ShawandPartners Financial Services

Ramelius Resources (RMS)

Rating: Buy | Risk: Medium | Price Target: $4.19

28 October 2025

Mt Magnet – An Attractive Future

Key Information

Current Price ($ps)	3.18
12m Target Price ($ps)	4.19
52 Week Range ($ps)	1.95 - 4.09
Target Price Upside (%)	31.9%
TSR (%)	35.4%
Reporting Currency	AUD
Market Cap ($m)	6,074
Sector	Materials
Avg Daily Volume (m)	11.4
ASX 200 Weight (%)	0.24%

Fundamentals

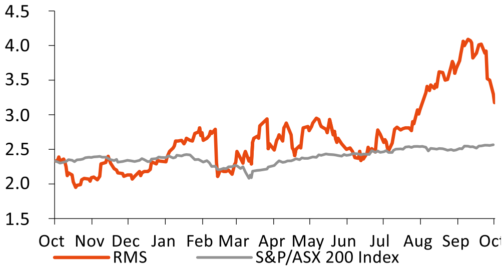
YE 30 Jun (AUD)	FY25A	FY26E	FY27E	FY28E
Sales ($m)	1,203	1,047	1,141	1,452
NPAT ($m)	474	410	455	533
EPS (cps)	41.2	35.4	39.3	46.0
EPS Growth (%)	103.0%	(14.1%)	10.9%	17.2%
DPS (cps) (AUD)	8.0	11.0	12.0	14.0
Franking (%)	100%	100%	100%	100%

Ratios

YE 30 Jun	FY25A	FY26E	FY27E	FY28E
P/E (x)	6.1	9.0	8.1	6.9
EV/EBITDA (x)	7.4	9.4	8.5	7.0
Div Yield (%)	3.2%	3.5%	3.8%	4.4%
Payout Ratio (%)	19.4%	31.1%	30.6%	30.4%

Price Performance

YE 30 Jun	1 Mth	2 Mth	3 Mth	1 Yr
Relative (%)	(16.3%)	2.0%	18.0%	26.2%
Absolute (%)	(13.3%)	2.8%	22.1%	36.3%
Benchmark (%)	3.0%	0.8%	4.1%	10.1%



Price performance indexed to 100 *Source: FactSet*

Major Shareholders

Van Eck	10.1%
Vanguard Group	5.8%
State Street Global Advisors	5.7%
Blackrock Asset Management	3.8%
Dimensional Funds	3.0%

Dorab Postmaster | Analyst
+61 8 9263 5211
Dorab.Postmaster@shawandpartners.com.au

Andrew Hines | Head of Research
+61 3 9268 1178
andrew.hines@shawandpartners.com.au

Peter Kormendy | Senior Research Analyst
+61 3 9268 1099
Peter.Kormendy@shawandpartners.com.au

Event

Ramelius Resources released its 5-Year Production Outlook and FY26 Guidance, supported by the release of the Never Never Pre-Feasibility Study, Mt Magnet-Dalgaranga Integration Study and Rebecca-Roe Definitive Feasibility Study.

