



23 February 2021

APPENDIX 4D: HALF YEAR REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

Results for announcement to the market

Current reporting period: Half year ended 31 December 2020

Previous corresponding reporting period: Half year ended 31 December 2019

23 February 2021

ISSUED CAPITAL

Ordinary Shares: 814M

DIRECTORS

NON-EXECUTIVE CHAIR:

Bob Vassie

MANAGING DIRECTOR:

Mark Zeptner

NON-EXECUTIVE DIRECTORS:

Michael Bohm

David Southam

Natalia Streltsova

COMPANY SECRETARY:

Richard Jones

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RAMELIUS RESOURCES LIMITED

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Key Information		2020 A\$'000	2019 A\$'000
Revenue from ordinary activities	up 116%	342,226	158,451
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	up 193%	192,840	65,910
Earnings before Interest and Tax (EBIT)	Up 288%	118,297	30,463
Net profit before tax	up 294%	116,664	29,621
Net profit after tax	up 297%	81,320	20,494
Net profit after tax attributable to members	up 297%	81,320	20,494

Dividend information

Dividends recommended but not yet paid

There were no dividends recommended but not yet paid for the half year ended 31 December 2020.

Dividends paid

On 2 October 2020, a final dividend for the year ended 30 June 2020 of 2 cent per fully paid ordinary share was paid. The dividend payment totalled \$16,169,590.

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 16
A statement of financial position	Balance sheet	Page 17
A statement of retained earnings	Statement of changes in equity	Page 18
A statement of cash flows	Statement of cash flows	Page 19

	31 December 2020 A\$	31 December 2019 A\$
Net tangible assets per ordinary share		
Net tangible asset backing per ordinary share	0.72	0.44

	31 December 2020 A\$	31 December 2019 A\$
Earnings per share		
Basic earnings per share	10.06	3.11
Diluted earnings per share	9.93	3.06

Changes in controlled entities

During the year the group disposed of the following entities.

Date	Type	Name
24 September 2020	Disposal	Red Dirt Mining Pty Limited

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 2020
Nulla South	Chalice Gold Mines Limited	Gold Exploration	0%*
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	Unlisted entity	Gold Exploration	0%*
Jupiter	Kinetic Gold [#]	Gold Exploration	0%*
Tampia Hill	Tampiagold Pty Ltd & Goldoro Pty Ltd [^]	Mine Development	90%

* Ramelius earning in.

[#] Kinetic Gold is a subsidiary of Renaissance Gold Inc.

[^] The Tampia Hill joint venture was terminated on 3 February 2021 upon the acquisition of the remaining 10% project interest by Ramelius. Ramelius now owns 100% of the Tampia Gold Project.

Audit

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



2021 Half year report

For the six months ended 31 December 2020

It is recommended that the 2021 half year report is read in conjunction with the 30 June 2020 annual financial report of Ramelius Resources Limited together with any public announcements made by Ramelius Resources Limited during the half year ended 31 December 2020 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 2020 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 2020 to 31 December 2020 unless otherwise stated. The prior corresponding period is the half year ended 31 December 2019.

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 for the half year ended 31 December 2020.

Directors

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

Bob Vassie¹
Kevin Lines²
Mark Zeptner
Michael Bohm³
David Southam
Natalia Streltsova

¹ Bob Vassie was appointed to the Board and as Non Executive Chair effective 1 January 2021.

² Kevin Lines was Chair from the beginning of the period until his retirement on 30 September 2020.

³ Mike Bohm was appointed acting Chair for the period 1 October 2020 until 31 December 2020.

Key highlights for the half year

Board approval to commence development of the Penny Gold Project

On 9 November 2020 Ramelius released the results of the Penny Feasibility Study and consequently the Board's approval to commence project development. As a result of the compelling financial outcomes from the Penny Feasibility Study, the Board also approved a Decision to Mine which should result in mine development commencing in the June 2021 Quarter, slightly earlier than contemplated by the Prefeasibility Study.

The project is located approximately 20km south of Youanmi or 170km by road south east of the Mt Magnet mining and processing operations and approximately 500km north-east of Perth in Western Australia. Ore production is planned to be processed through the Mt Magnet processing plant as part of an overall feed blend. No capital modifications to the processing facility are required in order to process the Penny ore.

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. Some of our staff are currently required to undertake COVID-19 testing where third party transport or accommodation facilities are being used.

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 2020 \$A	31 Dec 2019 \$A
Final dividend for the year ended 30 June 2020 of 2 cent (2019: 1 cent) per fully paid ordinary share paid on 2 October 2020	16,170	6,579

Table 1: Dividends paid during the half year

Events since the end of the reporting period

Purchase of the remaining 10% minority interest in the Tampia Gold Project

On 3 February 2021 Ramelius completed the acquisition of the remaining 10% minority interest in the Tampia Gold Project that was previously held by Tampia Gold Pty Ltd and Goldoro Pty Ltd. Ramelius now owns 100% of the Tampia Gold Project and will operate it independently. The consideration for the acquisition of the minority interest comprised:

- \$1 million cash (paid in November 2020);
- \$2 million cash (paid in February 2021);
- 5 million Ramelius shares issued under Listing Rule 7.1 (issued in February 2021); and
- 2% royalty on any gold production from the Tampia Gold Project above 185,539 ounces.

Directors' report

Purchase of Tampia Gold Project freehold land

On 25 January 2021 Ramelius reached an agreement to purchase the primary freehold land associated with the Tampia Gold Project for \$6 million. The consideration is to be paid over two payments with \$2.3 million paid in January 2021 and the balance of \$3.7 million to be paid at settlement, which is anticipated to be 31 March 2021.

The agreement allows for immediate access to the Tampia Gold Project area for site preparations which is in line with existing production schedules. Whilst access to the primary freehold land associated with the Tampia Gold Project has been limited during the half year period, significant project development work has advanced including camp construction and Edna May mill modifications.

COVID-19

On 31 January 2021, the West Australian Government announced lockdown measures as a result of COVID-19. Measures included a five day lockdown of the Perth metropolitan areas along with travel restrictions between Perth and other areas of Western Australia. Ramelius has not seen a significant operational or financial impact as a result of these lockdown measures. The outbreak and response of governments in dealing with COVID-19 continues to evolve and can at times be uncertain. Ramelius continues to monitor these developments and respond accordingly. At the date of this report the bulk of the travel restrictions have been removed.

There were no other matters or circumstances that have arisen since 31 December 2020 that have, or may, significantly affect the group's operations, results, or state of affairs, or may do so in the future.

Operations review

Overview

Ramelius is an established ASX 200 gold production and exploration company. Following record production of 230,426 ounces in the 2020 financial year Ramelius has set guidance for the 2021 financial year at 260,000 – 280,000 ounces which, if achieved, will be another record year for the company. Furthermore, a life of mine plan was released on 30 June 2020 which detailed annual gold production averaging over 250,000 ounces out to the 2025 financial year. This represents a 25% increase in the average annual production and an extension of two years on the prior year life of mine plan. Total production over the life of mine plan was 1.45M oz.



