RAMELIUS RESOURCES

ASX RELEASE

ACN 001 717 540
ASX code: RMS

26 August 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

www.rameliusresources.com.au
ramelius@rameliusresources.com.au

RAMELIUS RESOURCES LIMITED

Registered Office
Level 1, 130 Royal Street
East Perth WA 6004
Tel +61 8 9202 1127
PO Box 6070
East Perth, WA 6892

Financial report and Appendix 4E for the year ended 30 June 2021
Results for announcement to the market

Current reporting period: 12 months ended 30 June 2021
Previous corresponding reporting period: 12 months ended 30 June 2020

Key Information		FY 2021 A$'000	FY 2020 A$'000
Revenue from ordinary activities	up 38%	634,283	460,574
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	up 33%	340,975	256,025
Net profit before tax	up 17%	174,740	149,485
Net profit after tax	up 12%	126,778	113,415
Net profit after tax attributable to members	up 12%	126,778	113,415

Dividend information
Dividends paid
During the financial year ended 30 June 2021 Ramelius paid the below dividends:

Dividends paid	Amount per share	Franked amount per share
Final dividend (per share)	2.0 cents	2.0 cents

Dividends recommended but not yet paid
Since the end of the 2021 financial year the Directors have recommended the payment of a fully franked final dividend of 2.5 cents per fully paid share.

- Ex-date for dividend entitlement — 1 September 2021
- Record date — 2 September 2021
- Payment date — 4 October 2021

The financial effect of the current reporting period final dividend has not been brought to account in the financial statements for the year ended 30 June 2021 and will be recognised in subsequent financial reports.

Financial results

The following Appendix 4E reporting requirements are found within this Annual Financial Report which has been audited by Deloitte Touche Tohmatsu:

Requirement	Title	Reference
Review of results	Directors' report	Page 10
A statement of comprehensive income	Income statement & statement of comprehensive income	Page 35
A statement of financial position	Balance sheet	Page 36
A statement of retained earnings	Statement of changes in equity	Page 37
A statement of cash flows	Statement of cash flows	Page 38
Earnings per security	Income statement	Page 35

Net tangible assets per ordinary share		FY 2021 A$	FY 2020 A$
Net tangible asset backing per ordinary share	up 22%	0.78	0.64

Earnings per share		FY 2021 cents	FY 2020 cents
Basic earnings per share	down 5%	15.64	16.43
Diluted earnings per share	down 4%	15.45	16.13

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	30 June 2021
Nulla South	Chalice Gold Mines Limited	Gold	75%*
Gibb Rock	Chalice Gold Mines Limited	Gold	0%*
Coogee Farm-out	Unlisted entity	Gold	0%
Parker Dome	Unlisted entity	Gold	0%*
Mt Finnerty	Unlisted entity	Gold	0%*
Jupiter	Kinetic Gold#	Gold	0%*

* Ramelius earning into the joint ventures by undertaking exploration and evaluation activities.
# Kinetic Gold is a subsidiary of Renaissance Gold Inc.

Audit
This report is based on financial statements which have been audited.

RAMELIUS
RESOURCES

2021 Annual Financial Report

for the year ended 30 June 2021

Ramelius Resources Limited
ABN 51 001 717 540

Annual Financial Report 30 June 2021

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Corporate directory

Directors	Bob Vassie, FAusIMM, GAICD, B.MinTech (Hons) Mining *Independent Non-Executive Chair* Mark Zeptner, BEng (Hons) Mining, MAusIMM, MAICD *Managing Director and Chief Executive Officer* Michael Bohm, BAppSc (Mining Engineering), MAusIMM, MAICD *Independent Non-Executive Director* David Southam, B. Com, CPA, MAICD *Independent Non-Executive Director* Natalia Streltsova, MSc, PhD (Chem Eng), GAICD *Independent Non-Executive Director*
Company Secretary	Richard Jones, BA (Hons), LLB
Chief Financial Officer	Tim Manners, BBus (Accounting), FCA, AGIA, MAICD
Chief Operating Officer	Duncan Coutts BEng (Hons) Mining, MAusIMM
General Manager – Exploration	Peter Ruzicka MSc (Ore Deposit Geology), BAppSc (Geology), BSc, MAusIMM
Principal registered office	Level 1, 130 Royal Street East Perth WA 6004 + 61 8 9202 1127
Share registry	Computershare Investor Services Pty Limited Level 5, 115 Grenfell Street Adelaide SA 5000 1300 556 161 (within Australia) + 61 3 9415 4000 (outside Australia)
Auditor	Deloitte Touche Tohmatsu Tower 2, Brookfield Place 123 St Georges Terrace Perth WA 6000
Stock exchange listing	Ramelius Resources Limited (**RMS**) shares are listed on the Australian Securities Exchange (**ASX**)
Website	www.rameliusresources.com.au

Directors' report

Your Directors present their report on the consolidated entity consisting of Ramelius Resources Limited and the entities it controlled at the end of, or during, the year ended 30 June 2021. Throughout the report, the consolidated entity is referred to as Ramelius or the group. Unless specifically noted, all dollar amounts disclosed in this report are Australian Dollars (A$ or AUD).

Directors and Company Secretary

The following persons were Directors of Ramelius Resources Limited during the financial year:

Mark Zeptner
Bob Vassie
Kevin Lines
Michael Bohm
David Southam
Natalia Streltsova

The above named Directors held office during the whole of the financial year, and up to the date of this report, except for:

- Bob Vassie – appointed 1 January 2021
- Kevin Lines – retired 30 September 2020

The Company Secretary is Richard Jones. Mr Jones has nearly 20 years' experience as a corporate commercial lawyer in both private and in house capacities and across various industries. He has also served as Company Secretary for ASX listed and unlisted companies in the mining sector.

Principal activities

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

Key highlights for the year

Commencement of mining at the Tampia Gold Mine

Negotiations on the compensation payments with landowners and with the 10% minority JV owner were finalised in January 2021. Ramelius agreed to purchase the remaining 10% minority interest in the Tampia Gold Mine JV for $3.0 million cash, 5 million shares in Ramelius, and a 2% royalty on any gold production above 185,539 ounces from the Tampia Gold Mine (**Tampia**). At the same time, Ramelius agreed to purchase the primary freehold land associated with Tampia for $6.0 million. These agreements allowed for immediate access to the Tampia area for the commencement of site preparations.

Following grade control drilling, mining contractor mobilisation, and site establishment, material movement commenced in April 2021 with first ore mined in June 2021. Haulage to, and processing at, the Edna May processing plant commenced in July 2021.

Figure 1: Mining at Tampia Gold Mine

Commencement of development at the Penny Gold Mine

On 9 November 2020 Ramelius released the results of the Penny Feasibility Study and advised 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.

In the March 2021 quarter, works commenced on regulatory approvals, contract negotiations, and the purchase of long lead items. All key approvals were received in the June quarter and accordingly camp construction commenced and the open pit mining and catering contracts were awarded. Open pit mining is expected to commence in the September 2021 quarter before underground development commences in the second half of the 2022 financial year. In the coming year operations will focus on the development of the underground mine with only modest amounts of ore sourced from the Magenta open pit and the Penny West pit cutback.

Figure 2: Penny Mine Camp under construction

COVID-19

Whilst the direct impact of COVID-19 has been minimal, border closures and lockdowns following outbreaks around Australia continue to have an impact on Ramelius operations, primarily through labour availability from interstate and overseas and the corresponding pressure this puts on wages within the mining industry.

During the year Ramelius continued with its range of initiatives in response to COVID-19. Ramelius believes the measures that it has in place go beyond the formal guidance issued by State and Federal health authorities. Ramelius has defined clear processes throughout the organisation to ensure that all employees and contractors do their absolute best to control the risk of infection and transmission of COVID-19. Initiatives implemented include:

- Travel: suspending international travel and restricting non essential domestic and intrastate travel.
- Social distancing: utilising video and phone conference facilities, reducing face to face interactions, and increasing flexible working arrangements.
- Health management: proactive temperature testing and pre commute screening of individuals prior to entering the company's sites or corporate offices, strict hygiene practices, along with the securing of clinical masks, hand sanitiser, and COVID-19 swab test kits. In addition, plans were put in place for the isolation, testing, and rapid removal from site of any employee or contractor displaying flu like symptoms.
- Planning: the addition of a number of casual employees to be available in the event of the loss of team members from any part of the business as well as the constant management and review of the supply chain.
- Communication: constant liaison with WA Health Department, through our consultant occupational doctor and medical provider, to ensure best practice as far as possible with the ever changing regime around controlling the virus. In addition, there was frequent communication across the entire work force regarding COVID-19 and company protocols.

Directors' report

All Ramelius mine operations are located within Western Australia which has enabled the group to have a dynamic, rapid, and consistent approach to the management of the COVID-19 virus. Whilst at the date of this report the COVID-19 situation in Western Australia seems to be largely under control, management acknowledge that the situation can change rapidly and continues to diligently monitor, implement new restrictions as they are introduced and be in a position to respond quickly to the ongoing COVID-19 virus.

Dividends

Dividends recommended but not yet paid

Since the end of the 2021 financial year the Directors have recommended the payment of a fully franked final dividend of 2.5 cents per fully paid share. The fully franked final dividend will have a record date of 2 September 2021 and a payment date of 4 October 2021.

The financial effect of the final dividend has not been brought to account in the financial statements for the year ended 30 June 2021 but will be recognised in subsequent financial reports.

Dividends paid

	2021 $M	2020 $M
Dividends paid		
Final ordinary dividend for the 2020 financial year of 2 cents (2020: 1 cent) per fully paid share paid on 2 October 2020	**16.2**	6.6

Table 1: Dividends paid to members during the 2021 financial year

Events since the end of the financial year

In August 2021 a binding agreement was executed with Liontown Resources Ltd (''Liontown'') for the termination of the Lithium Royalty owned by Ramelius over the majority of Liontown's Kathleen Valley Lithium Project. Consideration of $30.3 million was paid upon completion on 4 August 2021. The royalty was granted when Ramelius disposed of the Kathleen Valley Lithium – Tantalum Project to Liontown in 2016. The royalty comprised both a production component of A$0.50/tonne of ore mined and a sales component of 1% of the gross sales of the ore.

There were no other matters or circumstance that have arisen since 30 June 2021 that have, or may significantly affected the group's operations, results, or state of affairs, or may do so in the future.

Operations review

Overview

Ramelius is an established mid tier ASX 200 gold production and exploration company. Ramelius achieved record annual gold production for the financial year of 272,109 ounces and has produced over 1 million ounces over the last five financial years.

Ramelius reported a 16% increase in earnings before interest and tax (**EBIT**) compared to the 2020 financial year. The reported EBIT for the 2021 financial year was $177.5 million (2020: $152.5 million). Despite a higher cost profile than the prior year due in part to the impact of COVID-19 and the consequential tightening of the labour market, this result has been achieved through increased production and the continued strength in the A$ gold price. In addition to the strong EBIT the operating cashflows also reported a significant increase of 29% to $305.6 million. Further details on the financial performance of the group for the 2021 financial year can be found in the financial review of this report.

Production guidance for the 2022 financial year has been set at 260,000 – 300,000 ounces which, if the midpoint is achieved, will be another record year for Ramelius. Furthermore, a mine plan was released on 2 August 2021 which detailed a new 1.84 million ounce mine plan across nine years to 2030, which includes a low grade tail in the 2029 and 2030 financial years. This represents a 27% increase on the prior year's mine plan.