Highlights

- FY26 guidance set at 185koz to 205koz (ShawE 201koz) at an All-in Sustaining Cost (ASIC) of between A$1,700 to A$1,900/oz (ShawE A$1,825/oz).
- We increase our price target from A$3.64/sh to A$4.19/sh based on increased production from the Mt Magnet hub as well as the addition of ounces from Rebecca-Roe from FY29.
- Ramelius boasts a 12Moz Mineral Resource and 4.2Moz Ore Reserve with a demonstrable pathway to expanding production to 500Kozpa by FY30 (Mt Magnet Production hub - 350kozpa and Rebecca/Roe Production hub – 150kozpa) making Ramelius the third largest gold producer on the ASX.
- Mt Magnet key figures in our model:
  - Mine Life: 15 years.
  - Processing Capacity: 5Mtpa capacity with a 4.3Mtpa run rate.
  - Average Annual Steady State Production (FY30 & beyond): 373kozpa.
  - Steady State AISC (FY30 & beyond): A$1,585/oz.
  - Upfront Capex: A$418M inclusive of Mill expansion (A$223M), Never Never Underground Infrastructure (A$83M) and Mine Development (A$112M).
- Rebecca-Roe key figures in our model:
  - Mine Life: 11 years.
  - Processing Capacity: 3.25Mtpa.
  - Annual Steady State Production (FY30 & beyond): 135kozpa
  - Steady State AISC (FY30 & beyond):
  - Upfront Capex: A$2,516/oz
- Through clever acquisitions and operational excellence RMS have positioned themselves to transform into a <u>+500kozpa</u> business producing at an AISC A$1,890/oz by FY30.
- Material upside to the plans released today exist in the form of exploration success at Penny, Cue, Mt Magnet and Dalgaranga. Suring up of mineralisation at Penny in particular may be able to contribute ounces as soon as FY27.
- RMS finished the September quarter with cash and gold of A$827.7M leaving it fully funded to execute on its growth plan. Upcoming one-off payments expected to be made by Ramelius include A$118M income tax payment (last of FY25 payments due to be paid Q2'FY26) and A$135M stamp duty (due to be paid in either Q2'FY26 or Q3'FY26).
- Upcoming catalysts for RMS include:
  - Increased exploration results particularly at Penny, Dalgaranga and Cue (FY26 exploration expenditure guidance is double FY25 spend).
  - Ramelius' new capital framework (dividend and/or share buyback policy).

Recommendation

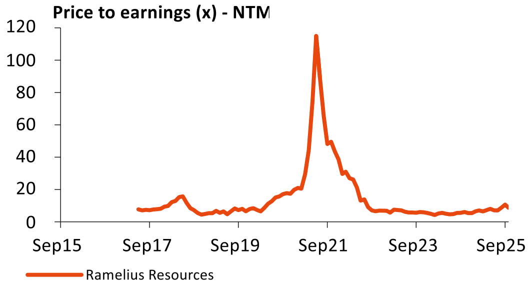
We maintain our positive view on gold with Ramelius being a preferred exposure due to its industry leading low AISC and enviable growth profile, reiterate a BUY recommendation with an increased price target of A$4.19/sh (prev. A$3.64/sh) derived from a DCF.

Ramelius Resources
Materials
Materials
FactSet: RMS-AU / Bloomberg: RMS AU

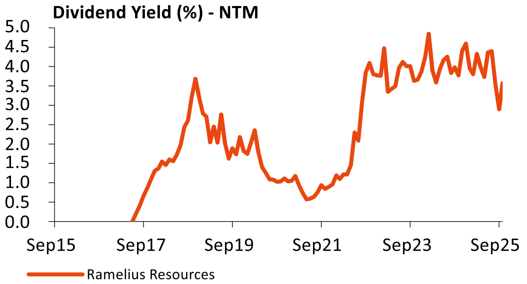
Key Items	Data
Recommendation	BUY
Risk	MEDIUM
Price ($ps)	3.18
Target Price ($ps)	4.19
52 Week Range ($ps)	1.95 - 4.09
Shares on Issue (m)	1,913
Market Cap ($m)	6,074
Enterprise Value ($m)	6,035
TSR (%)	35.4%

Valuation NPV	Data
Beta	1.00
Cost of Equity (%)	10.0%
Cost of Debt (net) (%)	2.8%
Risk Free Rate (%)	4.0%
Terminal Growth (%)	0.0%
WACC (%)	8.6%

Ramelius Resources Ltd. is a mid-tier gold producer based in Western Australia.