Figure 1: Ramelius' operations & development project locations

Directors' report

Ramelius has continued on from the strong 2020 financial year reporting a 288% increase in the earnings before interest and tax (**EBIT**) compared to the prior corresponding period. The reported EBIT for the six months ended 31 December 2020 was \$118.3 million (2019: \$30.5 million). This exceptional performance has been driven by a 25% improvement in realised gold prices and a 39% increase in milled grade across the group, which combined with higher throughput resulted in a 57% increase in gold production.

It is also pleasing to report this growth has been achieved with only a marginal increase in the operating cost per ounce, which increased 4% on the prior corresponding period. Total expenditure increased due to higher material movement and higher throughput than the prior corresponding period, however the increased grade ensured the costs per ounce were maintained at industry competitive levels.

During the 2021 half year the company produced a record 144,240 ounces (2019: 92,084 ounces) from its Mt Magnet and Edna May production centres at an All in Sustaining Cost (**AISC**) of \$1,261 per ounce (2019: \$1,240 per ounce). Sales for the half year totalled 147,836 ounces (2019: 85,692 ounces) at an average realised gold price of \$2,312 per ounce (2019: \$1,844 per ounce) generating a strong AISC margin of \$1,051 per ounce (2019: \$604 per ounce). The margin of the sales price over the All in Sustaining Cost has increased from 28% in 2016 to 45% in this half year, as demonstrated in the figure below.

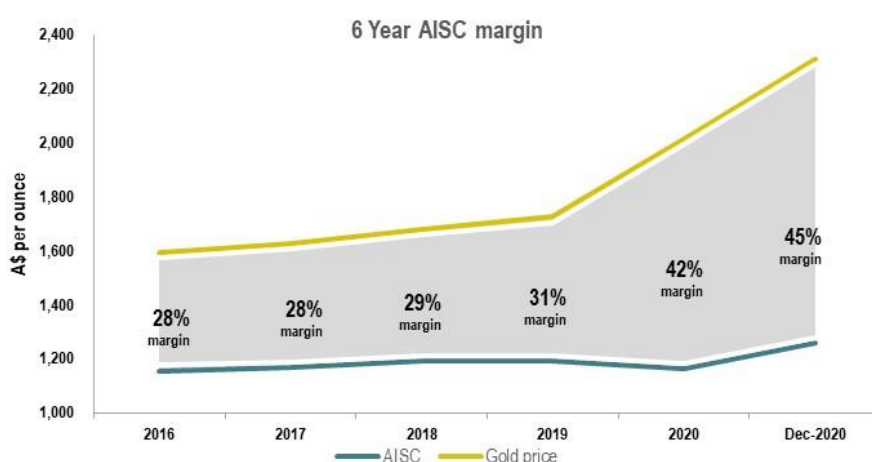


Figure 2: AISC per ounce and realised gold price from June 2016 to December 2021

Operational summary	Unit	Mt Magnet ¹	Edna May ²	2020 Group	2019 Group	Change	Change %
Open pit							
Material moved	k bcm	2,987	2,717	5,704	4,413	1,291	+ 29%
High grade ore mined	kt	277	1,044	1,321	1,278	43	+ 3%
Grade	g/t	2.25	1.34	1.53	1.30	0.23	+ 18%
Contained gold	Oz	20,007	44,863	64,870	53,479	11,391	+ 21%
Underground							
High grade ore mined	kt	347	129	476	249	227	+ 91%
Grade	g/t	4.88	4.07	4.66	4.78	(0.12)	- 2%
Contained gold	oz	54,473	16,936	71,409	38,247	33,162	+ 87%
Total ore mined	kt	624	1,173	1,797	1,527	270	+ 18%

Directors' report

Operational summary (continued)	Unit	Mt Magnet ¹	Edna May ²	2020 Group	2019 Group	Change	Change %
Mill production							
Tonnes milled	kt	956	1,410	2,366	2,109	257	+ 12%
Grade	g/t	2.97	1.39	2.03	1.46	0.57	+ 39%
Contained gold	oz	91,309	62,976	154,285	98,766	55,519	+ 56%
Recovery	%	96.5	93.9	95.4	94.4	1.0	+ 1%
Recovered gold	oz	88,078	59,109	147,187	93,250	53,937	+ 58%
Gold poured	oz	84,119	60,121	144,240	92,084	52,156	+ 57%
Gold sold	oz	87,898	59,938	147,836	85,692	62,144	+ 73%