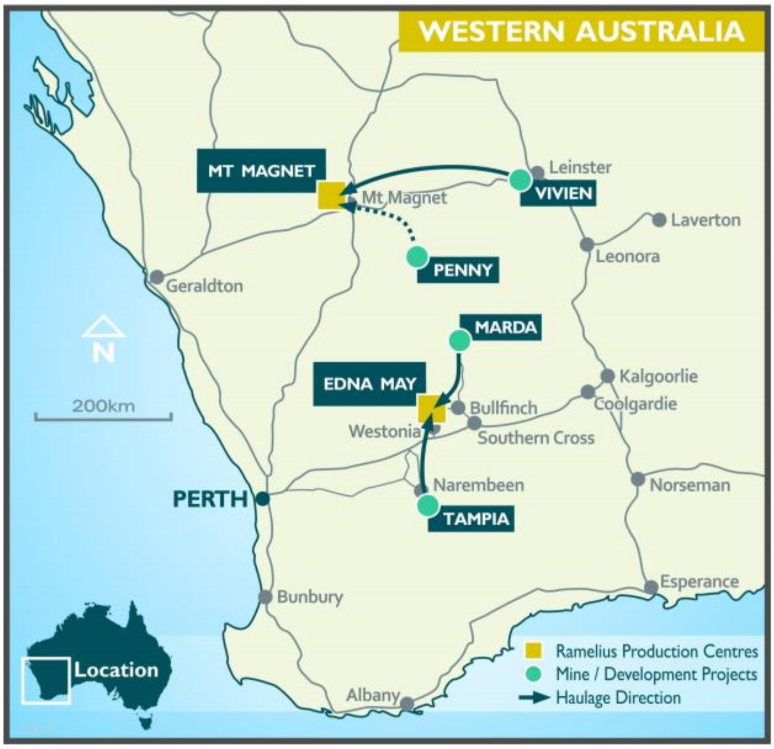


Figure 3: Ramelius' operating locations

The record production in the 2021 year of 272,109 ounces from our Mt Magnet, Vivien, Edna May, and Marda gold mines was achieved at an All In Sustaining Cost (**AISC**) of A$1,317 per ounce. (see map above).

Sales for the year increased 22% to 277,450 ounces at an average realised gold price of A$2,282 generating a strong AISC margin of A$965 per ounce.

Notwithstanding a 13% increase in the AISC per ounce from the prior year, a similar % increase in the realised gold price ensured the AISC margin remained high at 42%.

Figure 4: AISC per ounce and realised gold price for 2015 to 2021

Directors' report

Operational summary	Unit	Mt Magnet[1]	Edna May[1]	2021	2020	Change	Change %
Open pit							
Ore mined	kt	749	2,313	**3,062**	3,506	(444)	- 13 %
Grade	g/t	1.40	1.26	**1.30**	1.35	(0.05)	- 4 %
Contained gold	oz	33,625	93,928	**127,553**	151,880	(24,327)	- 16 %
Underground							
Ore mined	kt	656	246	**902**	641	261	+ 41 %
Grade	g/t	5.10	3.80	**4.74**	5.63	(0.89)	- 16 %
Contained gold	oz	107,520	30,007	**137,527**	116,028	21,499	+ 19 %
Total ore mined	kt	1,405	2,559	**3,964**	4,147	(183)	- 4 %
Mill production							
Tonnes milled	kt	1,886	2,749	**4,635**	4,235	400	+ 9 %
Grade	g/t	2.76	1.33	**1.91**	1.80	0.11	+ 6 %
Contained gold	oz	167,467	117,312	**284,779**	245,319	39,460	+ 16 %
Recovery	%	96.4	93.5	**95.2**	94.9	0.3	+ 0 %
Recovered gold	oz	161,455	109,689	**271,144**	232,867	38,277	+ 16 %
Gold poured	oz	**161,159**	**110,950**	**272,109**	**230,426**	**41,683**	**+ 18 %**
Gold sold	oz	**165,011**	**112,439**	**277,450**	**228,210**	**49,240**	**+ 22 %**

Table 2: Mine operations performance for the 2021 financial year

[1] In the above table and throughout this report Mt Magnet includes the Vivien Gold Mine whilst the Edna May operation includes the Marda & Tampia Gold Mines.

Mt Magnet

Figure 5: Mt Magnet key mining & exploration areas

Mining

Operations at Mt Magnet continued on a multi pit / underground basis throughout the 2021 financial year with ore being milled from four open pits and four underground projects. A summary of the main projects for the year is provided below:

Area	Type	Operational commentary
Eridanus	Open pit	The large Eridanus open pit was the main source of ore feed for Mt Magnet for the year making up 26% of the mill feed. A total of 492k tonnes of ore was milled at a grade of 1.37g/t and a recovery of 94.3% for 20,471 ounces of recovered gold. Mining operations at Eridanus continued throughout the year. The waste cutback of the Stage 2 pit almost reached the original pit floor with a consequential increase in ore production in the second half of the year. A total of 671k tonnes of ore was mined at a grade of 0.96g/t for 20,723 ounces of contained gold. At 30 June 2021 there were 1.5 million tonnes of Eridanus ore stockpiled awaiting processing.
Stellar	Open pit	Mining of the high grade ore zone was completed in September 2020. A total of 116k tonnes were milled at a grade of 3.81g/t and recovery of 95.3% for recovered gold of 13,591 ounces.
Milky Way	Open pit	Mining at Milky Way was completed in the 2020 financial year. A total of 322k tonnes was milled from stockpiles at a grade of 1.00g/t and recovery of 95.1% for recovered gold of 9,816 ounces.
Vegas	Open pit	Mining at Vegas was completed in the 2020 financial year. A total of 186k tonnes was milled from stockpiles at a grade of 1.26g/t and a recovery of 94.9% for recovered gold of 7,154 ounces.
Shannon	Underground	Shannon underground production continued strongly during the year and is generating excellent quantities of high grade ore. Mining at the Shannon underground enabled 233k tonnes of ore to be milled at a grade of 7.12g/t and a recovery of 97.7% for 52,205 ounces of recovered gold. An underground drill programme was completed and shows that although the main Shannon lode narrows at depth, the orebody will continue for at least another 12 to 18 months providing high grade ore well beyond its original mine plan. Development for the year at Shannon totalled 3,256 metres.
Hill 60	Underground	Mining at the Hill 60 underground continued during the year with 242k tonnes of ore being milled at a grade of 2.81g/t and a recovery of 95.9% for 20,950 ounces of recovered gold. An additional level is now planned below the high grade base 140mRL level and the decline will be recommenced as a result.

Area	Type	Operational commentary
Water Tank Hill	Underground	Mining at Water Tank Hill was completed in September 2020. A total of 30k tonnes were milled at a grade of 3.15g/t and recovery of 97.2% for recovered gold of 2,955 ounces.
Vivien	Underground	Total mill production from Vivien was 204k tonnes at a grade of 5.21g/t and recovery of 97.4% for recovered gold of 33,372 ounces. Mining operations at Vivien have continued as planned, however the mine has been extended by a further two years with a further year of underground mining before an open pit is planned to mine the crown pillar on the north end of the deposit. Underground drilling continues with the aim to extend the current resource further, both at the Main Lode and the East (or hanging wall) Lode.

Milling

		2021	2020	Change	Change (%)
Mill production					
Tonnes milled	kt	1,886	1,973	(87)	- 4 %
Grade	g/t	2.76	2.74	0.02	+ 1 %
Contained gold	oz	167,467	173,622	(6,155)	- 4 %
Recovery	%	96.4	96.5	(0.1)	- 0 %
Recovered gold	oz	161,455	167,507	(6,052)	- 4 %
Gold poured	oz	**161,159**	**167,129**	**(5,970)**	**- 4 %**
Gold sold	oz	**165,011**	**163,696**	**1,315**	**+ 1 %**

Table 3: Mt Magnet mill production & sales for the 2021 financial year

A total of 1,886k tonnes were processed at the Mt Magnet mill during the year compared to 1,973k tonnes in the prior year. The decrease in throughput, due to hardness of the ore, resulted in a 6,052 ounce or 4% decrease in recovered gold. The overall grades at the processing facility were comparable to the prior year with lower grades from the open pit sources being offset by a higher proportion of the mill feed being sourced from the higher grade underground mines.

Gold production from Mt Magnet is forecast to be in the range of 130,000 and 150,000 ounces in the 2022 financial year.

Edna May

Mining

Mining operations at Edna May focussed on the Edna May underground mine, Greenfinch open pit, and Marda Gold Mine (several open pits). A summary of these projects for the year is provided as follows:

Area	Type	Operational commentary
Edna May Underground	Underground	A total of 261k tonnes of ore was milled at a grade of 3.58g/t and recovery of 93.5% for 28,087 ounces of recovered gold. Mining transitioned from the development phase into stope production in the first half of the financial year.

Area	Type	Operational commentary
Greenfinch	Open pit	The Greenfinch open pit served as the major source of ore at Edna May for the year making up 56% of mill feed. A total of 1,368k tonnes were milled at a grade of 1.00g/t and recovery of 93.4% for recovered gold of 41,251 ounces. Mining at Greenfinch is expected to be complete in the September 2021 quarter.
Marda	Open pits	Mining continued at Marda with mill feed sourced from five separate pits during the year comprising Goldstream, Dugite, Dolly Pott, Python and King Brown. Site preparation activities are currently underway at the outlying Golden Orb pit and mining will commence there in the 2022 financial year following the completion of mining at Goldstream and Dugite. A total of 593k tonnes were milled at a grade of 1.81g/t and recovery of 93.6% for recovered gold of 32,281 ounces. At 30 June 2021 a total of 360k tonnes of ore remained stockpiled at the mine site awaiting haulage and processing.

Milling

		2021	2020	Change	Change (%)
Mill production					
Tonnes milled	kt	2,749	2,262	487	+ 22 %
Grade	g/t	1.33	0.99	0.34	+ 34 %
Contained gold	oz	117,312	71,697	45,615	+ 64 %
Recovery	%	93.5	91.2	2.3	+ 3 %
Recovered gold	oz	109,689	65,360	44,329	+ 68 %
Gold poured	oz	**110,950**	**63,297**	**47,653**	**+ 75 %**
Gold sold	oz	**112,439**	**64,514**	**47,925**	**+ 74 %**

Table 4: Edna May mill production & sales for the 2021 financial year

A total of 2,749k tonnes were processed at the Edna May mill during the year compared to 2,262k tonnes in the prior year representing a 22% increase in throughput. This increased throughput was achieved by the mill returning to full operations for the complete year (the approval delays for Greenfinch required a 12 day on / 9 days off roster from October 2019 to March 2020 in the prior year). Milled grades were also up 34% resulting in a 68% increase in recovered gold when compared to the prior year.

The increase in milled grades has been due to the main source of ore feed transitioning from the low grade stockpiles to the higher grade open pit ore from Greenfinch and Marda. In the prior year 81% of ore feed was sourced from low grade stockpiles whilst in the current period this dropped to 19% with Greenfinch and Marda making up 71% of the ore feed. The balance of the ore feed was from the Edna May underground mine.

Gold production from Edna May is forecast to be in the range of 130,000 - 150,000 ounces in the 2022 financial year with the introduction of higher grade Tampia ore.