Source: FactSet



Source: FactSet

Financial Year End: 30 June

Investment Summary (AUD)	FY24A	FY25A	FY26E	FY27E	FY28E
EPS (Reported) (cps)	**20.3**	**41.2**	**35.4**	**39.3**	**46.0**
EPS (Underlying) (cps)	**20.3**	**41.2**	**35.4**	**39.3**	**46.0**
EPS (Underlying) Growth (%)	206.4%	103.0%	(14.1%)	10.9%	17.2%
PE (Underlying) (x)	**9.5**	**6.1**	**9.0**	**8.1**	**6.9**
EV / EBIT (x)	**22.4**	**9.2**	**11.0**	**9.8**	**8.3**
EV / EBITDA (x)	**13.4**	**7.4**	**9.4**	**8.5**	**7.0**
DPS (cps) (AUD)	5.0	8.0	11.0	12.0	14.0
Dividend Yield (%)	2.6%	3.2%	3.5%	3.8%	4.4%
Franking (%)	100%	100%	100%	100%	100%
Payout Ratio (%)	24.6%	19.4%	31.1%	30.6%	30.4%
Free Cash Flow Yield (%)	10.4%	15.3%	4.6%	7.6%	7.9%

Profit and Loss (AUD) (m)	FY24A	FY25A	FY26E	FY27E	FY28E
Sales	883	1,203	1,047	1,141	1,452
Sales Growth (%)	*39.8%*	*36.3%*	*(13.0%)*	*9.0%*	*27.2%*
Other Operating Income	2	2	2	2	2
EBITDA	**451**	**817**	**640**	**712**	**861**
EBITDA Margin (%)	*51.0%*	*67.9%*	*61.1%*	*62.4%*	*59.3%*
Depreciation & Amortisation	(181)	(163)	(90)	(94)	(136)
EBIT	**269.1**	**654.6**	**549.3**	**617.8**	**724.9**
EBIT Margin (%)	*30.5%*	*54.4%*	*52.5%*	*54.1%*	*49.9%*
Net Interest	8	16	37	32	37
Pretax Profit	277	671	586	650	762
Tax	(60)	(196)	(176)	(195)	(229)
Tax Rate (%)	*(21.8%)*	*(29.3%)*	*(30.0%)*	*(30.0%)*	*(30.0%)*
NPAT Underlying	**217**	**474**	**410**	**455**	**533**
Significant Items	0	0	0	0	0
NPAT Reported	**217**	**474**	**410**	**455**	**533**

Cashflow (AUD) (m)	FY24A	FY25A	FY26E	FY27E	FY28E
EBIT	269	655	549	618	725
Payments to Suppliers	(430)	(353)	(407)	(429)	(591)
Receipts from Customers	884	1,203	1,047	1,141	1,452
Tax Paid	(6)	(96)	(196)	(176)	(195)
Net Interest	11	19	21	16	21
Change in Working Capital	(4)	(3)	39	(16)	(35)
Depreciation & Amortisation	109	145	151	90	94
Other	0	0	0	0	0
Operating Cashflow	**455**	**771**	**503**	**536**	**652**
Capex	(85)	(133)	(305)	(227)	(357)
Acquisitions and Investments	(126)	(194)	(28)	(28)	(5)
Disposal of Fixed Assets/Investments	(29)	0	0	0	0
Other	(3)	(0)	0	0	0
Investing Cashflow	**(243)**	**(326)**	**(333)**	**(255)**	**(362)**
Free Cashflow	**212**	**445**	**170**	**281**	**290**
Equity Raised / Bought Back	0	0	0	0	0
Dividends Paid	(17)	(70)	(104)	(127)	(151)
Change in Debt	(17)	(70)	(104)	(127)	(151)
Other	(4)	55	120	143	167
Financing Cashflow	**(39)**	**(85)**	**(88)**	**(112)**	**(135)**
Exchange Rate Effect	0	0	0	0	0
Net Change in Cash	**173**	**359**	**82**	**170**	**156**