Table 2: Mine operations performance for the 2020 half year

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

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

Mt Magnet

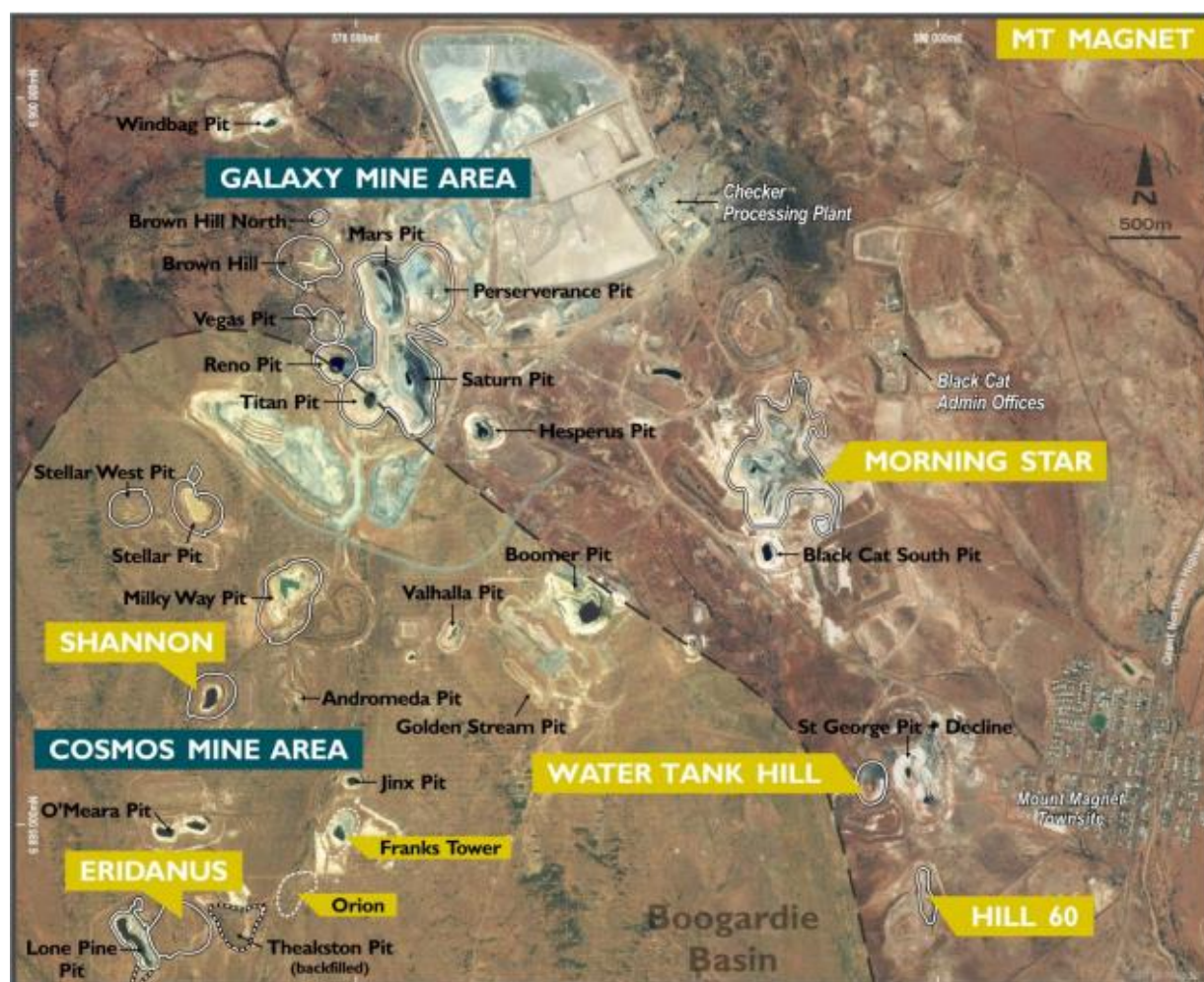


Figure 3: Mt Magnet key mining & exploration areas

Directors' report

Mining

Operations at Mt Magnet continued on a multi pit / underground basis throughout the 2021 half year with mining occurring at two open pit and four underground projects. A summary of the main projects for the half year is provided below:

Area	Type	Operational commentary
Eridanus	Open Pit	<p>The large Eridanus open pit was the main source of ore feed for Mt Magnet for the half year making up 31% of the mill feed. A total of 293k tonnes of ore was milled at a grade of 1.52 g/t and a recovery of 93.8% for 13,243 ounces of recovered gold.</p> <p>Mining operations at Eridanus continued during the half year with the focus being primarily on the waste removal for the Eridanus Stage 2 cutback. A total of 199k tonnes of high grade ore was mined at a grade of 1.11 g/t for 7,105 ounces of contained gold.</p> <p>At 31 December 2020 there were 1,263k tonnes of high grade Eridanus ore stockpiled awaiting processing.</p>
Stellar	Open Pit	<p>Mining of the high grade ore zone was completed in September 2020.</p> <p>A total of 104k tonnes were milled at a grade of 4.17 g/t and recovery of 95.3% for recovered gold of 13,228 ounces.</p>
Milky Way	Open Pit	<p>Mining at Milky Way was completed in the 2020 financial year.</p> <p>A total of 24k tonnes was milled from stockpiles at a grade of 1.19 g/t and recovery of 94.5% for recovered gold of 878 ounces. At the period end there remained just over 404k tonnes of high grade Milky Way ore stockpiled. The higher grade Eridanus ore was preferentially treated during the period.</p>
Vegas	Open Pit	<p>Mining at Vegas was completed in the 2020 financial year.</p> <p>A total of 150k tonnes was milled from stockpiles at a grade of 1.23g/t and a recovery of 94.8% for recovered gold of 5,648 ounces. Just under 42k tonnes remained stockpiled at period end for selective processing in the second half of the 2021 financial year.</p>
Hill 60	Underground	<p>Mining at the Hill 60 underground continued during the half year with 126kt of ore being milled at a grade of 2.09 g/t and a recovery of 97.5% for 8,299 ounces of recovered gold.</p> <p>Stope production is expected to ramp up and continue throughout the 2021 financial year.</p>
Shannon	Underground	<p>Shannon underground production continued steadily and is generating excellent high grade ore.</p> <p>Mining at the Shannon underground enabled 110kt of ore to be milled at a grade of 7.85 g/t and a recovery of 93.8% for 27,155 ounces of recovered gold.</p> <p>Underground drilling has extended the Mineral Resource at least four levels below the original Ore Reserve. While the quartz lode narrows, some exceptional grades are being seen and several splay veins are providing additional parallel stope zones. Further infill and extensional drilling is planned.</p> <p>Development for the period at Shannon totalled 1,519 metres.</p>
Water Tank Hill	Underground	<p>Mining at Water Tank Hill was completed in September 2020.</p> <p>A total of 30k tonnes were milled at a grade of 3.15 g/t and recovery of 97.2% for recovered gold of 2,955 ounces.</p>

Directors' report

Area	Type	Operational commentary
Vivien	Underground	Total high grade mill production from Vivien was 104k tonnes at a grade of 5.06 g/t and recovery of 97.4% for recovered gold of 16,505. Mining operations at Vivien have continued as planned with the end of mine life still scheduled for early in the 2022 financial year.

Milling

		Dec 20	Dec 19	Change (%)
Mill production				
Tonnes milled	Kt	956	1,018	- 6 %
Grade	g/t	2.97	2.17	+ 37 %
Contained gold	Oz	91,309	70,934	+ 29 %
Recovery	%	96.5	95.7	+ 1 %
Recovered gold	Oz	88,078	67,873	+ 30 %
Gold poured	Oz	84,119	66,987	+ 26 %
Gold sold	Oz	87,898	60,456	+ 45 %

Table 3: Mt Magnet mill production for the 2021 half year

A total of 956k tonnes were processed at the Mt Magnet mill during the half year which is 6% lower than the prior corresponding period. Whilst current period throughput decreased by 6% due to the hardness of the ore, the grade of the ore was 37% higher resulting in a 30% increase in the recovered gold when compared to the prior corresponding period.

The grades at Mt Magnet increased due to a 96% increase in underground high grade ore feed from Vivien, Hill 60 and Shannon. Underground mines made up 39% of the ore feed during the period compared to 19% for the prior corresponding period. The open pit ore feed was primarily sourced from Eridanus during the period.

Edna May

Mining

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

Area	Type	Operational commentary
Edna May Underground	Underground	A total of 134k tonnes of high grade ore was milled at a grade of 3.93 g/t and recovery of 93.8% for 15,857 ounces of contained gold. Mining transitioned from the development phase into stope production in the second half of the 2020 calendar year.
Greenfinch	Open Pit	The Greenfinch open pit served as the major source of ore for the Edna May processing facility for the period. A total of 538k tonnes were milled at a grade of 1.14 g/t and recovery of 93.8% for recovered gold of 18,530 ounces.
Marda	Open Pit	Mining continued at Marda with mill feed sourced from four separate pits during the period. A total of 314k tonnes were milled at a grade of 1.89 g/t and recovery of 93.9% for recovered gold of 17,898 ounces. At 31 December 2020 a total of 298k tonnes of ore remained stockpiled at the mine site awaiting haulage and processing.

Directors' report

Milling

		Dec 20	Dec 19	Change (%)
Mill production				
Tonnes milled	Kt	1,410	1,091	+ 29 %
Grade	g/t	1.39	0.79	+ 75 %
Contained gold	Oz	62,976	27,832	+ 126 %
Recovery	%	93.9	91.2	+ 3 %
Recovered gold	Oz	59,109	25,377	+ 133 %
Gold poured	Oz	60,121	25,097	+ 140 %
Gold sold	Oz	59,938	25,236	+138 %

Table 4: Edna May mill production for the 2021 half year

Throughput for the period, when compared to the prior corresponding period, was up 29% with the return to continuous milling from March 2020 after some early start up delays at Greenfinch in the prior corresponding period. Ore feed was predominantly sourced from the Greenfinch, Marda and Edna May underground mines. Mill grades were up 75% resulting in a 133% increase in recovered gold when compared to the prior corresponding period.