Financial review

Financial performance	Mt Magnet $M	Edna May $M	Corp & other $M	2021 $M	2020 $M	Change $M	Change %
Revenue	377.2	257.1	-	**634.3**	460.6	173.7	+ 38 %
Cash costs of sales	(136.7)	(144.8)	-	**(281.5)**	(242.4)	(39.1)	+ 16 %
Gross margin excluding "non cash" items	**240.5**	**112.3**	-	**352.8**	**218.2**	**134.6**	**+ 62 %**
Amortisation and depreciation	(85.1)	(77.9)	-	**(163.0)**	(103.1)	(59.9)	+ 58 %
Inventory movements	(4.2)	4.9	-	**0.7**	56.1	(55.4)	- 99 %
Gross profit	**151.2**	**39.3**	-	**190.5**	**171.2**	**19.3**	**+ 11 %**
Earnings before interest & tax (EBIT)	151.2	39.3	**(13.0)**	**177.5**	152.5	25.0	+ 16 %
Net finance costs	-	-	(2.7)	**(2.7)**	(3.0)	0.3	- 10 %
Profit / (loss) before income tax	**151.2**	**39.3**	**(15.7)**	**174.8**	**149.5**	**25.3**	**+ 17 %**
Income tax expense	-	-	(48.0)	**(48.0)**	(36.1)	(11.9)	+ 33 %
Profit / (loss) after tax	**151.2**	**39.3**	**(63.7)**	**126.8**	**113.4**	**13.4**	**+ 12 %**

Table 5: 2021 Financial performance

Profit

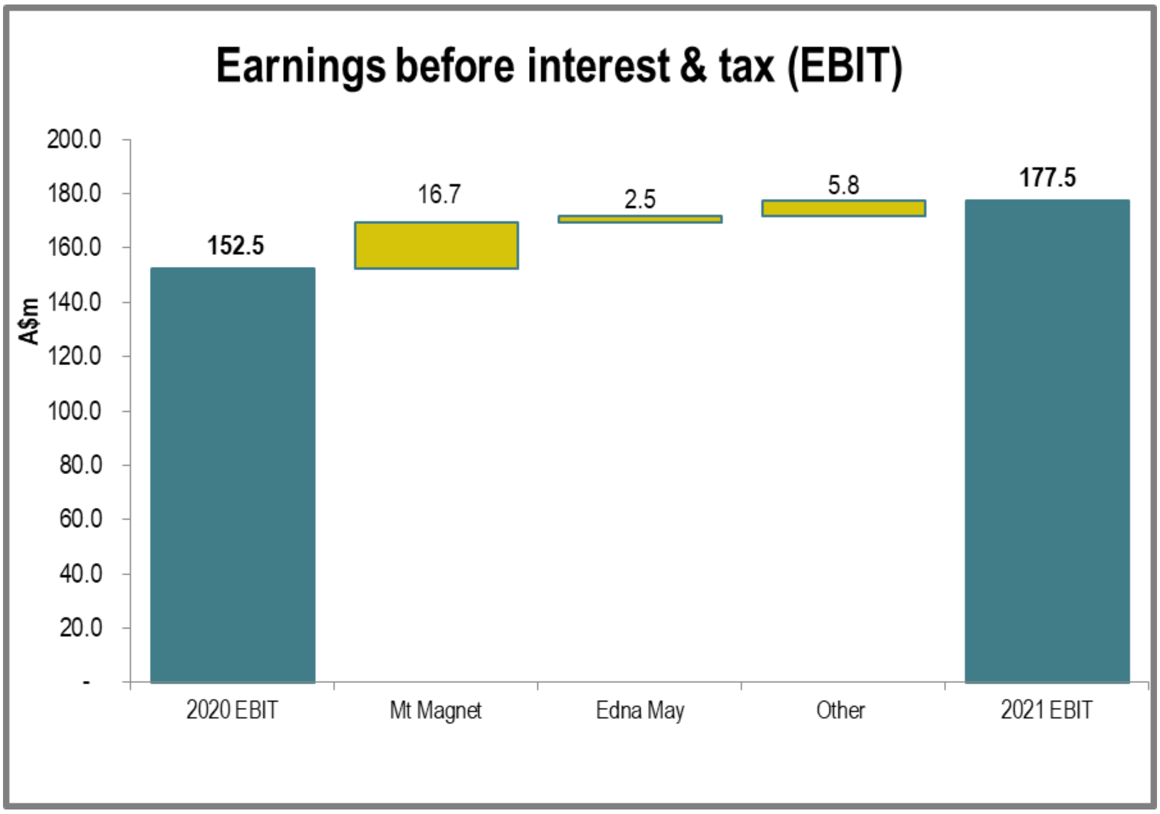


Figure 6: EBIT for the financial year ended 30 June 2021

The group reported an EBIT of $177.5 million and net profit after tax (**NPAT**) of $126.8 million for the financial year ended 30 June 2021, a 16% and 12% increase respectively from the prior year (2020: EBIT $152.5 million and NPAT of $113.4 million).

The Mt Magnet operations reported an EBIT of $151.2 million, a 13% increase from the prior year (2020: $134.4 million), primarily due to a higher gold price being realised. The benefit of this higher gold price was offset in part by higher operating costs, this is discussed further below.

At Edna May an EBIT of $39.3 million was reported representing a 7% increase on the prior year (2020: $36.8 million). This increase was driven by the higher gold production and higher realised gold price for the year. These benefits were offset by higher operating costs driven by the changing ore sources at the Edna May operation (discussed further below).

Revenue

Revenue for the year ended 30 June 2021 increased by 38% to $634.3 million compared to $460.6 million for the prior year. This has been achieved by a 22% increase in gold ounces sold (2021: 277,450oz / 2020: 228,210oz) and a 13% increase in the realised gold price (2021: $2,282/oz / 2020: $2,014/oz).

The total gold sold of 277,450oz included deliveries into the hedge book of 127,850oz at a realised gold price of $2,037/oz and remaining spot sales of 149,600oz at a realised gold price of $2,492/oz.

As at 30 June 2021 the group's hedge book totalled 206,000oz at a price of $2,335/oz representing a 17% decrease in ounces committed and 9% increase in price (2020: 247,350oz at $2,135/oz).

EBIT – Mt Magnet

Whilst the EBIT at Mt Magnet has increased on the prior year, the cost per tonne milled also increased which in part reduced the benefit of the higher realised gold price. The operating cost per tonne increased on the prior year in line with more tonnes being sourced from the underground mines and Stellar open pit, all of which were higher cost, but importantly were also higher grade. To a lesser extent, Eridanus costs were higher than the prior year, although this is due to Eridanus being a very low cost mine in 2020 due to shallow operations and a positive Ore Reserve reconciliation in that year.

Despite a slightly lower grade profile from the bulk open pits in 2021, the higher proportion of underground material meant the head grade through the mill remained largely unchanged.

The resulting cost per ounce at Mt Magnet increased $210 per ounce to $1,370 per ounce for the 2021 financial year, however the EBIT margin per ounce increased 11% on the prior year to $912/oz (2020: $819/oz) due to the higher realised gold price.

EBIT – Edna May

Gold production from Edna May increased 75% on the prior year resulting in the EBIT increasing to $39.3 million. The free carry low grade ore feed in 2020 at Edna May, which made up 81% of the feed in that year, was replaced in 2021 by ore from the higher grade Greenfinch and Marda open pits. This changed the cost profile of the operation with the cost per tonne increasing on the prior year. The impact of this cost increase was more than offset by the 34% increase in grades from the prior year to 1.33g/t (2020: 0.99g/t) with the resulting costs being slightly higher than the prior year.

EBIT – Corporate & other

Other expenses, which include corporate costs, were up 6% on the prior year to $21.3M (2020: $20.0M). Excluding exploration impairment charges other expenses equated to $59 per ounce sold which is in line with the prior year (2020: $60 per ounce sold).

During the year Ramelius disposed of non core projects and royalties including the First Hit Project ($1.0 million), the Spargo Royalty over Wattle Dam ($3.0 million), the Coogee JV ($1.0 million) and Western Queen ($1.0 million). Other amounts included within other income related to the fair value adjustments on ASX listed investments held.

Income tax

The effective tax rate for the group for the year ended 30 June 2021 was 27% compared to 24% for the prior year. The effective tax rate is lower than the statutory 30% rate as the group recognised, and utilised in full, a $3.9 million one off tax benefit on the unused tax losses transferred from Spectrum Metals Limited. The prior year was reduced with the group recognising a $10.1 million one off tax benefit on the unused tax losses of Tampia Operations Pty Limited (formerly Explaurum Operations Pty Limited). This is discussed further in Note 3 to the financial statements.

Balance sheet

The net assets of the group increased 23% to $635.8 million over the year (2020: $515.2 million) as a result of strong operational cash flows and development of the Tampia and Penny Gold Mines. Importantly, and further strengthening our balance sheet, has been the 90% increase in the working capital (current assets less current liabilities) over the year to $212.8 million (2020: $111.8 million) as shown in the chart below:

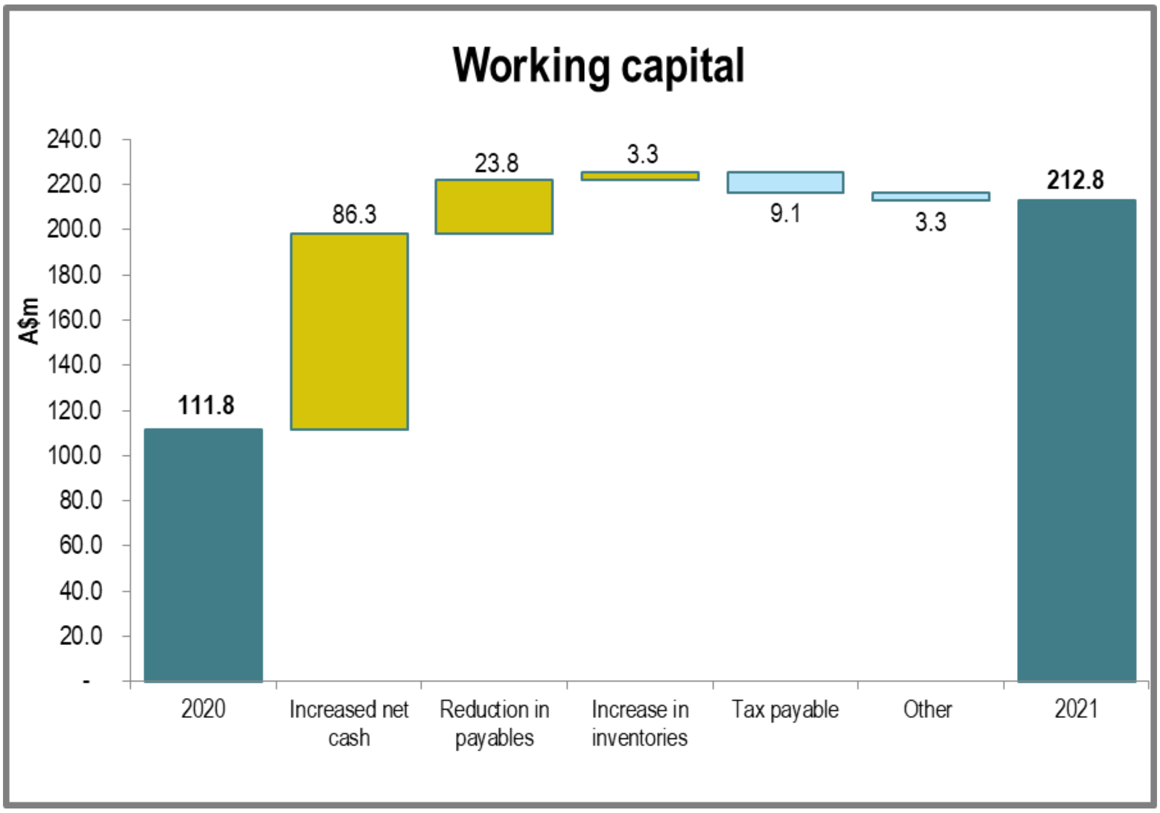


Figure 7: Working capital movement over the year to 30 June 2021

Assets

The increase in current assets of 23% to $332.7 million (2020: $270.9 million) was the result of cash generation (see comments below) and minor increases in inventories. As at 30 June 2021 the group had over 2.1 million tonnes of ore stockpiled (excluding low grade stockpiles) with a total of over 72,000 ounces in contained gold, gold in circuit, and bullion on hand (2020: over 2.4 million tonnes and 92,000 ounces of gold). Non current assets increased 6%, or $29.6 million on the prior year in line with the development of the Tampia and Penny Gold Mines.

Liabilities

Current liabilities were $119.9 million at 30 June 2021 (2020: $159.2 million) principally due to the repayment in full of the borrowings as well as a reduction in trade and other payables (relates in part to the payment of stamp duty on the Spectrum Metals Limited (Penny Gold Mine) acquisition). These items were offset by a $9.1 million increase in the income tax payable resulting from the increased profitability and smaller pool of available tax losses.

Non current liabilities increased to $90.6 million predominantly due to an increased deferred tax liability (**DTL**). The DTL increased in line with exploration and development expenditure and utilisation of previously recognised tax losses.

Cash flows

Cash provided by operating activities of $305.6 million were up 29%, or $69.6 million, on the prior year despite $24.6 million of income tax paid during the year. This has been achieved from the receipt of an additional $167.8 million in revenues from increased production and gold price, offset in part by the accompanying increase in operating expenditure from the higher throughput and material movement in the year.

Cash used in investing activities was $12.5 million higher than the prior year as a result of higher capital expenditure due to the development of the Tampia and Penny Gold Mines. A total of $165.5 million was reinvested into the business, including:

- Payments for the development of open pit and underground mines of $111.5 million;
- Payments for property, plant, and equipment, at both existing and new sites, of $40.3 million; and
- Payments for tenements and exploration of $13.7 million.