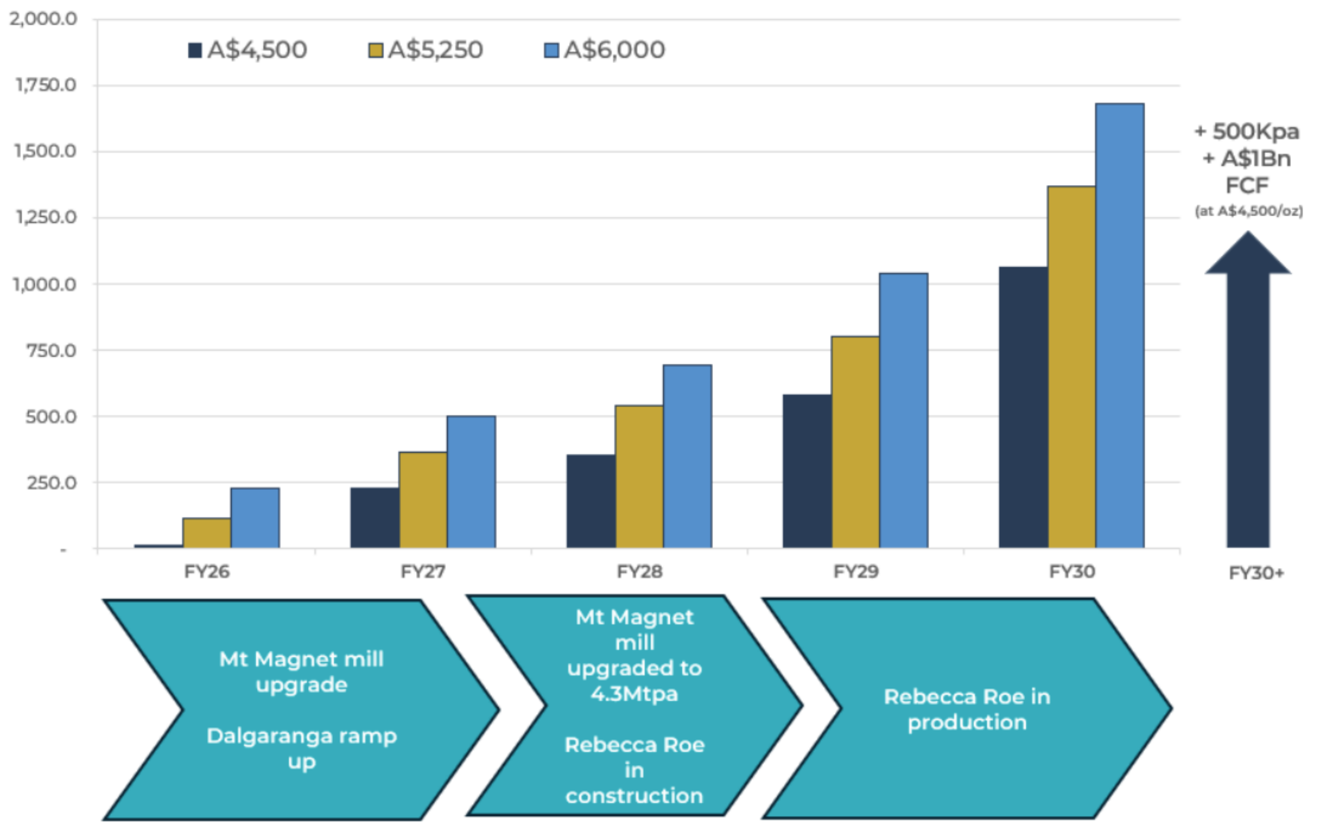
Balance Sheet (AUD) (m)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash	424	784	616	786	941
Accounts Receivable	4	5	4	5	6
Inventory	114	82	227	248	315
Other Current Assets	5	6	6	6	6
PPE	835	896	1,138	1,299	1,524
Total Assets	**1,594**	**2,389**	**2,608**	**2,960**	**3,410**
Accounts Payable	66	60	77	82	116
Long Term Debt	0	0	0	0	0
Total Liabilities	**195**	**353**	**349**	**373**	**440**