The significant increase in milled grades has been due to the main source of ore feed transitioning from low grade stockpiles to the higher grade open pit ore from Greenfinch and Marda. In the prior corresponding period 95% of ore feed was sourced from the low grade stockpiles whilst in the current period this dropped to 30% with Greenfinch and Marda making up 60% of the ore feed. The balance of the ore feed was made up of Edna May underground material.

Financial review

	Mt Magnet \$M	Edna May \$M	Corp & other \$M	Group Dec 20 \$M	Group Dec 19 \$M	Change \$M	Change %
Financial performance							
Revenue	202.6	139.6	-	342.2	158.4	183.8	+ 116 %
Cash costs of sales	(65.5)	(74.0)	-	(139.5)	(105.9)	(33.6)	+ 32 %
Gross margin excluding "non-cash" items	137.1	65.6	-	202.7	52.5	150.2	+ 286 %
Amortisation and depreciation	(39.7)	(34.6)	-	(74.3)	(35.3)	(39.0)	+ 110 %
Inventory movements	(9.0)	4.7	-	(4.3)	19.1	(23.4)	- 123 %
Gross profit	88.4	35.7	-	124.1	36.3	87.8	+ 242 %
Earnings before interest & tax (EBIT)	88.4	35.7	(5.8)	118.3	30.5	87.8	+ 288 %
Net finance costs	-	-	(1.6)	(1.6)	(0.9)	(0.7)	+ 78 %
Profit / (loss) before income tax	88.4	35.7	(7.4)	116.7	29.6	87.1	+ 294 %
Income tax expense	-	-	(35.3)	(35.3)	(9.1)	(26.2)	+ 288 %
Profit / (loss) for the year from continuing operations	88.4	35.7	(42.7)	81.3	20.5	60.8	+ 297 %

Table 5: 2021 half year financial performance

Revenue reconciliation

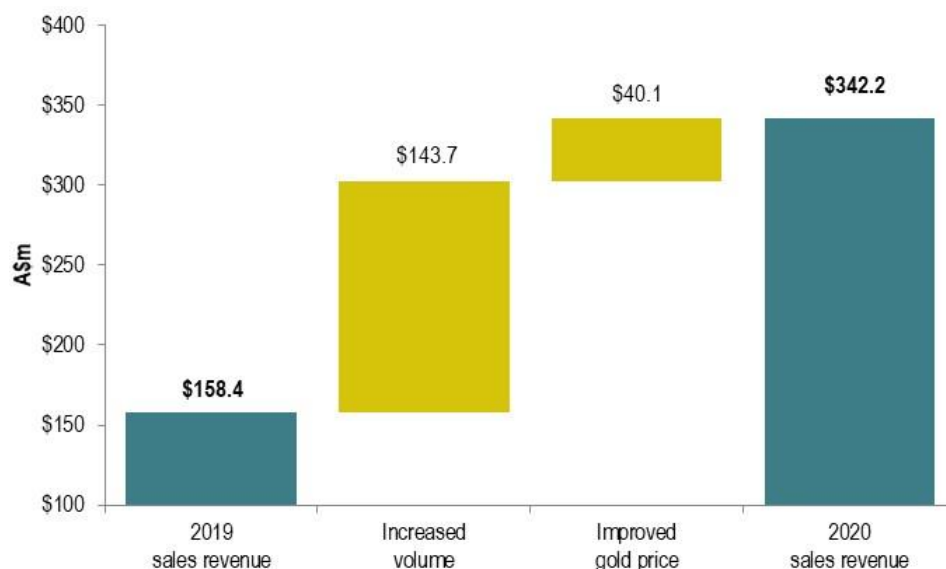


Figure 4: Revenue reconciliation between 2020 and 2019

Revenue

Revenue for the half year ended 31 December 2020 increased by 116% to \$342.2 million compared to \$158.4 million for the half year ended 31 December 2019. This excellent result was achieved with an increase in gold sales of 73% coupled with a 25% increase in average realised gold price:

- Mt Magnet gold sales increased by 45% or 27,442 ounces due to higher grades as discussed within this report.
- Edna May gold sales increased by 138% or 34,702 ounces due to higher tonnages milled and higher grades as discussed within this report.
- The realised gold price was \$2,312 per ounce, a 25% increase on the prior corresponding period. Sales were a mix of spot and forward sales with the average spot price being \$2,590 per ounce and the average price of deliveries into the hedge book of \$2,042 per ounce.
- The average price of the hedge book as at 31 December 2020 increased 7% over the six month period to \$2,288 per ounce (June 2020: \$2,135 per ounce).

Earnings before interest & tax (EBIT)

The EBIT for the half year ended 31 December 2020 was \$118.3 million compared to \$30.5 million for the prior corresponding period, representing a 288% increase. This record first half result was achieved through an increase in milled grades, continued focus on maintaining controls over costs across the business, and a higher A\$ gold prices.

Total operating costs (including depreciation and amortisation) increased from \$122.1 million to \$218.2 million due to the significant increase in open pit movement and ore processing over the prior corresponding period. This increase was also in part due to the higher proportion of underground material in the overall portfolio, which, although is a higher cost source of ore, it generally provides for a better operating margin per ounce due to higher grades.

On a per ounce basis the total operating costs increased just 3.5% to \$1,475/oz sold (2019: \$1,425). With the continued increase in realised gold price, the EBIT margin has almost doubled from the prior corresponding period to 35% (2019: 19%).

Reconciliation of earnings before interest & tax (EBIT)