A total of $59.5 million was used by financing activities in the year, predominantly relating to the repayment of borrowings, leases, and dividends paid to shareholders.

The underlying cashflow of the business (as shown below) was $148.2 million (2020: $83.7 million) with the increased cash flow generation of the business being attributable to the increased gold production.

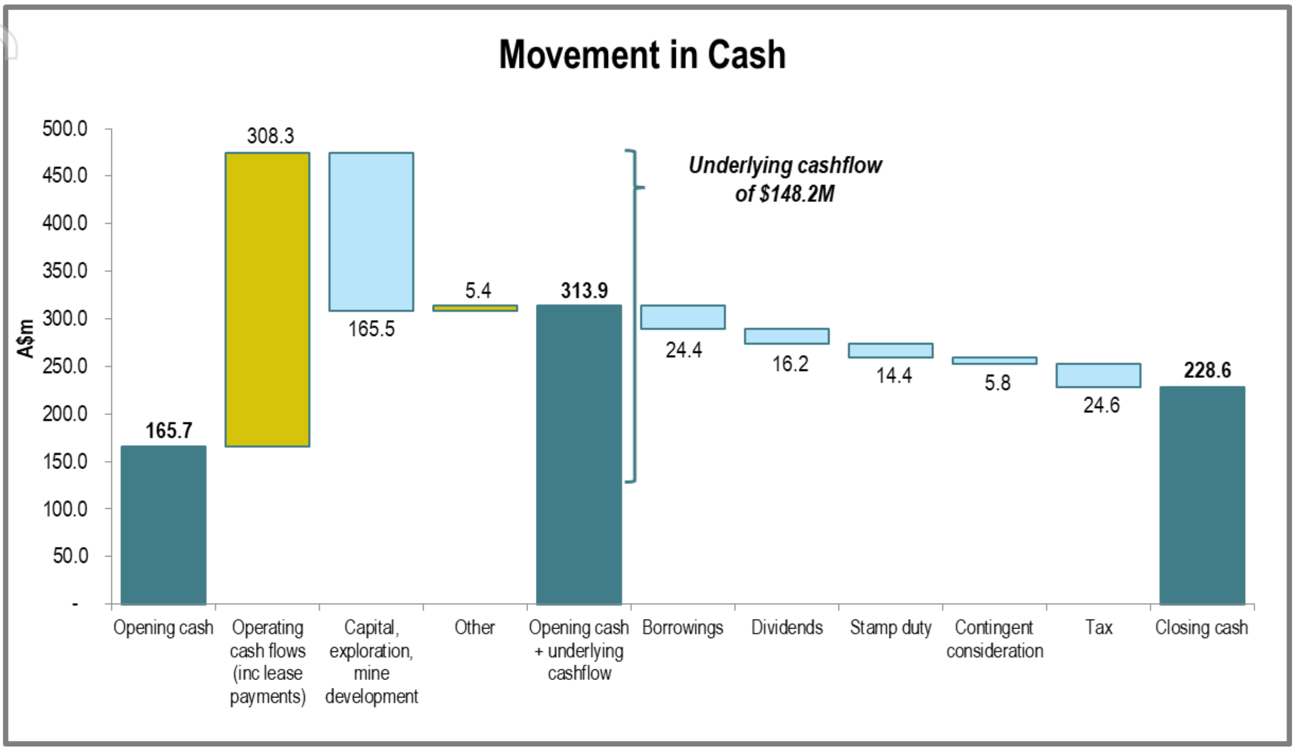


Figure 8: Movement in cash for the year ended 30 June 2021.

Cash and gold at 30 June 2021 totalled $234.0 million (2020: $185.5 million) comprising cash and cash equivalents of $228.5 million (2020: $165.7 million) and gold on hand of 2,341 ounces (2020: 7,681 ounces).

Financial Risk Management

Ramelius held forward gold sales contracts at 30 June 2021 totalling 206,000 ounces of gold at an average price of A$2,335 per ounce over a period to March 2023. This compared to forward gold sales contracts at 30 June 2020 totalling 247,350 ounces of gold at an average price of A$2,135 per ounce over a period to December 2022.

The hedge replacement percentage for the year equated to 68% with only selective additions to the hedge book. This approach resulted in the average price of the forward gold sales contracts increasing by 9% over the year and the level of committed ounces reducing by 17%.

Development & exploration projects

Development projects

Penny Gold Mine (Murchison region, WA)

The Penny Gold Mine is located approximately 20km south of Youanmi, or 170km by road south east of the Mt Magnet Gold Mine, 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.

On 9 November 2020 Ramelius released the results of the Penny Feasibility Study and advised the Board's approval to commence the project development. As a result of the compelling financial outcomes forecast from the Penny Feasibility Study, the Board also approved a decision to mine.

In the March 2021 quarter, works commenced on regulatory approvals, contract negotiations, and the purchase of long lead items. All key approvals were received in the June 2021 quarter and accordingly camp construction commenced and the open pit mining and catering contracts were awarded. Open pit mining is expected to commence in the September 2021 quarter before underground development commences in the second half of the 2022 financial year. In the coming year only modest amounts of ore will be sourced from the Penny Gold Mine as operations focus on the development of the underground mine.

Tampia Gold Mine (Narembeen, WA)
The Tampia Gold Mine 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% JV interest and freehold land had been purchased. Since the land purchase settlement, development of the project has progressed with completion of the 100 person Narembeen camp and mobilisation of the open pit mining contractor. Site establishment works, grade control drilling and mining has also commenced. First ore was mined in June 2021. Upgrade works on the local shire roads were completed and ore haulage to Edna May commenced on 1 July 2021.

Mining/Processing Studies and Resource Conversion

During the financial year progress has been made on various mining and processing studies, based around the Mt Magnet and Edna May production centres. On 2 August 2021, Ramelius announced a new **1.84 million ounce mine plan** across nine years to financial year 2030, including a low grade tail in financial years 2029 and 2030. This mine plan resulted in a total increase in expected gold production of 27%.

Ramelius plans to continue to leverage its large resource base, particularly at Mt Magnet and Edna May, to produce longer mine plans with a higher conversion of resources. Ramelius notes that any increase in production that is due solely to the higher gold price environment will generally lead to higher underlying operating costs due to a lower cut off grade being applied to the design parameters. Mining and processing studies in progress or planned for the 2022 financial year include:

Edna May
Edna May Stage 3 Pre Feasibility
Completion of Pre Feasibility to revisit the large cutback on the original Stage 2 pit to potentially unlock a significant volume of lower grade resources which would potentially secure a mine life at Edna May out towards 7-8 years. With planned drilling in the northern (Golden Point) area and recent market fluctuations affecting a number of study inputs, more time is required to appropriately finalise minable resources, capital and operating costs.

The Edna May Stage 3 project is very sensitive to gold price, grade and operating costs, particularly mining and development costs. The results of the Pre Feasibility study for Stage 3 will determine if the project progresses to a Feasibility Study.

Mt Magnet
Galaxy Underground Scoping Study
The Galaxy Underground project (comprising Saturn, Mars, Titan, Perseverance & Hill 50) to convert existing resources was previously considered for a Scoping Study for completion at the end of December 2021. Given opportunity to access the deposit reasonably quickly, the mining study and potential project start date is to be brought forward.

Eridanus Underground Scoping Study
Further options for underground mining have been evaluated using the updated April 2021 resource model below the planned Eridanus pit currently being mined. The overall lower grade nature of the deposit and lack of continuity of the higher grade zones, has led to discontinuous mining areas at the higher cut off grades typically used in underground mine design. This is largely due to the lack of close spaced drilling that an ore body of this nature requires, especially for any selective style underground mining method. It is therefore important to (largely) complete the existing open cut mine and ensure adequate drill coverage into the potential underground deposit before any future studies can be completed. This is another reason why the Galaxy mining study will take priority over Eridanus underground.

Diamond drilling is ongoing at Eridanus, particularly along strike to the north east where mineralization continues to be intersected. Additional ounces per vertical metre and demonstrated continuity between high grade zones are expected to improve project economics in the future.

Vivien
Mine extension
Developments during the 2021 financial year included identification of economic ore in the parallel East Lode (hanging wall) vein structure and re modelling of oxide remnant resource above the underground, potentially leading to a pit cutback at the end of the mine life.

Whilst the current mine plan for Vivien continues production for the entire 2022 financial year an extensional underground drilling program has commenced with the aim to add additional resources at depth on the Main Lode and East Lode.

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	Morning Star underground: Scoping Study to convert a % of ~80koz Mineral Resource	31 December 2021
Mt Magnet	Hill 50 underground: Concept Study to convert a % of ~340koz Mineral Resource	31 March 2022
Mt Magnet	Processing facility upgrade: Feasibility Study on upgrade from 2.0 to 2.5-2.7 Mtpa (depending on the outcomes of the underground studies above)	TBA

Exploration projects

Ramelius' exploration activities focussed on the Mt Magnet area during the year, supplemented by smaller work programs at the Penny, Edna May, Marda and Tampia areas. A combined aggregate of 54,092m of aircore, reverse circulation (**RC**) and diamond core drilling has been completed during the period.

Mt Magnet Region

An aggregate of 15,075m of exploratory RC and 6,406m of diamond drilling has been completed in the Mt Magnet region during the year. Drilling continues to focus on extensions of Eridanus mineralisation at depth and along strike. Programmes have also been completed at Penny, Orion-Franks Tower and Macross.

Eridanus Deeps Prospect

Drilling tested the potential for higher grade mineralisation at depth below the Eridanus Stage 2 pit and along strike within the Eridanus Granodiorite.

A preliminary evaluation has established scope for a bulk underground mining scenario beneath the Eridanus Stage 2 pit. More recent deep drilling continues to evaluate upside to the underground potential both below that study area, and along strike to the east, testing the potential for higher grade mineralisation.

Broad zones of granodiorite hosted stockwork mineralisation continue to be intersected at depth, with some higher grade zones of mineralisation. Higher grade zones at Eridanus Deeps are associated with vein stockworking in the footwall position of the host intrusive granodiorite (adjacent to an interpreted flexure in dip orientation), and more spectacularly with individual veins up to one metre in width. The latter are interpreted as part of a previously recognised, sub vertically dipping, north northwest trending vein series. Abundance and continuity of these broader high grade veins will be evaluated by further drilling.

Orion (Franks Tower Trend)

The Orion-Franks Tower Trend represents a north-easterly extension of the Eridanus Granodiorite. Broad zones of stockwork related and supergene mineralisation have been previously intersected and infill drilling to define mineralisation continuity has been undertaken with encouraging results. Drill programmes have culminated in an update of the Mineral Resource, and the inclusion of several smaller oxide pits at Orion and Franks Tower in the latest mine plan.

Macross Prospect

Structural setting and presence of granodiorite intrusives at the Macross Prospect suggest a possible analogy of the Eridanus-Orion-Franks Tower mineralised trend. RC drilling commenced at year end to evaluate the target area with all results pending.

Penny

Further exploration drilling has been conducted around the high grade Penny North. RC and diamond drilling targeted the Penny Shear Zone, Penny Far North, and the parallel Buckshot Trend, as well as depth extensions to the Penny North Deposit (Penny Deeps Prospect). The latter in two stages with a more recent phase targeting the mineralised Penny structure 200-300m below previous deepest drill holes. Sub economic results have been returned to date. Down hole electromagnetic survey data is being reviewed for off hole conductor zones that could indicate the presence of more abundant sulphides within the mineralised structure as potential follow-up targets.

Edna May Region

An aggregate of 21,100m of exploratory aircore and 11,511m of RC drilling has been completed in the Edna May Region (including Tampia and Marda) during the year. Drilling is subject to private landholder access and environmental permitting between Edna May and Tampia.

Edna May Mine

Evaluation of the Stage 3 cutback at the Edna May Mine is a key focus. The Golden Point Gneiss situated immediately east of the mine area is an analogy of the Edna May Gneiss mine host, and delineation of shallow mineralisation at Golden Point has the potential to improve financial metrics of the Stage 3 cutback. Approvals for RC drilling have recently been granted and work will commence in August weather pending.