Ratios	FY24A	FY25A	FY26E	FY27E	FY28E
ROE (%)	19.1%	29.3%	19.2%	17.9%	18.4%

Figure 1: 5-Year Group Production Outlook

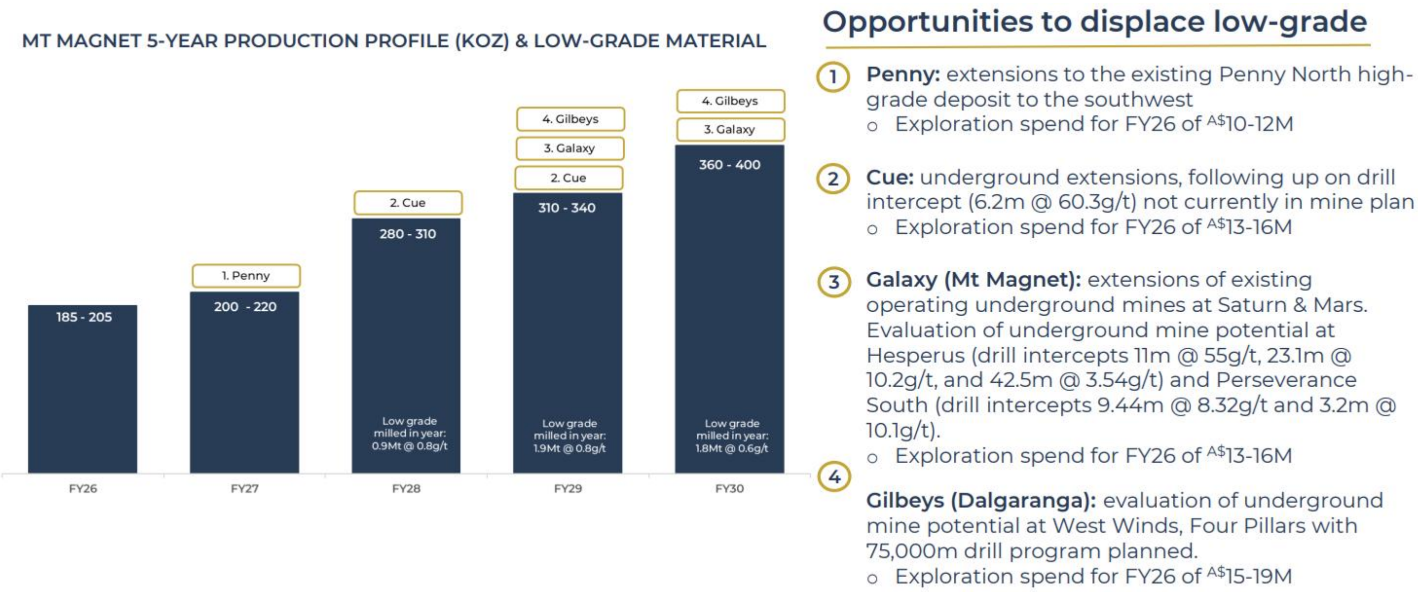
Source: Company Report

Figure 2: 5-Year Group Free Cashflow Outlook



Source: Company Report

Figure 3: 5 Year Group Production Outlook



Source: Company Report

Figure 4: Changes to Earnings

	Previous			Updated			Difference		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
Revenue (A$M)	1,038	912	707	1,047	1,141	1,452	1%	25%	105%
EBITDA (A$M)	665	591	355	640	712	861	-4%	21%	142%
NPAT (A$M)	428	517	326	410	455	533	-4%	-12%	64%

Source: Shaw and Partners

Key risks

- The gold price is volatile and driven as much by geopolitical events as fundamental supply and demand. As such, the price of gold is relatively difficult to forecast, and the actual price may differ substantially from our forecasts.
- A number of Ramelius' resources are not yet producing and there is a risk that Ramelius is unable to bring the operations in to production. The projects may cost more than expected to build and may not operate as expected.
- Ramelius Resources is acquisitive, and this brings risks that future acquisitions may not be as value creating as past acquisitions. The company has shown that it is able to make value-enhancing acquisitions, but all acquisitions come with due diligence risk.