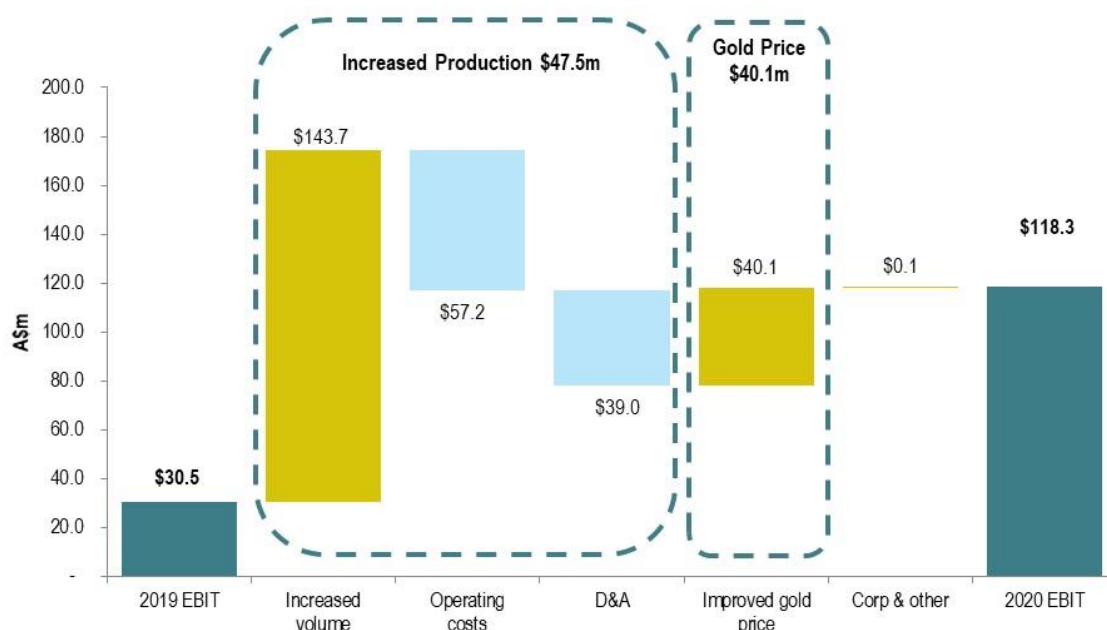


Figure 5: Reconciliation of movement in EBIT from 2019 to 2020

Mt Magnet delivered an EBIT of \$88.4 million for the half year ended 31 December 2020 which was up from the \$29.3 million EBIT for the prior corresponding period with the EBIT margin increasing to 44% (2019: 26%). Profitability at Mt Magnet was up on 2019 due to higher grades and higher realised gold prices.

Total operating costs at Mt Magnet increased 38% to \$114.2 million. This increase in costs was due to two main factors. Firstly, underground ore made up 39% of the ore feed compared to 19% in the prior corresponding period. Underground ore is typically more expensive to mine, on a per tonne basis, than open pit ore, however grades are usually significantly higher. Secondly, ore was sourced from the Stellar open pit mine in the period. The Stellar open pit mine had a higher cost per tonne than would typically be seen for an open pit mine, however grades were significantly higher with the milled grade for Stellar being 4.17 g/t (compared to 1.37 g/t for other Mt Magnet open pit mines in the period). Pleasingly, due to the above considerations, the operating cost per ounce at Mt Magnet decreased 5%.

Edna May delivered an EBIT of \$35.7 million for the half year ended 31 December 2020 compared to \$7.0 million for the prior corresponding period with the EBIT margin increasing to 26% (2019: 15%). The operations at Edna May have changed substantially with the processing plant returning to continuous milling with the introduction of Greenfinch and Marda ore. During the period, the main sources of ore were Greenfinch and Marda ore which was supplemented by underground ore with less reliance being placed on the low grade ore.

Total operating costs at Edna May increased 162% to \$103.9 million. The increase was simply due to a large increase in operating activity across the site with mines running at full capacity and with mill throughput increasing 29%. Importantly, the total tonnes mined at Edna May were 1,173kt compared to 61kt in the prior corresponding period with the increase attributable to Greenfinch and Marda operations. The operating cost per ounce at Edna May increased a relatively modest 10%.

Corporate and other costs increased from those in 2019 mainly due to an impairment of previously capitalised exploration & evaluation assets. A total of \$2.5 million of exploration & evaluation assets were impaired at 31 December 2020. These impairments related mainly to Marda where exploration and evaluation activities have not identified any meaningful targets outside the current mining area.

Net Profit After Tax (NPAT)

An NPAT of \$81.3 million was recorded for the half year ended 31 December 2020, representing an increase of 297% from the prior corresponding period NPAT of \$20.5 million.

During the half year a total of \$6.0 million was realised on the sale of non-core assets and royalty rights over previously sold tenements, these sales have been recognised as other income.

Directors' report

Net finance costs, which include interest income, interest expense on lease liabilities, and non-cash financing costs relating to the unwinding of provisions and contingent consideration have increased on the prior corresponding period with the drawdown of the finance facility and lower returns achieved on term deposits.

The effective tax rate of the group for the half year ended 31 December 2020 was 30.3% compared to 30.8% for the prior corresponding period. This is higher than the prescribed rate of 30% due to minor non-deductible expenditure.

Balance Sheet

The net assets of the group increased by 13% during the period as a result of a strong profit after tax.

Current assets increased by 15% largely as a result of an increase in cash and cash equivalents (see comments below) and trade and other receivables, which included a \$7.4 million gold sales receivable. Inventories on hand decreased \$3.5 million over the period with ore stockpiles decreasing \$7.6 million, as Mt Magnet drew down on the Eridanus stocks as operations focussed on waste removal, and gold in circuit increasing \$3.8 million due to the physical build up of gold in the processing plants with the timing of the gold pours. As at 31 December 2020 the group had 80,000 ounces of gold in ore stockpiles, gold in circuit, and bullion on hand (June 2020: 91,000 ounces).

Non-current assets increased by 3% due to expenditure on early construction works at the Tampia Gold Project and further investment in mine development (Eridanus cut back).

Current liabilities of the group decreased by 6% which is largely attributable to \$16.3 million debt facility repayments and a \$14.0 million reduction in stamp duty accruals for the Penny, Tampia and Marda gold projects. These amounts were offset by a \$28.9 million increase in income tax payable relating to the six month period ended 31 December 2020. The stamp duty payments for these prior period acquisitions were finalised and paid during the current period.

Cashflow

The net cash from operations for the half year were up 196% (or \$106.6 million) up on the prior corresponding period to \$160.9 million (2019: \$54.4 million). This increase is attributable to an increase in gold sales revenue (gold production and gold price driven – see figure 4 within this report).

A total of \$83.4 million was reinvested during the period which included:

- Payments for development of open pit and underground mines \$58.6 million;
- Payments for property plant and equipment of \$17.7 million;
- Payments for mining tenements and exploration of \$6.6 million offset by proceeds from the sale of tenements and subsidiary of \$3.0 million; and
- Payments for contingent consideration for the Edna May asset acquisition of \$2.3 million.

During the period \$16.3 million in debt repayments were made and \$16.2 million in dividends were paid to shareholders. Free cashflow¹ for the period was \$67.9 million.

Cash on hand at the end of the financial year was \$204.0 million (including joint venture cash) compared to \$165.7 million at 30 June 2020. As at 31 December 2020 a total of 4,086 ounces (30 June 2020: 7,681 ounces) of gold was on hand with the reported cash, gold receivables² and gold bullion on hand at 31 December 2020 being \$221.5 million (30 June 2020: \$185.5 million). After taking into account the borrowings the reported net cash and gold position as at 31 December 2020 was \$213.4 million (30 June 2020: \$161.1 million).

Financial Risk Management

Ramelius held forward gold sales contracts at 31 December 2020 totalling 229,750 ounces of gold at an average price of \$2,288 per ounce over a period to March 2023.

Development & exploration projects

Development projects

Penny Gold Project (Murchison region, WA)

The project is located approximately 20km south of Youanmi or 170km by road south east of the Mt Magnet mining and processing operations and approximately 500km north-east of Perth in Western Australia. Ore production is planned to be processed through the Mt Magnet processing plant as part of an overall feed blend. No capital modifications to the processing facility are required in order to process the Penny ore.