Greenfinch
Potential for westerly extensions of Edna May mineralisation have been tested by RC drilling, successfully identifying anomalous gold intersections in amphibolite host rocks in an area previously believed to be geologically unprospective – further work is now being planned but will be subject to environmental approvals.

Marda
A number of Banded Iron Formation (BIF) hosted deposits in the Marda area are currently being exploited by mining. At the Die Hardy, Golden Orb and Redlegs Prospects, RC drilling has tested depth extensions of mineralisation beneath pre existing shallowly defined resources in addition to some infill. The Die Hardy programme recorded an extension of mineralisation, but at lower tenor to shallower mineralised zones. Golden Orb and Redlegs returned low level results. Surface geochemical targets at the Gopher and Prindiville Prospects have been tested by aircore drilling with low level responses. Interpretation of recent aeromagnetic surveys in conjunction with geological, regolith and surface geochemical review is defining new target areas.

Tampia
The Tampia Gold Mine is situated within a northerly trending surface geochemical trend that continues to be the focus of exploration activity. Aircore drill testing of this extensive gold arsenic trend is continuing – low level results have been returned to date. Planning is also in progress to evaluate mineralised RC drill intercepts from an area of surface geochemical anomalism to the south of the mine area. More regionally, review of recent aeromagnetic surveys is underway to generate new geological targets.

Mt Hampton (including Symes' Find)
Opportunities for resource extension around the Symes' Find resource area are being evaluated. The resource area comprises extensive mineralised laterite with underlying primary higher grade ore shoots within mafic and intermediate volcanic lithologies.

Holleton Mining Centre
Encouraging RC drilling results have been previously returned from the Calzoni and Columbus trends within the Holleton Mining Centre and follow up work aimed at defining and extending previously intersected mineralisation is being planned. Flora and Fauna surveys have been completed however some environmental permitting remains prior to ground disturbance activities

Other
Nulla South Farm in & Joint Venture - Ramelius 75%
Ramelius has earnt 75% of the JV and will now review remaining targets. Regional aircore drilling during the year returned low level anomalous results.

Gibb Rock Farm in & Joint Venture – Ramelius earning 75%
Aircore drilling of surface geochemical targets at the Brahma West Prospect and in regional areas has been conducted and returned low level anomalous results.

Jupiter Farm in & Joint Venture Project (Nevada USA) – Ramelius earning 75%
Ramelius gave notice of its intention to withdraw from the Joint Venture during the financial year.

Investor relations
During the year the company presented at several conferences (both in person and virtually) and conducted road shows to existing and prospective investors, analysts and stockbrokers. These included:

- Denver Gold Conference, Virtual, September 2020;
- Diggers and Dealers, Kalgoorlie, October 2020;
- Noosa Mining Virtual, November 2020;
- RIU Conference, Fremantle, February 2021;
- Euroz Hartleys Conference, Rottnest, March 2021;
- Various investor mine site visits; and
- Various virtual investor presentations.

Each presentation that contained new content was released to the ASX and was made available on both the ASX (www.asx.com.au) and the Ramelius Resources website (www.rameliusresources.com.au).

Material business risks

The material business risks for the group include:

- *COVID-19:* Ramelius continues to actively respond to the ongoing COVID-19 virus currently impacting people and businesses globally. The health and safety of every person working at Ramelius, their families and our communities remains paramount during this time.

- Ramelius continues to operate under protocols developed internally and as prescribed by State and Federal health authorities to minimise risks to our people and communities and ensure we continue to safely produce gold during this challenging period. All Ramelius mine operations are located within Western Australia which has enabled the group to have a dynamic, rapid, and consistent approach to the management of the COVID-19 virus.

  Initiatives implemented include:
  - Travel: suspending international travel and restricting non essential domestic and intrastate travel.
  - Social distancing: utilising video and phone conference facilities, reducing face to face interactions, and increasing flexible working arrangements wherever necessary.
  - Health management: proactive temperature testing and pre commute screening of individuals prior to entering the company's sites or corporate offices, strict hygiene practices, along with the securing of clinical masks, hand sanitiser, and COVID-19 swab test kits. In addition, plans were put in place for the isolation, testing, and rapid removal from site of any employee or contractor displaying flulike symptoms.
  - Planning: the addition of a number of casual employees to be available in the event of the loss of team members from any part of the business as well as the constant management and review of the supply chain.
  - Communication: constant liaison with WA Health Department, through our consultant occupational doctor and medical provider, to ensure best practice as far as possible with the ever changing regime around controlling the virus. In addition there was frequent communication across the entire work force regarding COVID-19 and company protocols.

- *Fluctuations in the United States Dollar (**USD**) spot gold price and AUD/USD exchange rate:* The financial results and position of the group are reported in Australian dollars. Gold is sold throughout the world based principally on the U.S. dollar price. Accordingly, the group's revenues are linked to both the USD spot gold price and AUD/USD exchange rate. Volatility in the gold price creates revenue uncertainty and requires careful management to ensure that operating cash margins are maintained should there be a sustained fall in the AUD spot gold price. The group uses AUD gold forward contracts, within certain Board approved limits, to manage exposure to fluctuations in the AUD gold price.

- *Government regulation:* The group's mining, processing, development and exploration activities are subject to various laws and statutory regulations governing prospecting, development, production, taxes, royalty payments, labour standards and occupational health, mine safety, toxic substances, land use, water use, communications, land claims of local people and other matters.

  No assurance can be given that new laws, rules and regulations will not be enacted or that existing laws, rules and regulations will not be applied in a manner which could have an adverse effect on the group's financial position and results of operations. Any such amendments to current laws, regulations and permits governing operations and activities of mining and exploration, or more stringent implementation thereof, could have a material adverse impact on the group.

- *Operating risks and hazards:* The group's mining operations, consisting of open pit and underground mines, involve a degree of risk. The group's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold. Processing operations are subject to hazards such as equipment failure, toxic chemical leakage, loss of power, fast moving heavy equipment, failure of tailings disposal pipelines and retaining dams around tailings containment areas, rain and seismic events which may result in environmental pollution and consequent liability. The impact of these events could lead to disruptions in production and scheduling, increased costs and loss of facilities, which may have a material adverse impact on the group's results of operations, financial condition, license to operate and prospects. These risks are managed by a structured operations risk management framework, experienced employees and contractors and formalised procedures. Ramelius also has in place a comprehensive insurance program with a panel of experienced industry supportive underwriters.

- *Production, cost and capital estimates:* The group prepares estimates of future production, operating costs and capital expenditure relating to production at its operations. The ability of the group to achieve production targets or meet operating and capital expenditure estimates on a timely basis cannot be assured. The assets of the group are subject to uncertainty with regards to ore tonnes, grade, metallurgical recovery, ground conditions, and operational environment. Failure to achieve production, cost or capital estimates, or material increases to costs, could have an adverse impact on the group's future cash flows, profitability and financial condition. The development of estimates is managed by the group using a rigorous budgeting and forecasting process. Actual results are compared with forecasts and budgets to identify drivers behind discrepancies which may result in updates to future estimates.

- *Exploration and development risk:* An ability to sustain or increase the current level of production in the longer term is in part dependent on the success of the group's exploration activities and development projects, and the expansion of existing mining operations. The exploration for, and development of, mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored subsequently have economic deposits of gold identified, and even fewer are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to establish rights to mine the ground, to receive all necessary operating permits, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

- *Ore Reserves and Mineral Resources:* The group's estimates of Mineral Resources and Ore are based on different levels of geological confidence and different degrees of technical and economic evaluation, and no assurance can be given that anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realised or that Ore Reserves could be mined or processed profitably. The quality of any Mineral Resources and Ore Reserves estimate is a function of the quantity of available technical data and of the assumptions used in engineering and geological interpretation and modifying factors affecting economic extraction. Such estimates are compiled by experienced and appropriately qualified personnel and subsequently reported by Competent Persons under the JORC Code. Fluctuation in gold prices, key input costs to production, as well as the results of additional drilling, and the evaluation of reconciled production and processing data subsequent to any estimate may require revision of such estimates.

  Actual mineralisation of ore bodies may be different from those predicted, and any material variation in the estimated Ore Reserves, including metallurgy, grade, dilution, ore loss, or stripping ratio at the group's properties may affect the economic viability of its properties, and this may have a material adverse impact on the group's results of operations, financial condition and prospects. There is also a risk that depletion of reserves will not be offset by discoveries or acquisitions, or that divestitures of assets will lead to a lower reserve base. The reserve base of the group may decline if reserves are mined without adequate replacement and the group may not be able to sustain production beyond current mine lives, based on current production rates.

- *Climate Change:* Ramelius acknowledges that climate change effects have the potential to impact our business. The highest priority climate related risks include reduced water availability, extreme weather events, changes to legislation and regulation, reputational risk, and technological and market changes. The group is committed to understanding and proactively managing the impact of climate related risks to our business. This includes integrating climate related risks, as well as energy considerations, into our strategic planning and decision making.

Directors' report

Environmental regulation

Regulations

The operations of the group in Australia are subject to environmental regulations under both Commonwealth and State legislation. In the mining industry, many activities are regulated by environmental laws as they may have the potential to cause harm and/or otherwise impact upon the environment. Therefore, the group conducts its operations under the necessary State Licences and Works Approvals to carry out associated mining activities and operate a processing plant to process mined resources. The group's licences and works approvals are such that they are subject to audits both internally and externally by the various regulatory authorities. These industry audits provide the group with valuable information in regard to environmental performance and opportunities to further improve systems and processes, which ultimately assist the business in minimising environmental risk.

Reporting

Due to the various licences and works approvals the group holds, annual environmental reporting (for a twelve month period) is a licence and works approval condition. The group did not experience any reportable environmental incidents for the reporting year 2020-2021. Regulatory agencies requiring annual environmental reports are outlined below but are not limited to the following:

- Department of Water and Environmental Regulation
- Department of Mines, Industry Regulation and Safety
- Tenement Condition Report
- Native Vegetation Clearing Report
- Mining Rehabilitation Fund Levy
- National Pollutant Inventory
- National Greenhouse and Energy Reporting Scheme; and
- Bureau of Land Management.

Sustainability

The group is committed to sustainability and works closely with the regulatory authorities to minimise the environmental impact and achieve sustainable operations. Where the business can, continuous improvement processes are implemented to improve the operation and environmental performance. The group seeks to build relationships with all stakeholders to ensure that their views and concerns are taken into account in regard to decisions made about the operations, to achieve mutually beneficial outcomes. This includes current operations, future planning and post closure activities. Environmental, Social, and Corporate Governance (**ESG**) performance is critical to maintaining our licences to operate, which in turn is fundamental to our financial performance. Details of the group's environmental and social performance are set out in the annual Sustainability Report and details of the group's governance framework and compliance are set out in the annual Corporate Governance Statement, both available at rameliusresources.com.au.

Information on Directors

The following information is current as at the date of this report.

Bob Vassie
FAusIMM GAICD B.MinTech (Hons) Mining

Independent Chair
Non-Executive

Experience
Mr Vassie is a mining engineer with 35 years multi commodity and international experience. Mr Vassie spent 18 years with Rio Tinto in global mining and resource development executive roles followed by MD & CEO positions in Ivanhoe Australia and St Barbara Ltd with a focus on executive leadership, resource development and business development including M&A. Mr Vassie served as a board member for the Minerals Council of Australia from 2014 to 2020 where he chaired the MCA Gold Forum and currently serves on the AusIMM Council for Diversity and Inclusion. Mr Vassie was appointed Non-Executive Chair on 1 January 2021.

Interest in Shares and Options
80,000 Ordinary Shares

Special responsibilities
Chair of the Board
Member of Audit Committee
Member of Nomination & Remuneration Committee
Member of Risk & Sustainability Committee

Directorships held in other listed entities in the last three years
Non-Executive Director Aurelia Metals Limited
Previously Non-Executive Director Alita Resources Limited
Previously Managing Director of St Barbara Limited

Mark Zeptner
BEng (Hons) Mining, MAusIMM, MAICD

Managing Director &
Chief Executive Officer

Experience
Mr Zeptner has more than 25 years' industry experience including senior operational and management positions with WMC and Gold Fields Limited at their major gold and nickel assets in Australia and offshore. He joined Ramelius Resources Limited on 1 March 2012 as the Chief Operating Officer, was appointed Chief Executive Officer on 11 June 2014 and Managing Director effective 1 July 2015.

