of A\$0.34 for every Apollo share and made the offer unconditional which again was unanimously supported by the Apollo Board.

Control was obtained on 12 November 2021 with Ramelius holding a relevant interest in Apollo of 51.6%, or 150,426,011 Apollo shares. The compulsory acquisition process commenced on 7 December 2021 with Ramelius obtaining 100% control on 17 December 2021.

Up to 31 December 2021 a total of \$67.0 million of cash consideration (net of cash acquired) was paid along with 50,858,611 Ramelius shares issued to Apollo share and option holders as part of the takeover. Subsequent to the period end a total of \$2.1 million cash consideration was paid along with 991,761 Ramelius shares issued relating to the compulsory acquisition process. Acquisition costs totalled \$11.0 million which includes an estimate of the stamp duty payable on the transaction.

The Group has determined that acquisition of Apollo does not constitute a business combination in accordance with *AASB 3 Business Combinations*. The acquisition of the net assets meets the definition of, and has been accounted for, as an asset acquisition. When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under *AASB 112 Income Taxes* is applied. No goodwill arises on the acquisition and transactions costs of the acquisition are included in the capitalised cost of the asset.

Notes to the financial statements

Details of the purchase consideration and the net assets acquired are as follows:

Purchase consideration	\$'000
Cash paid or payable	101,055
Ordinary shares issued (51,850,372)	86,595
NCI reserve	5,180
Acquisition costs	11,016
Total purchase consideration	203,846

The fair value of the shares issued to Apollo shareholders is the Ramelius share price on 12 November 2021 (the date on which control was obtained) of \$1.77 per share. The value of the shares recorded in the share capital of Ramelius is the \$1.77 up to the date of control and then the Ramelius share price of the date of issue for shares issued after the control date. The difference between this share price and that at the date of control has been recorded in the NCI acquisition reserve).

Net assets acquired	\$'000
Cash and cash equivalents	33,243
Trade and other receivables	249
Exploration & evaluation assets	175,620
Trade and other payables	(3,334)
Deferred consideration	(1,932)
Net identifiable assets acquired	203,846

Outflow of cash to acquire subsidiary, net of cash acquired	\$'000
Cash consideration	101,055
Acquisition costs	11,016
Less: acquisition costs provided for but not paid	(9,752)
Less cash payable to Apollo shareholders	(2,060)
Less: cash balance acquired	(33,243)
Net outflow of cash – investing activities	67,016

Note 13: Commitments

(a) Gold delivery commitments

Forward sale contracts are accounted for as sale contracts with revenue recognised once gold has been physically delivered. The physical gold delivery contracts are considered own use contracts and therefore do not fall within the scope of AASB 9 *Financial Instruments: Recognition and Measurement*. As a result, no derivatives are required to be recognised. Forward gold sale contract delivery commitments are shown below:

Gold delivery commitments	Gold for physical delivery Oz	Contracted sales price A\$/oz	Committed gold sales value \$'000
As at 31 December 2021			
Within one year	137,000	\$2,385	326,693
Between one and five years	81,500	\$2,477	201,897
Total	218,500	\$2,419	528,590

Notes to the financial statements

Gold delivery commitments	Gold for physical delivery Oz	Contracted sales price A\$/oz	Committed gold sales value \$'000
As at 30 June 2021			
Within one year	142,500	\$2,308	328,927
Between one and five years	63,500	\$2,393	151,994
Total	206,000	\$2,335	480,921

Note 14: Events occurring after the reporting period

There were no other matters or circumstances that have arisen since 31 December 2021 that have 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.

Directors' declaration

The directors declare that:

In the director' opinion:

- (a) The financial statements and notes set out on pages 14 to 26 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 entity's financial position as at 31 December 2021 and of its performance for the half year ended on that date.

- (b) There are reasonable grounds to believe that Ramelius Resources Limited will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors



Bob Vassie
Chairman

Perth
23 February 2022

Independent Auditor's Review Report to the members of Ramelius Resources Limited

Conclusion

We have reviewed the half-year financial report of Ramelius Resources Limited (the "Company") and its subsidiaries (the "Group") which comprises the balance sheet as at 31 December 2021, and the income statement, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 15 to 27.

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

- (a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



DELOITTE TOUCHE TOHMATSU



David Newman

Partner

Chartered Accountants

Perth, 23 February 2022

Executive Director

Mark Zeptner

Managing Director and Chief Executive Officer

Non-Executive Directors

Bob Vassie (*Chair*)

Michael Bohm

David Southam

Natalia Streltsova

Fiona Murdoch

Manager Legal & Company Secretary

Richard Jones

Chief Operating Officer

Duncan Coutts

Chief Financial Officer

Tim Manners

Registered office

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Share registry

Computershare Investor Services Pty Limited

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Adelaide SA 5000

1300 556 161 (within Australia)

+ 61 3 9415 4000 (outside Australia)

Auditor

Deloitte Touche Tohmatsu

Brookfield Place, Tower 2

123 St Georges Terrace

Perth WA 6000

+ 61 8 9635 7000

Stock exchange listing

Ramelius Resources Limited ("RMS") shares are listed on the Australian Securities Exchange (ASX)