Core drivers and catalyst

- Increased high grade ore from the Penny and Cue operations has increased production and lowered the company's AISC
- Ramelius has made a number of astute acquisitions in the past five years and we expect the company to remain acquisitive. The company has openly stated that it would like to add another processing hub to the portfolio.

ShawandPartners Financial Services

Rating Classification

Buy	Expected to outperform the overall market
Hold	Expected to perform in line with the overall market
Sell	Expected to underperform the overall market
Not Rated	Shaw has issued a factual note on the company but does not have a recommendation

Risk Rating

High	Higher risk than the overall market – investors should be aware this stock may be speculative
Medium	Risk broadly in line with the overall market
Low	Lower risk than the overall market

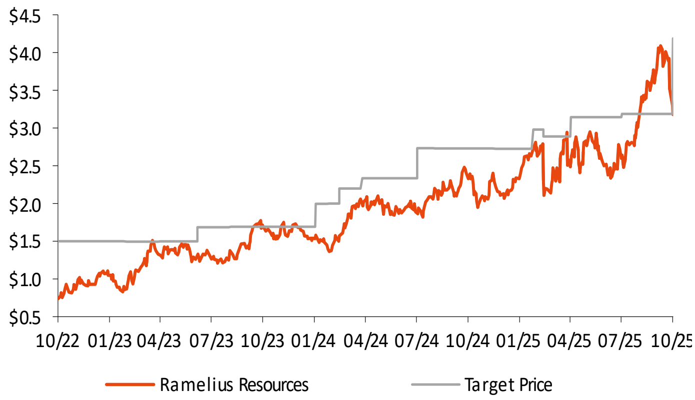
RISK STATEMENT: Where a company is designated as 'High' risk, this means that the analyst has determined that the risk profile for this company is significantly higher than for the market as a whole, and so may not suit all investors. Clients should make an assessment as to whether this stock and its potential price volatility is compatible with their financial objectives. Clients should discuss this stock with their Shaw adviser before making any investment decision.

Distribution of Investment Ratings

Rating	Count	Recommendation Universe
Buy	80	86%
Hold	12	13%
Sell	1	1%

History of Investment Rating and Target Price - Ramelius Resources

Date	Closing Price ($)	Target Price ($)	Rating
28-Oct-25	3.18	4.19	Buy
27-Oct-25	3.30	3.64	Buy
29-Jul-25	2.64	3.19	Buy
29-Apr-25	2.56	3.14	Buy
11-Mar-25	2.31	2.89	Buy
21-Feb-25	2.73	2.98	Buy
12-Dec-24	2.40	2.73	Buy
29-Oct-24	2.32	2.73	Buy
26-Aug-24	2.06	2.73	Buy
29-Jul-24	1.91	2.73	Buy
22-Apr-24	2.06	2.33	Buy
12-Mar-24	1.57	2.20	Buy
20-Feb-24	1.44	2.00	Buy
30-Jan-24	1.58	2.00	Buy
28-Aug-23	1.25	1.69	Buy
3-Jul-23	1.25	1.69	Buy
27-Apr-23	1.34	1.50	Buy
21-Feb-23	0.87	1.50	Buy



Disclaimer

Shaw and Partners Limited ABN 24 003 221 583 ("Shaw") is a Participant of ASX Limited, Cboe Australia Pty Limited and holder of Australian Financial Services Licence number 236048.

ANALYST CERTIFICATION: The Research Analyst who prepared this report hereby certifies that the views expressed in this document accurately reflect the analyst's personal views about the Company and its financial products. Neither Shaw nor its Research Analysts received any direct financial or non-financial benefits from the company for the production of this document. However, Shaw Research Analysts may receive assistance from the company in preparing their research which can include attending site visits and/or meetings hosted by the company. In some instances the costs of such site visits or meetings may be met in part or in whole by the company if Shaw considers it is reasonable given the specific circumstances relating to the site visit or meeting. As at the date of this report, the Research Analyst does not hold, either directly or through a controlled entity, securities in the Company that is the subject of this report, or where they do hold securities those interests are not material. Shaw restricts Research Analysts from trading in securities outside of the ASX/S&P100 for which they write research. Other Shaw employees may hold interests in the company, but none of those interests are material.