Interest in Shares and Options
2,762,500 Ordinary Shares

500,000 Performance Rights over Ordinary Shares expiring on 11 June 2026

322,342 Performance Rights over Ordinary Shares expiring on 1 July 2027

568,956 Performance Rights over Ordinary Shares vesting on 1 July 2021 and expiring on 1 July 2028

644,683 Performance Rights over Ordinary Shares vesting on 1 July 2022 and expiring on 1 July 2029

355,392 Performance Rights over Ordinary Shares vesting on 1 July 2023 and expiring on 1 July 2030

Special responsibilities
Chief Executive Officer

Directorships held in other listed entities in the last three years
None.

Michael Bohm
B.AppSc (Mining Eng), MAusIMM, MAICD

Independent Director
Non-Executive

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

Interest in Shares and Options
500,000 Ordinary Shares

Special responsibilities
Chair of Nomination & Remuneration Committee
Member of Risk & Sustainability Committee

Directorships held in other listed entities in the last three years
Non-Executive Chairman of Cygnus Gold Limited
Non-Executive Chairman of Reidel Resources Limited
Non-Executive Director Mincor Resources NL

David Southam
B.Comm, CPA, MAICD

Independent Director
Non-Executive

Experience
Mr Southam is a Certified Practicing Accountant with more than 25 years' experience in accounting, capital markets and finance across the resources and industrial sectors. Mr Southam has been intimately involved in several large project financings in multiple jurisdictions and has completed significant capital market and M & A transactions.

Interest in Shares and Options
20,217 Ordinary Shares

Special responsibilities
Chair of Audit Committee
Member of Nomination & Remuneration Committee

Directorships held in other listed entities in the last three years
Managing Director of Mincor Resources NL
Previously Executive Director of Western Areas Limited
Previously Non-Executive Director of Kidman Resources Limited

Natalia Streltsova
MSc, PhD (Chem Eng), GAICD

Independent Director
Non-Executive

Experience
Dr Streltsova is a PhD qualified Chemical Engineer with more than25 years' minerals industry experience, including over 10 years in senior technical and corporate roles with mining majors – WMC, BHP and Vale. She has a strong background in mineral processing and metallurgy with specific expertise in gold and base metals.

Dr Streltsova has considerable international experience covering project development and acquisitions in Africa, South America and in the countries of the Former Soviet Union.

Interest in Shares and Options
12,000 Ordinary Shares

Special responsibilities
Chair of Risk & Sustainability Committee
Member of Audit Committee

Directorships held in other listed entities in the last three years
Non-Executive Director of Western Areas Limited
Non-Executive Director of Neometals Limited
Previously Non-Executive Director of Parkway Minerals Limited

Meetings of Directors

The number of meetings of the company's Board of Directors and each Board Committee held during the year ended 30 June 2021, and number of meetings attended by each Director were:

	Full meetings of Directors		Audit Committee		Meetings of Committees Nomination & Remuneration Committee		Risk & Sustainability Committee	
Director	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Bob Vassie	4	4	2	2	2	2	2	2
Kevin Lines	4	4	2	2	3	3	2	2
Mark Zeptner	11	11	-	-	-	-	-	-
Michael Bohm	11	11	1	1	6	6	5	5
David Southam	11	11	5	5	6	6	1	1
Natalia Streltsova	11	11	5	5	1	1	5	5

A = Number of meetings attended; B = Number of meetings held during the time the Director held office or was a member of the Committee during the year

Remuneration report (audited)

The Directors present the Ramelius Resources Limited 2021 remuneration report, outlining key aspects of our remuneration policy and framework, and the remuneration awarded this year. This remuneration report is prepared in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (**KMP**) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the group, directly or indirectly, and is a direct report to the Managing Director / Chief Executive Officer. This includes any directors (executive and non-executive) of Ramelius Resources Limited, the Chief Financial Officer, Chief Operating Officer, General Manager – Exploration, and Company Secretary and General Manager – Legal, HR, Risk and Sustainability.

The report is structured as follows:

(a) Key management personnel covered in this report
(b) Remuneration governance
(c) Remuneration policy and framework
(d) Elements of remuneration
(e) Link between remuneration and performance
(f) Contractual arrangements for executive KMP
(g) Non-executive director arrangements
(h) Details of KMP remuneration
(i) Other statutory information

(a) Key management personnel covered in this report

Name	Position
Directors of the group during the financial year were:	
Bob Vassie	Non-Executive Chair (appointed 1 January 2021)
Kevin Lines	Non-Executive Chairman (retired 30 September 2020)
Mark Zeptner	Managing Director / Chief Executive Officer
Michael Bohm[1]	Non-Executive Director
David Southam	Non-Executive Director
Natalia Streltsova	Non-Executive Director
The KMP during the financial year were:	
Tim Manners	Chief Financial Officer
Duncan Coutts	Chief Operating Officer
Peter Ruzicka	General Manager – Exploration (appointed 20 April 2021)
Kevin Seymour	General Manager – Exploration (resigned 28 February 2021)
Richard Jones	Company Secretary and General Manager – Legal, HR Risk and Sustainability

1. Mr Bohm was appointed acting Non-Executive Chair from 1 October 2020 to 31 December 2020.

Details on the Executive and Non-Executive Directors can be found on pages 19 to 21 of the Directors report.

(b) Remuneration governance

The Nomination & Remuneration Committee (**NRC**) is a Committee of the Board. It is primarily responsible for making recommendations to the Board on:

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

The objective of the NRC is to ensure that remuneration policies and structures are fair and competitive and aligned with the long term interests of the company. In performing its functions, the NRC may seek advice from independent remuneration consultants.

(c) Remuneration policy and framework

Ramelius has adopted a policy that aims to attract, motivate and retain a skilled executive team focused on contributing to its objective of creating wealth and adding value for its shareholders. The remuneration framework has been formed on this basis. The remuneration framework is based on several factors including the experience and performance of the individual in meeting key objectives of Ramelius.

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

In determining executive remuneration, the NRC aims to ensure that remuneration practices are:

- Competitive and reasonable, enabling the company to attract and retain and incentivise key talent;
- Aligned to the company's strategic and business objectives and the creation of shareholder value;
- Distinctly demonstrate a link between performance and remuneration;
- Structured to have a suitable mix of fixed and performance related variable components;
- Acceptable to shareholders; and
- Transparent.

The executive remuneration framework is designed to ensure market competitiveness and achievement of the remuneration objective. The remuneration of executives is:

- Benchmarked from time to time against similar organisations both within the industry and of comparable market size to ensure uniformity with market practices;
- A reflection of individual roles, levels of seniority and responsibility that key personnel hold;
- Structured to take account of prevailing economic conditions; and
- A mix of fixed remuneration and at risk performance based elements using short and long term incentives.

The executive remuneration framework has three components:

- Base pay and benefits, including superannuation;
- Short term performance incentives; and
- Long term incentives through participation in the Performance Rights Plan as approved by the Board.

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

(d) Elements of remuneration

Ramelius remunerates its executives with a total remuneration package (**TRP**) that consists of two components:

- Total fixed remuneration (**TFR**); and
- Total variable remuneration (includes short term and long term incentives).

The total variable remuneration ensures an executive's remuneration is aligned to the group's performance. This portion of an executive's remuneration is considered "at risk". Variable remuneration can be in the form of a short term incentive (**STI**) and / or a long term incentive (**LTI**).

Total fixed remuneration

TFR comprises of base salary, superannuation, and any fringe benefits tax charges related to employee benefits. The group allows a KMP to salary sacrifice certain items such as superannuation and motor vehicles (on a total cost basis).

Remuneration levels are reviewed annually in June by the NRC through a process that considers individual performance and the overall performance of the group. Industry remuneration surveys and data are utilised to assist in this process. There are no guaranteed base pay increases included in any executive contracts.

Short term incentives

Short term incentives allow executives to earn an annual incentive which is linked the group's annual performance.

How is it paid?	Any STI awards are typically paid in cash after the assessment of the annual performance is made.
How much can an executive earn?	In the 2021 financial year the Managing Director / Chief Executive Officer was able to earn a maximum STI of 60% of the TFR. Other executives were able to earn a maximum STI of 45% of their TFR. In conjunction with the group's key performance measures detailed below, a comprehensive review of each executive's individual performance is made to determine the achievable percentage (between 0% - 100%) of the maximum potential STI available to be awarded. This may result in the proportion of remuneration related to performance varying between individual executives.
How is performance measured?	A structured set of key performance measures have been selected which are core drivers of short term performance as well as considered important for the group's growth and profitability. For any STI to be paid two "gates" must be passed, these are: • No loss of life at any project site; and • No serious environmental, heritage, or community related breach. During the 2021 financial year the KPIs used to measure performance for the Managing Director / Chief Executive Officer were: • Net profit after tax relative to budget 30% • Gold production relative to budget 20% • All in sustaining cost (AISC) relative to budget 20% • Discovery/Reserve addition to mine plan 30% The KPIs used to measure performance for the other KMPs were as follows. Ranges are shown as the particular weighting varies depending on the role of the KMP: • Net profit after tax relative to budget 20 - 30% • Gold production relative to budget 20 - 25% • All in sustaining cost (AISC) relative to budget 20 - 30% • Discovery/Reserve addition to mine plan 20 - 40% The performance is measured relative to the budget with threshold, target, and stretch cases considered. The STIs are payable at the absolute discretion of the Board. There are several modifiers considered by the Board which may result in a downward reduction in the STIs paid. As of July 2021, an additional Environmental, Social, and Corporate Governance (**ESG**) KPI, which incorporates safety, has been added to the KPIs listed above.

What were the FY2020 STI measures and outcomes?	The STI outcomes and cash payments for the 2020 financial year which were paid in the 2021 financial year are detailed in the following table:

Annual KPI[1]	Weighting	Threshold	Target	Stretch	Outcome
Net profit after tax	20-30%	115%	130%	150%	Stretch
Gold production	20-25%	102.5%	105%	110%	Target
Reserve addition	20-30%	-	1 year	2 years	Target
AISC	20-40%	97.5%	95%	90%	Stretch

1. The KPI percentages for threshold, target and stretch categories in the table above are relative to the board approved budgets or Life of Mine Plan.

When is it paid?	The STI award is determined following a review of the financial results, operations, changes to the mine plan and the annual Resources & Reserves Statement by the NRC. This typically occurs in the second quarter of the financial year. No amount is provided for or included in the financial report and remuneration report until such review has taken place.

Based on this assessment, the STI cash payments for the 2020 financial year which were paid in the 2021 financial year are detailed in the following table:

		Target STI[1]		Maximum STI[1]		Achieved STI[1]	
Name	**Position**	**%**	**$**	**%**	**$**	**%**	**$**
Mark Zeptner	Managing Director / Chief Executive Officer	30%	214,500	38%	268,125	31%	223,438
Tim Manners	Chief Financial Officer	30%	132,495	45%	198,743	39%	172,700
Duncan Coutts	Chief Operating Officer	30%	154,275	45%	231,413	37%	192,500
Kevin Seymour	General Manger – Exploration	30%	98,193	45%	147,289	36%	117,700
Richard Jones	Company Secretary and General Manager – Legal, HR Risk and Sustainability	30%	99,825	45%	149,738	37%	124,300

1. Amounts disclosed above include superannuation attributable to the STI.

Mr Zeptner was set a 'once off' STI for the 2020 financial year of up to 75% of TFR of which 50% was paid in cash (as disclosed in the table above) and up to 50% via performance rights. A total of 100% of the 322,342 performance rights granted to Mr Zeptner on 29 November 2019 vested in the 2021 financial year. These rights remain unexercised at the date of this report.

Long term incentives

Under the Ramelius Performance Rights Plan, annual grants of performance rights are made to executives to align remuneration with the creation of shareholder value over the long term. The LTIs are designed to focus executives on delivering long term shareholder returns.