¹ Free cash flow is defined as operating cash flows plus interest income less payments for development, exploration, property, plant, and equipment, and lease liability repayments and interest.

² Relates to \$7.4 million in gold sales made on 30 December 2020 which were settled on 4 January 2021.

Directors' report

On 9 November 2020 Ramelius released the results of the Penny Feasibility Study and consequently the Board's approval to commence the project development. As a result of compelling financial outcomes from the Penny Feasibility Study, the Board also approved a Decision to Mine which should result in mine development commencing in the June 2021 Quarter, slightly earlier than contemplated by the Prefeasibility Study.

Tampia Hill Gold Project (Narembeen, WA)

The Tampia gold project is located near Narembeen in Western Australia. The Feasibility study was completed in April 2020 and focused on the option to haul ore to Ramelius' Edna May processing facility.

On 25 January 2021, it was announced that the Tampia 10% minority interest and freehold land had been purchased and that delivery of first ore to the Edna May mill in 2022 financial year remains on schedule. Completion of the acquisition of the minority interest occurred on 3 February 2021. Settlement of the land purchase is expected to occur on 31 March 2021.

Mining/Processing Studies and Resources Conversion

The company is currently undertaking studies at Mt Magnet and Edna May to produce a longer Life of Mine Plan via increased conversion of existing or new resources.

Edna May Underground Study

An infill and extensional diamond drilling program has been completed and the resource model updated, with the revised Mineral Resource significantly higher than previous. Progress of the underground bulk versus high grade only mining study has continued although it is apparent that any decision to change from the current high grade lode mining method is best considered alongside the potential Stage 3 open pit study.

An updated study summary for other mining/processing studies currently being undertaken is shown in the table below

Site	Study Description	Estimated Completion
Mt Magnet	Eridanus underground: completion of deeper drilling & associated Scoping Study	30 June 2021
Mt Magnet	Processing Facility Upgrade: carry out cost/benefit analysis on upgrade from 2.0 to 2.5-2.7Mtpa (dependent on Eridanus underground study)	31 December 2021
Mt Magnet	Mt Magnet Undergrounds: complete extension drilling & evaluation at Shannon/ Hill 60/WTH Galaxy (Saturn, Mars, Titan, Hill 50); underground studies to convert a % of ~470koz Mineral Resource Morning Star: underground study to convert a % of ~80koz Mineral Resource	31 December 2021
Edna May	Stage 3 Open Pit: complete Pre Feasibility Study (assuming continuation of the current high-grade lode underground operation)	30 June 2021

Exploration projects

Ramelius' exploration activities focussed on the Mt Magnet, Edna May, Marda and Penny Gold Projects during the first half of the financial year.

Mt Magnet

Eridanus Deeps Prospect

As a result of drilling conducted during the current period the company has recommended diamond drilling below the flagship Eridanus open pit at Mount Magnet. The drilling is designed to scope the potential for developing a bulk tonnage underground mine by converting the deeper inferred mineralisation within the current resource into Measured or Indicated categories.

Deeper exploratory drilling is now being conducted to test the continuity of mineralisation below and along strike of the current resource model.

Directors' report

Marda

Die Hardy Project

Infill resource definition RC drilling was completed over the Die Hardy Indicated and Inferred Resource to better define ore continuity ahead of final pit optimisations and pit design. The drilling confirmed a consistent main zone of mineralisation dipping 45 degrees to the southwest within the banded iron formation ("BIF") host rock. The mineralised lode zone ranges from between 5m to 10m thick. Mineralisation occurs in brecciated BIF with strong pyrite and pyrrhotite sulphides (up to 40%) replacing magnetite.

Gold mineralisation remains open with depth. Deeper exploratory drill testing is now proposed.

Penny

RC and Diamond drilling was completed during the period targeting the Penny Shear Zone, Penny Far North, and parallel Buckshot Trend as well as depth extensions to the Penny North Deposit (Penny Deeps Prospect). Only low order gold anomalism was returned from the RC drilling, with the best result of 1m at 2.43g/t Au from 76m along the Buckshot Trend. Further diamond drilling is planned at Penny Deeps.

Edna May

Fieldwork commenced late in the December quarter following the harvesting of winter crops. Exploratory aircore drilling was undertaken over the Nulla South JV project while RC drilling was completed west of the Greenfinch pit at Edna May and within the Gibb Rock JV Project

Westonia (Edna May Mine)

RC drilling was completed of previously undrilled and mapped areas. Further drill testing around the anomalous intersections will be completed during the March 2021 quarter.

Mt Hampton (incl Symes' Find Extensions)

Site access north of Symes' Find, to follow up previously reported high grade Aircore intersections of 3m at 5.84g/t Au from 21m, is now being finalised. Infill and strike extension drilling is proposed to be completed during the March 2021 quarter.

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 14.

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 2021

The Board of Directors
Ramelius Resources Limited
Level 1, 130 Royal Street
East Perth WA 6892

23 February 2021

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 2020, 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 2020

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INCOME STATEMENT

For the half year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
Revenue	4(a)	342,226	158,451
Cost of sales	5(a)	(218,169)	(122,169)
Gross profit		124,057	36,282
Other expenses	5(b)	(11,742)	(6,900)
Other income	4(b)	5,982	1,081
Interest income		470	603
Finance costs	5(c)	(2,103)	(1,445)
Profit before income tax		116,664	29,621
Income tax expense	6	(35,344)	(9,127)
Profit for the half year from continuing operations		81,320	20,494
Earnings per share		Cents	Cents
Basic earnings per share		10.06	3.11
Diluted earnings per share		9.93	3.06

STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 31 December 2020

	2020 \$'000	2019 \$'000
Profit for the half year	81,320	20,494
Other comprehensive income, net of tax		
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences on translation of foreign operations	-	(1)
<i>Items that may not be reclassified to profit or loss:</i>		
Change in fair value of financial assets	488	(940)
Other comprehensive (loss) / income for the half year, net of tax	488	(941)
Total comprehensive income for the half year	81,808	19,553

BALANCE SHEET

As at 31 December 2020

	Note	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Current assets			
Cash and cash equivalents		203,695	165,670
Trade and other receivables	7	11,539	3,234
Inventories		94,021	97,553
Other assets		3,449	4,475
Total current assets		312,704	270,932
Non current assets			
Other assets		496	503
Financial assets at FVOCI		3,144	624
Property, plant, and equipment	8	86,860	78,368
Development assets	9	381,371	208,268
Exploration and evaluation expenditure	10	29,020	196,247
Total non current assets		500,891	484,010
Total assets		813,595	754,942
Current liabilities			
Trade and other payables		60,019	82,302
Borrowings		7,878	23,475
Lease liabilities	11	14,587	16,643
Contingent consideration		7,840	6,261
Current tax liabilities		49,127	21,272
Provisions		10,819	9,219
Current liabilities		150,270	159,172
Non current liabilities			
Lease liabilities	11	12,062	13,846
Provisions		38,143	38,720
Contingent consideration		3,575	6,923
Deferred tax liabilities		27,661	21,061
Total non current liabilities		81,441	80,550
Total liabilities		231,711	239,722
Net assets		581,884	515,220
Equity			
Share capital	12	371,741	370,781
Reserves		(34,153)	(34,707)
Retained earnings		244,296	179,146
Total equity		581,884	515,220

STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2020

	Share capital \$000's	Share-based payment reserve \$000's	Other reserves \$000's	Retained profits \$000's	Total equity \$000's
Balance at 30 June 2019	214,218	2,032	(9,706)	72,398	278,942
Adoption of AASB 16 Leases (net of tax)	-	-	-	(696)	(696)
At 1 July 2019 (restated)	214,218	2,032	(9,706)	71,702	278,246
Profit for the half year	-	-	-	20,494	20,494
Other comprehensive income	-	-	(941)	-	(941)
Total comprehensive income	-	-	(941)	20,494	19,553
Transactions with owners in their capacity as owners:					
Payment of dividends	-	-	-	(6,579)	(6,579)
Share based payments	205	545	-	-	750
Balance at 31 December 2019	214,423	2,577	(10,647)	85,617	291,970
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 loss	-	-	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

STATEMENT OF CASH FLOWS

For the half year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
Cash flows from operating activities			
Receipts from operations		334,883	163,260
Payments to suppliers and employees		(173,949)	(108,910)
Net cash provided by operating activities		160,934	54,350
Cash flows from investing activities			
Interest received		391	559
Payments for property, plant, and equipment		(17,723)	(14,400)
Payments for development assets		(58,623)	(51,170)
Proceeds from sale of tenements		2,000	900
Proceeds from the sale of subsidiary		1,000	-
Loan to joint venture and joint venture parties	7	(1,074)	-
Payments for contingent consideration		(2,307)	-
Payments for financial assets		(106)	(6,640)
Payments for mining tenements and exploration		(6,630)	(7,866)
Payments for site rehabilitation		(353)	(300)
Net cash used in investing activities		(83,425)	(78,917)
Cash flows from financing activities			
Interest paid		(301)	(512)
Repayment of lease liabilities		(10,133)	(6,339)
Repayment of borrowings		(16,250)	-
Payment of dividends		(16,170)	(6,579)
Return of secured deposits		3,370	4,130
Net cash used in financing activities		(39,484)	(9,300)
Net increase / (decrease) in cash and cash equivalents		38,025	(33,867)
Cash and cash equivalents at the beginning of the half year		165,670	95,815
Cash and cash equivalents at the end of the half year		203,695	61,948

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 2020 was authorised for issue in accordance with a resolution of the directors on 23 February 2020. 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 2020 annual financial report for the year ended 30 June 2020 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.

In June 2020, the Tampia Gold Project was transferred to a development asset coinciding with the Decision to Mine and project development. The Tampia Gold Project forms part of the Edna May operating segment with ore to be hauled to, and blended with, ore sourced from the Edna May Gold Mine and Marda Gold Project.

During the period, coinciding with the Decision to Mine, the Penny Gold Project was transferred to a development asset (see note 9). Accordingly, the Penny Gold Project now forms part of the Mt Magnet operating segment with ore from that project to be hauled to, and blended with, ore sourced from the Mt Magnet and Vivien Gold Mines.

Notes to the financial statements

Operating segment performance details for the half years ended 31 December 2020 and 31 December 2019 are set out below:

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

Half year ending 31 December 2019	Mt Magnet \$'000	Edna May \$'000	Exploration \$'000	Total \$'000
Segment revenue	111,812	46,639	-	158,451
Cost of sales	(105,154)	(45,526)	-	(150,680)
Amortisation and depreciation	(25,403)	(9,851)	-	(35,254)
Movement in inventory	15,485	3,588	-	19,073
Deferred mining costs	32,580	12,112	-	44,692
Gross margin	29,320	6,962	-	36,282
Impairment and exploration write-off	-	-	(896)	(896)
Segment margin	29,320	6,962	(896)	35,386
Interest income				603
Finance costs				(1,445)
Other items				(4,923)
Profit before income tax from continuing operations				29,621

Notes to the financial statements

Note 4: Revenue

The group derives the following types of revenue:

(a) Sales revenue

Half year ended	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Gold sales	341,732	158,011
Silver sales	396	376
Other revenue	98	64
Total sales revenue from continuing operations	342,226	158,451

(b) Other income

Gain on divestment of tenements	5,000	1,081
Gain on sale of investments	982	-
Total other income from continuing operations	5,982	1,081

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 2020 \$'000	31 Dec 2019 \$'000
Mining and milling production costs		102,327	76,609
Employee benefits expense		23,211	20,394
Royalties		14,017	8,985
Amortisation and depreciation	8 & 9	74,277	35,254
Inventory movements		4,337	(19,073)
Total cost of sales from continuing operations		218,169	122,169

(b) Other expenses

Half year ended	Note	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Employee benefit expense		5,021	3,449
Equity settled share-based payments		1,026	750
Other expenses		2,443	1,599
Depreciation	8	266	193
Foreign exchange losses		214	13
Exploration and evaluation costs		148	221
FV adjustment on deferred costs		92	-
Impairment of exploration and evaluation assets	10	2,532	675
Total other expenses from continuing operations		11,742	6,900

Notes to the financial statements

(c) Finance costs

Half year ended	Note	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Provisions: unwinding of discount		184	315
Contingent consideration: unwinding of discount		445	618
Interest on leases		505	477
Interest and finance charges		969	35
Total finance costs from continuing operations		2,103	1,445

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 2020 is 30.3%, compared to 30.8% for 31 December 2019. The effective tax rate is higher than 30% for the half year due to non-deductible expenditure.

Note 7: Trade and other receivables

	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Gold sales receivable	7,389	-
Trade & other receivables	3,076	3,243
Receivable from Tampia Joint Venture parties	1,074	-
Total trade and other receivables	11,539	3,234

As disclosed in Note 15, Ramelius completed the acquisition of the remaining 10% interest in the Tampia Gold Joint Venture on 3 February 2021. This receivable will be realised as part of the acquisition of the remaining minority interest with the Joint Venture being terminated and 100% of the Tampia Gold Project being consolidated into the Ramelius group.