DISCLAIMER: This report is published by Shaw to its clients by way of general, as opposed to personal, advice. This means it has been prepared for multiple distribution without consideration of your investment objectives, financial situation and needs ("Personal Circumstances"). Accordingly, the advice given is not a recommendation that a particular course of action is suitable for you and the advice is therefore not to be acted on as investment advice. You must assess whether or not the advice is appropriate for your Personal Circumstances before making any investment decisions. You can either make this assessment yourself, or if you require a personal recommendation, you can seek the assistance of your Shaw client adviser. This report is provided to you on the condition that it not be copied, either in whole or in part, distributed to or disclosed to any other person. If you are not the intended recipient, you should destroy the report and advise Shaw that you have done so. This report is published by Shaw in good faith based on the facts known to it at the time of its preparation and does not purport to contain all relevant information with respect to the financial products to which it relates. The research report is current as at the date of publication until it is replaced, updated or withdrawn. Although the report is based on information obtained from sources believed to be reliable, Shaw does not make any representation or warranty that it is accurate, complete or up to date and Shaw accepts no obligation to correct or update the information or opinions in it. If you rely on this report, you do so at your own risk. Any projections are indicative estimates only and may not be realised in the future. Such projections are contingent on matters outside the control of Shaw (including but not limited to market volatility, economic conditions and company-specific fundamentals) and therefore may not be realised in the future. Past performance is not a reliable indicator of future performance. Except to the extent that liability under any law cannot be excluded, Shaw disclaims liability for all loss or damage arising as a result of any opinion, advice, recommendation, representation or information expressly or impliedly published in or in relation to this report notwithstanding any error or omission including negligence.

Depending on the timing and size of your investment, your portfolio composition may differ to the model. Performance figures are derived from the inception date of the model and its investment transactions from that date, therefore the performance for your portfolio may be different. If you have any questions in connection with differences between your portfolio and the model, you should speak with your adviser.

For U.S. persons only: This research report is a product of Shaw and Partners Limited **under Marco Polo Securities 15a-6 chaperone service,** which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

Research reports are intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Shaw and Partners Limited has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be affected through Marco Polo or another U.S. registered broker dealer.

DISCLOSURE: Shaw will charge commission in relation to client transactions in financial products and Shaw client advisers will receive a share of that commission. Shaw, its authorised representatives, its associates and their respective officers and employees may have earned previously or may in the future earn fees and commission from dealing in the Company's financial products.

Sydney | Head Office	Melbourne	Brisbane	Adelaide	Canberra	Perth	Noosa
Level 7, Chifley Tower	Level 36	Level 28	Level 25	Level 9	Level 47	Suite 11a Q Place
2 Chifley Square	120 Collins Street	111 Eagle Street	91 King William Street	5 Constitution Avenue	108 St Georges Terrace	2 Quamby Place
Sydney NSW 2000	Melbourne VIC 3000	Brisbane QLD 4000	Adelaide SA 5000	Canberra ACT 2601	Perth WA 6000	Noosa Heads QLD 4567
Telephone: +61 2 9238 1238	Telephone: +61 3 9268 1000	Telephone: +61 7 3036 2500	Telephone: +61 8 7109 6000	Telephone: +61 2 6113 5300	Telephone: +61 8 9263 5200	Telephone: +61 7 3036 2570
Toll Free: 1800 636 625	Toll Free: 1800 150 009	Toll Free: 1800 463 972	Toll Free: 1800 636 625	Toll Free: 1800 636 625	Toll Free: 1800 198 003	Toll Free: 1800 271 201

Holder of Australian Financial Services Licence Number 236048 | ABN 24 003 221 583 | Participant of ASX Limited, Cboe Australia Pty Limited | www.shawandpartners.com.au