How is it paid?	LTIs are provided to selected executives under the Ramelius Performance Rights Plan. Selected executives are eligible to receive performance rights (being entitlements to shares in Ramelius subject to satisfaction of vesting conditions) as long term incentives as determined by the Board in accordance with the terms and conditions of the plan. The plan provides selected executives the opportunity to participate in the equity of Ramelius through the issue of rights as a long term incentive that is aligned to the long term interests of shareholders.
How much can an executive earn?	In the 2021 financial year, under the Performance Rights Plan, the number of rights granted to executives ranges up to 40% (100% for the Managing Director / Chief Executive Officer) of the executive's TFR and is dependent upon the individual's skills, responsibilities and ability to influence financial or other key objectives of Ramelius. The number of rights granted is calculated by dividing the LTI remuneration dollar amount by the volume weighted average price of Ramelius shares traded on the Australian Securities Exchange during the 5 trading day period prior to the date of the grant.

How is performance measured? (continued)

For performance rights issued prior to 1 July 2020 there was one performance hurdle, relative total shareholder return (**TSR**). Performance rights granted from 1 July 2020 have two equally weighted performance hurdles, relative TSR and absolute TSR.

Relative TSR

Half of the performance rights issued under the LTI plan will vest depending on total shareholder returns (**TSR**) measured against a benchmark peer group. The following companies have been identified by Ramelius to comprise the peer group:

Company	ASX Code
Regis Resources Limited	RRL
Silver Lake Resources Limited	SLR
Westgold Resources Limited	WGX
Northern Star Resources Limited	NST
Resolute Mining Limited	RSG
Gold Road Resources Limited	GOR
Dacian Gold Limited	DCN
St Barbara Limited	SBM
Pantoro Limited	PNR
Evolution Mining Limited	EVN
Perseus Mining Limited	PRU
De Grey Mining Limited	DEG
Bellevue Gold Limited	BGL
Red 5 Limited	RED
Capricorn Metals Limited	CMM
Aurelia Metals Limited	AMI
Alkane Resources Limited [#]	ALK
OceanaGold Corporation [#]	OGC

[#] Companies added to the peer group after 30 June 2021 but not applied retrospectively.

The NRC may recommend to the Board to either include or exclude gold mining organisations available on this list to reflect changes in the industry.

The proportion of executive rights that vest is dependent on how the Ramelius TSR compares to the peer group as follows:

Relative TSR Over the Vesting and Measurement Period	Proportion of Performance Rights Vested
Below the 50th percentile	0%
At the 50th percentile	50%
Between the 50th and 75th percentile	Pro rata between 50% and 100%
At and above the 75th percentile	100%

Absolute total shareholder returns

The remaining half of performance rights granted will vest if the Ramelius TSR over the measurement period is greater than 15% compounded annual growth.

Once vested, rights may be exercised within seven years of the vesting date.

When is performance measured?

Performance rights have a three year vesting and measurement period.

Any performance rights that do not vest will lapse after testing. There is no retesting of performance rights.

What happens if an executive leaves?

Where an executive ceases to be an employee of the group, any unvested performance rights will lapse on the date of cessation of employment, except in limited circumstances that are approved by the Board on a case by case basis.

Based on the above assessment the performance rights issued, vested, and lapsed in the 2021 financial year (for the 2020 financial year performance) are detailed in the following table:

Name	Position	Issued [1]	Performance rights measured for vesting	Percentage vested %	Number vested
Mark Zeptner	Managing Director / Chief Executive Officer	355,392	322,342	100%	322,342
Tim Manners	Chief Financial Officer	86,275	317,778	100%	317,778
Duncan Coutts	Chief Operating Officer	102,451	342,222	100%	342,222
Kevin Seymour	General Manger – Exploration	59,510	254,222	100%	254,222
Richard Jones	Company Secretary and General Manager – Legal, HR Risk and Sustainability	64,706	-	0%	-
All performance rights		1,830,658	3,582,888	100%	3,582,888

1. Performance rights issued during the financial year will be measured for vesting as at 30 June 2023.

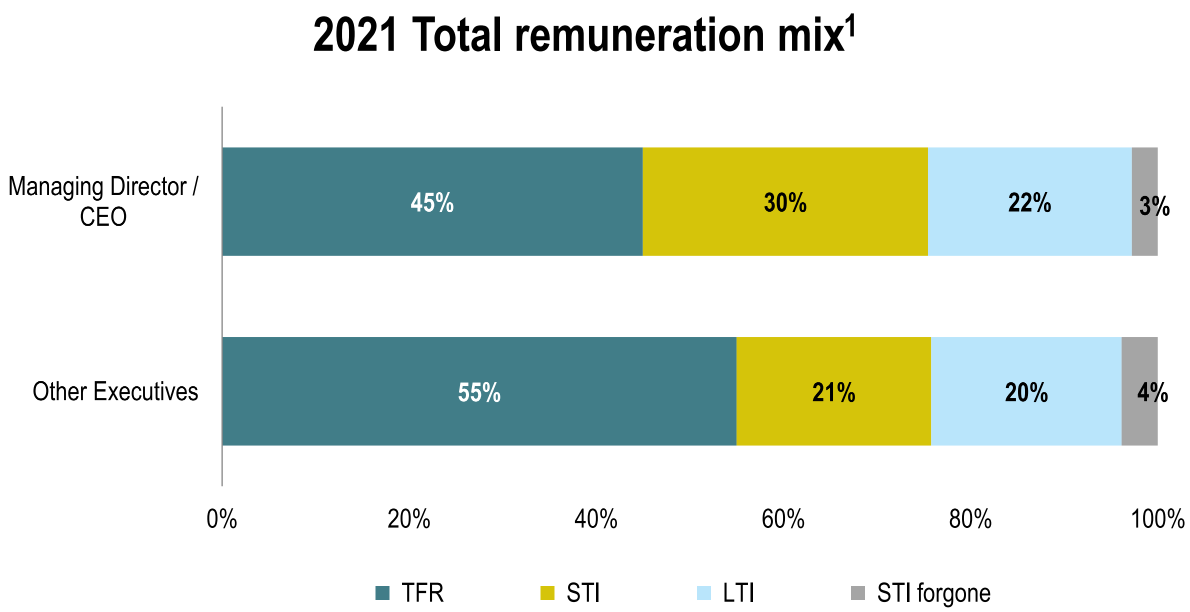
Other long term incentives
The Board may at its discretion provide share rights/options as a long term retention incentive to employees. No such options were offered during the 2021 financial year.

(e) Link between remuneration and performance

The following table shows key performance indicators for the group over the last five years:

	Unit	2021	2020	2019	2018	2017
Net profit after tax	$'000	**126,778**	113,415	21,832	30,760	17,765
Dividend	cps	**2.5**	2.0	1.0	-	-
Share price 30 June	$	**1.70**	1.99	0.73	0.58	0.45
Basic earnings per share	cents	**15.64**	16.43	3.74	5.84	3.39
Diluted earnings per share	cents	**15.45**	16.13	3.67	5.75	3.36

The total remuneration mix for the Managing Director / Chief Executive Officer and other Executives is illustrated in the following graph. The link between performance and remuneration is discussed within this remuneration report.



1. 2021 total remuneration mix excludes KMPs Mr Seymour (resigned 28 February 2021) and Mr Ruzicka (appointed 19 April 2021).

(f) Contractual arrangements for executive KMP

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

Name and Position	Term of Agreement	Base Salary incl. Super [1]	Company / Employee Notice Period	Termination Benefit [2]
Mark Zeptner Managing Director / Chief Executive Officer	Ongoing commencing 1 July 2015	$725,000	6 / 3 months	6 months base salary
Tim Manners Chief Financial Officer	Ongoing commencing 31 July 2017	$440,000	6 / 3 months	6 months base salary
Duncan Coutts Chief Operating Officer	Ongoing commencing 12 February 2016	$522,500	3 / 3 months	3 months base salary
Kevin Seymour General Manager – Exploration	Resigned 28 February 2021	$303,505	3 / 3 months	3 months base salary
Peter Ruzicka General Manager – Exploration	Ongoing commencing 19 April 2021	$302,500	3 / 3 months	3 months base salary
Richard Jones Company Secretary and General Manager – Legal, HR Risk and Sustainability	Ongoing commencing 26 October 2018	$330,000	6 / 3 months	6 months base salary

1. Base salaries quoted are as at 30 June 2021, they are reviewed annually by the NRC.
2. Termination benefits are payable on early termination by the company, other than for gross misconduct, unless otherwise indicated. In certain circumstances the termination benefit may be twelve months base salary. All service agreements with Executives comply with the provisions of Part 2 D.2, Division 2 of the *Corporations Act 2001*.

(g) Non-executive director arrangements

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

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

In accordance with the Ramelius' Constitution, the total amount of remuneration of Non-Executive Directors is within the aggregate limit of $750,000 per annum as approved by shareholders at the 2019 Annual General Meeting.

Non-executive directors may apportion any amount up to this maximum level amongst the non-executive directors as determined by the Board. Remuneration consists of non-executive director fees, committee fees and superannuation contributions.

Non-executive directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as directors. Non-executive directors do not participate in any performance based pay including schemes designed for the remuneration of an executives, share rights or bonus payments and are not provided with retirement benefits other than salary sacrifice and superannuation.

All non-executive directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of director. Details of remuneration fees paid to non-executive directors are set out in the following table.

Non-executive directors	Year	Director fees	Superannuation	Total remuneration
Bob Vassie[1]	**2021**	**96,250**	**9,625**	**105,875**
	2020	-	-	-
Kevin Lines[2]	**2021**	**48,125**	**4,813**	**52,938**
	2020	176,136	17,614	193,750
Michael Bohm	**2021**	**122,500**	**12,250**	**134,750**
	2020	110,000	11,000	121,000
David Southam	**2021**	**122,500**	**12,250**	**134,750**
	2020	110,000	11,000	121,000
Natalia Streltsova[3]	**2021**	**122,500**	**12,250**	**134,750**
	2020	78,750	7,875	86,625
Total	**2021**	**511,875**	**51,188**	**563,063**
	2020	474,886	47,489	522,375

1. Bob Vassie was appointed as Non-Executive Chair on 1 January 2021.
2. Kevin Lines retired as Non-Executive Chairman on 30 September 2020.
3. Natalia Streltsova was appointed as a Non-Executive Director on 1 October 2019.

(h) Details of KMP remuneration

The following table shows details of the remuneration expense recognised for the group's executive KMP for the current and previous financial year measured in accordance with the requirements of the accounting standards.

	FIXED REMUNERATION				VARIABLE REMUNERATION			
	Cash Salary[1]	Non Monetary Benefits[1]	Annual and Long Service Leave[2]	Super-annuation	STI [1, 4]	Share Rights[3]	Total	Perform. Related
Executive Director								
Mark Zeptner – Managing Director / Chief Executive Officer								
2021	**700,000**	**6,402**	**39,275**	**25,000**	**223,438**	**351,539**	**1,345,654**	**42.7%**
2020	632,500	6,518	(41,877)	20,833	254,100	462,003	1,334,077	53.7%
Executives								
Tim Manners – Chief Financial Officer								
2021	**418,306**	**6,402**	**22,449**	**21,694**	**172,700**	**167,181**	**808,732**	**42.0%**
2020	383,919	6,518	37,367	17,581	165,000	161,251	771,636	42.3%
Duncan Coutts – Chief Operating Officer								
2021	**497,500**	**6,402**	**19,262**	**25,000**	**192,500**	**192,815**	**933,479**	**41.3%**
2020	446,665	6,518	33,853	20,830	165,000	186,550	859,416	40.9%
Peter Ruzicka – General Manager – Exploration[5]								
2021	**55,352**	**1,309**	**4,872**	**5,535**	**-**	**-**	**67,068**	**0.0%**
2020	-	-	-	-	-	-	-	-
Kevin Seymour – General Manager – Exploration[6]								
2021	**162,461**	**4,356**	**(20,905)**	**14,583**	**117,700**	**(103,661)**	**174,534**	**8.0%**
2020	276,698	6,518	(6,922)	20,856	115,500	128,122	540,772	45.1%
Richard Jones – Company Secretary and General Manager – Legal, HR Risk and Sustainability								
2021	**305,000**	**6,402**	**23,343**	**25,000**	**124,300**	**118,460**	**602,505**	**40.3%**
2020	281,667	6,518	22,997	20,833	93,500	76,122	501,637	33.8%
Total								
2021	**2,138,619**	**31,273**	**88,296**	**116,812**	**830,638**	**726,334**	**3,931,972**	**39.6%**
2020	2,021,449	32,590	45,418	100,933	793,100	1,014,048	4,007,538	45.1%

1. Short term benefits as per *Corporations Regulation* 2M.3.03(1) Item 6.
2. Other long term benefits as per *Corporations Regulation* 2M.3.03 (1) Item 8. The amounts disclosed in this column represent the movements in the associated provisions. They may be negative where a KMP has taken more leave than accrued during the year or has been paid out for entitlements on termination.
3. Share rights relate to rights over ordinary shares issued to key management personnel. The fair value of rights granted shown above is non cash and was determined in accordance with applicable accounting standards and represents the fair value calculated at the time rights were granted and not when shares were issued.
4. Refer to section (d) of this remuneration report for further information on the short term incentives paid.
5. Mr Ruzicka was appointed on 20 April 2021.
6. Mr Seymour resigned on 28 February 2021. In addition to the amounts above Mr Seymour was paid $112,000 in 2021 for annual and long service leave which had been accrued but not paid during his employment.