Notes to the financial statements

Note 8: Property, plant, and equipment

For the half year ended 31 December 2020	Land and buildings \$'000	Plant and equipment \$'000	Assets under construction \$'000	Right of use asset \$'000	Total \$'000
As at 1 July 2020					
Cost or fair value	9,411	118,781	7,340	44,223	179,755
Accumulated depreciation	(2,185)	(84,678)	-	(14,524)	(101,387)
Net book amount	7,226	34,103	7,340	29,699	78,368
Half year ended 31 December 2020					
Opening net book amount	7,226	34,103	7,340	29,699	78,368
Additions	-	4	17,726	5,788	23,518
Disposals	-	(7)	-	-	(7)
Transfers to mine development	-	-	(160)	-	(160)
Transfers	66	10,026	(10,092)	-	-
Depreciation charge	(268)	(4,954)	-	(9,637)	(14,859)
Closing net book amount	7,024	39,172	14,814	25,850	86,860
As at 31 December 2020					
Cost or fair value	9,475	128,784	14,814	50,011	203,084
Accumulated depreciation	(2,451)	(89,612)	-	(24,161)	(116,224)
Net book amount	7,024	39,172	14,814	25,850	86,860

For the year ended 30 June 2020	Land and buildings \$'000	Plant and equipment \$'000	Assets under construction \$'000	Right of use asset \$'000	Total \$'000
As at 1 July 2019					
Cost	8,651	107,852	2,728	-	119,231
Accumulated depreciation	(1,577)	(73,831)	-	-	(75,408)
Adoption of AASB 16 Leases	-	-	-	20,262	20,262
Net book amount	7,074	34,021	2,728	20,262	64,085
Year ended 30 June 2020					
Opening net book amount	7,074	34,021	2,728	20,262	64,085
Acquisition of subsidiary	-	365	-	-	365
Additions	692	7,193	8,322	23,961	40,168
Disposals	(127)	(93)	-	-	(220)
Transfers	177	3,533	(3,710)	-	-
Depreciation charge	(590)	(10,916)	-	(14,524)	(26,030)
Closing net book amount	7,226	34,103	7,340	29,699	78,368
As at 30 June 2020					
Cost	9,411	118,781	7,340	44,223	179,755
Accumulated depreciation	(2,185)	(84,678)	-	(14,524)	(101,387)
Net book amount	7,226	34,103	7,340	29,699	78,368

Notes to the financial statements

Note 9: Development assets

	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Development assets	748,921	516,134
Less: accumulated amortisation	(367,550)	(307,866)
Net book amount	381,371	208,268
Development asset reconciliation		
Opening net book amount	208,268	99,430
Additions	61,121	107,537
Restoration and rehabilitation adjustment	-	(4,753)
Transfer from property, plant, and equipment	160	-
Transfer from exploration and evaluation asset	171,506	83,537
Amortisation	(59,684)	(77,483)
Closing net book amount	381,371	208,268

The comparative information shown above, reconciling the opening and closing mine development asset written down value, is for the financial year ended 30 June 2020.

(a) *Transfer to development assets*

During the period a total of \$171,506,000 was transferred from an exploration and evaluation assets to a development asset. These amounts related to the Penny Gold Project. The Penny Gold Project costs, including the acquisition costs, were transferred to mine development upon the completion of the Feasibility Study and subsequent Decision to Mine with the project now moving into development.

Note 10: Exploration and evaluation expenditure

Exploration and evaluation	29,020	196,247
Exploration and evaluation asset reconciliation		
Opening net book amount	196,247	99,442
Additions on the acquisition of subsidiary	181	168,515
Additions	6,648	18,355
Disposals	(18)	(208)
Impairment	(2,532)	(6,336)
Exchange differences	-	16
Transfer to development asset	(171,506)	(83,537)
Closing net book amount	29,020	196,247

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 2020.

Notes to the financial statements

Note 11: Lease liabilities

	31 Dec 2020 \$'000	30 Jun 2020 \$'000
Maturity analysis:		
Year 1	15,231	17,431
Year 2	7,856	8,064
Year 3	3,561	4,269
Year 4	1,028	2,057
Gross lease liability	27,676	31,821
Less future interest charges	(1,027)	(1,332)
Total lease liability	26,649	30,489
Analysed as:		
Current	14,587	16,643
Non-current	12,062	13,846
Total lease liability	26,649	30,489

Note 12: Share capital

	Number of shares	\$'000
Ordinary shares		
Share capital at 1 July 2019	657,872,969	214,218
Shares issued as part of the acquisition of Explaurum Limited	145,203,969	155,523
Shares issued from exercise of options	1,500,000	300
Shares issued from exercise of performance rights	1,377,522	598
Transfer from share based payment reserve	-	142
At 30 June 2020	805,954,460	370,781
Shares issued from exercise of performance rights	3,062,806	960
At 31 December 2020	809,017,266	371,741

Note 13: Dividends

	31 Dec 2020 \$'000	31 Dec 2019 \$'000
Final dividend for the year ended 30 June 2020 of 2 cents (2019:1 cent) per fully paid share paid on 2 October 2020	16,170	6,579

Notes to the financial statements

Note 14: 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 2020			
Within one year	130,250	\$2,226	289,990
Between one and five years	99,500	\$2,368	235,604
Total	229,750	\$2,288	525,594
As at 30 June 2020			
Within one year	125,850	\$2,046	257,456
Between one and five years	121,500	\$2,227	270,525
Total	247,350	\$2,135	527,981

(b) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as a liability totalled \$3,542,000 and related to the development of the Tampia Hill Gold Project.

Note 15: Events occurring after the reporting period

Purchase of the remaining 10% minority interest in the Tampia Gold Project

On 3 February 2021 Ramelius completed the acquisition of the remaining 10% minority interest in the Tampia Gold Project that was previously held by TampiaGold Pty Ltd and Goldoro Pty Ltd. Ramelius now owns 100% of the Tampia Gold Project and will operate it independently. The consideration for the acquisition of the minority interest comprised:

- \$1,000,000 cash (paid in November 2020);
- \$2,000,000 cash (paid in February 2021);
- 5,000,000 Ramelius shares issued under Listing Rule 7.1 (issued in February 2021); and
- 2% royalty on any gold production from the Tampia Gold Project above 185,539 ounces.

Purchase of Tampia Gold Project freehold land

On 25 January 2021 Ramelius reached an agreement to purchase the primary freehold land associated with the Tampia Gold Project for \$6,000,000. The consideration is to be paid over two payments with \$2,300,000 paid in January 2021 and the balance of \$3,700,000 to be paid at settlement which is anticipated to be 31 March 2021.

The agreement allows for immediate access to the Tampia Gold Project area for site preparations which is in line with existing production schedules.

There were no other matters or circumstances that have arisen since 31 December 2020 that have or may significantly affect:

- The group's operations in future financial years;
- The results of operations in future financial years; or
- The group's state of affairs in future financial years.

COVID-19

On 31 January 2021, the West Australian Government announced lockdown measures as a result of COVID-19. Measures included a five day lockdown of the Perth metropolitan areas along with travel restrictions between Perth and other areas of Western Australia. Ramelius has not seen a significant operational or financial impact as a result of these lockdown measures. The outbreak and response of governments in dealing with COVID-19 continues to evolve and can at times be uncertain. Ramelius continues to monitor these developments and respond accordingly. At the date of this report the bulk of the travel restrictions have been removed.

Directors' declaration

The directors declare that:

- (a) in the directors' opinion, 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
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



Bob Vassie
Chairman

Perth
23 February 2021

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 2020, 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 16 to 28.

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 2020 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.

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 2020 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 2021

Executive Director

Mark Zeptner

Managing Director and Chief Executive Officer

Non-Executive Directors

Bob Vassie (*Chair*)

Michael Bohm

David Southam

Natalia Streltsova

Manager Legal & Company Secretary

Richard Jones

Chief Operating Officer

Duncan Coutts

Chief Financial Officer

Tim Manners

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Share registry

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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)