Directors' report

(i) Other statutory information

(i) Terms and conditions of the share based payment arrangements

Performance rights

The terms and conditions of each grant of performance rights affecting remuneration in the current or future reporting period are as follows:

Grant Date	Vesting and Exercise Date	Expiry Date	Exercise Price	Value Per Performance Right at Grant Date	Vested
5 September 2018	1 July 2021	1 July 2028	$nil	$0.39	0%
29 November 2018	1 July 2021	1 July 2028	$nil	$0.27	0%
9 October 2019	1 July 2022	1 July 2029	$nil	$1.22	0%
29 November 2019	1 July 2022	1 July 2029	$nil	$0.86	0%
29 November 2019	1 July 2022	1 July 2029	$nil	$0.65	0%
1 October 2020	1 July 2023	1 July 2030	$nil	$1.31	0%
1 October 2020	1 July 2023	1 July 2030	$nil	$1.81	0%
26 November 2020	1 July 2023	1 July 2030	$nil	$0.94	0%
26 November 2020	1 July 2023	1 July 2030	$nil	$1.42	0%

Rights to deferred shares under the Performance Rights Plan are assessed against vesting criteria (and vested accordingly) in July each year. Generally, performance rights granted vest three years from the grant date. On vesting, each right must be exercised within seven years of the vesting date. The performance rights carry no dividend or voting rights. If an employee ceases employment before the performance rights vest, the rights will be forfeited, except in limited circumstances that are approved by the Board on a case by case basis.

Performance rights

The table below shows a reconciliation of performance rights held by each KMP from the beginning to the end of the 2021 financial year. All vested performance rights were exercisable.

Name	Balance at start of year	Granted during the year	Vested		Exercised	Forfeited / Cessation as KMP		Balance at the end of the year		Value to vest[1]
Grant year	Number		Number	%	Number	Number	%	Vested	Unvested	$
Mark Zeptner										
2021	-	355,392	-	-	-	-	-	-	355,392	324,805
2020	967,025	-	322,342	33%	-	-	-	322,342	644,683	196,899
2019	568,956	-	-	-	-	-	-	-	568,956	-
2017	500,000	-	-	-	-	-	-	500,000	-	-
Tim Manners										
2021	-	86,275	-	-	-	-	-	-	86,275	97,789
2020	212,382	-	-	-	-	-	-	-	212,382	94,220
2019	260,966	-	-	-	-	-	-	-	260,966	-
2018	317,778	-	317,778	100%	(317,778)	-	-	-	-	-
Duncan Coutts										
2021		102,451	-	-	-	-	-	-	102,451	116,124
2020	247,294	-	-	-	-	-	-	-	247,294	109,709
2019	284,483	-	-	-	-	-	-	-	284,483	-
2018	342,222	-	342,222	100%	(342,222)	-	-	-	-	-
Kevin Seymour										
2021	-	59,510	-	-	-	(59,510)	100%	-	-	-
2020	157,398	-	-	-	-	(157,398)	100%	-	-	-
2019	201,186	-	-	-	-	(201,186)	100%	-	-	-
2018	254,222	-	254,222	100%	(254,222)	-	-	-	-	-
Richard Jones										
2021	-	64,706	-	-	-	-	-	-	64,706	73,341
2020	160,014	-	-	-	-	-	-	-	160,014	70,988
2019	189,655	-	-	-	-	-	-	-	189,655	-

1. The maximum value of the performance rights yet to vest has been determined as the amount of the grant date fair value of the rights that is yet to be expensed.

Shareholdings
The table below shows a reconciliation of shareholdings held by each KMP from the beginning to the end of the 2021 financial year. All shareholdings noted are held either directly or by the KMP or their associate.

Name	Balance at start of year	Received during year on exercising of performance rights	Sold during year	Net change other[3]	Balance at end of year
Mark Zeptner	4,512,500	-	(1,750,000)	-	2,762,500
Bob Vassie	-	-	-	80,000	80,000
Kevin Lines	1,000,000	-	-	(1,000,000)	-
Michael Bohm	637,500	-	(237,500)	100,000	500,000
David Southam	-	-	-	20,217	20,217
Natalia Streltsova	-	-	-	12,000	12,000
Kevin Seymour[1]	135,215	254,222	-	(389,437)	-
Duncan Coutts[2]	-	342,222	(245,000)	-	97,222
Tim Manners[1]	-	317,778	(317,778)	-	-

All shareholdings noted above are held either directly by the KMP or their associate.
1. The share price on the date of exercise was $2.02.
2. The share price on the date of exercise was $2.36.
3. Net change other relates to on market purchases and sale of shares or holdings as at the date of resignation / retirement.

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

Other transactions with key management personnel
There were no other transactions with key management personnel.

Voting and comments made at the company's 2020 Annual General Meeting
Of the total valid available votes lodged, Ramelius received 99% of "FOR" votes on its remuneration report for the 2020 financial year. The company did not receive any specific feedback at the meeting on its remuneration practices.

Share trading policy
The trading of shares is subject to, and conditional upon, compliance with the company's employee share trading policy. The policy is enforced through a system that includes a requirement that executives confirm compliance with the policy and provide confirmation of dealings in Ramelius securities. The ability for an executive to deal with an option or a right is restricted by the terms of issue and the plan rules which do not allow dealings in any unvested security. The share trading policy specifically prohibits an executive from entering into transactions that limit the economic risk of participating in unvested entitlements such as equity based remuneration schemes. The share trading policy can be viewed on the company's website.

Remuneration report ends.

Shares under option

(a) Unissued ordinary shares

No unissued ordinary shares of Ramelius Resources Limited are under option at the date of this report.

Insurance of officers and indemnities

Indemnification

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

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

Directors' report

Insurance premiums

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

Proceedings on behalf of the company

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

Non audit services

The company may decide to engage the auditor (Deloitte Touche Tohmatsu) on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or the group are important.

Prior to the provision of any non audit services the Board of Directors considers the position and, in accordance with advice received from the Audit Committee, ensures that it is satisfied that the provision of the non audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

During the year no fees were paid or payable for non audit services provided by the auditor of the parent entity, its related practices and non related audit firms (2020: $nil).

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 33.

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 financial statements. Amounts in the financial statements 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
Chair

Perth
26 August 2021

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Tower 2, Brookfield Place
123 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

26 August 2021

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

Dear Board Members

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 audit of the financial report of Ramelius Resources Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

David Newman
Partner
Chartered Accountants

Ramelius Resources Limited
ABN 51 001 717 540

Annual Financial Report 30 June 2021

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INCOME STATEMENT
For the year ended 30 June 2021

	Note	2021 $'000	2020 $'000
Revenue	1(a)	634,283	460,574
Cost of sales	2(a)	(443,825)	(289,358)
Gross profit		**190,458**	171,216
Other expenses	2(b)	(21,280)	(20,050)
Other income	1(b)	8,261	1,346
Interest income		715	998
Finance costs	2(c)	(3,414)	(4,025)
Profit before income tax		**174,740**	149,485
Income tax expense	3	(47,962)	(36,070)
Profit for the year		**126,778**	113,415
Earnings per share		**Cents**	Cents
Basic earnings per share	28(a)	15.64	16.43
Diluted earnings per share	28(b)	15.45	16.13

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2021

	Note	2021 $'000	2020 $'000
Profit for the year		126,778	113,415
Other comprehensive income, net of tax			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations	17	156	(18)
Items that may not be reclassified to profit or loss:			
Change in fair value of investments	17	377	672
Other comprehensive income for the year		**533**	654
Total comprehensive income for the year		**127,311**	114,069

BALANCE SHEET
As at 30 June 2021

	Note	2021 $'000	2020 $'000
Current assets			
Cash and cash equivalents	4(a)	228,502	165,670
Trade and other receivables		1,920	3,234
Inventories	5	100,813	97,553
Other assets	6	1,484	4,475
Total current assets		**332,719**	270,932
Non current assets			
Other assets	6	503	503
Investments	7	6,308	624
Property, plant, and equipment	8	100,177	78,368
Mine development	9	375,338	208,268
Exploration and evaluation assets	10	31,253	196,247
Total non current assets		**513,579**	484,010
Total assets		**846,298**	754,942
Current liabilities			
Trade and other payables	11	58,479	82,302
Borrowings	12	-	23,475
Lease liability	13	16,673	16,643
Contingent consideration	14	5,186	6,261
Current tax liabilities		30,342	21,272
Provisions	15	9,205	9,219
Current liabilities		**119,885**	159,172
Non current liabilities			
Lease liability	13	9,364	13,846
Contingent consideration	14	3,353	6,923
Deferred tax liabilities	3	35,417	21,061
Provisions	15	42,498	38,720
Total non current liabilities		**90,632**	80,550
Total liabilities		**210,517**	239,722
Net assets		**635,781**	515,220
Equity			
Share capital	16	379,391	370,781
Reserves	17	(33,277)	(34,707)
Retained earnings		289,667	179,146
Total equity		**635,781**	515,220

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2021

	Share capital $'000	Share based payment reserve $'000	Other reserves $'000	Retained profits $'000	Total equity $'000
Balance at 30 June 2019	214,218	2,032	(9,706)	72,398	278,942
Adoption of AASB16 Leases (net of tax)	-	-	-	(696)	(696)
At 1 July 2019 (re stated)	214,218	2,032	(9,706)	71,702	278,246
Profit for the year	-	-	-	113,415	113,415
Other comprehensive loss	-	-	46	608	654
Total comprehensive (loss) / income	-	-	46	114,023	114,069
Transactions with owners in their capacity as owners:					
Shares issued for acquisition of Spectrum Metals Limited (see Notes 17 & 20)	155,523	-	(28,469)	-	127,054
Payment of dividends	-	-	-	(6,579)	(6,579)
Shares issued on exercise of options	300	-	-	-	300
Share based payments	740	1,390	-	-	2,130
Balance at 30 June 2020	370,781	3,422	(38,129)	179,146	515,220
Balance at 1 July 2020	**370,781**	**3,422**	**(38,129)**	**179,146**	**515,220**
Profit for the year	-	-	-	126,778	126,778
Other comprehensive gain	-	-	533	-	533
Total comprehensive (loss) / income	**-**	**-**	**533**	**126,778**	**127,311**
Transfer of loss on disposal of equity investments at FVOCI	-	-	87	(87)	-
Transactions with owners in their capacity as owners:					
Payment of dividends	-	-	-	(16,170)	(16,170)
Contributions of equity (Note 16)	7,650		-	-	7,650
Share based payments	960	810	-	-	1,770
Balance at 30 June 2021	**379,391**	**4,232**	**(37,509)**	**289,667**	**635,781**

Share based payment reserve
Share based payments reserve records items recognised as expenses on valuation of employees share options and rights.

Other reserves - investments at FVOCI
The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income (**OCI**). These changes are accumulated within the FVOCI reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed.

*Other reserves - Non controlling interest (**NCI**) acquisition reserve*
The NCI acquisition reserve represents the incremental increase in the Ramelius share price on the acquisition of non controlling interest post the date control was obtained. This reserve relates to the acquisition of Spectrum Metals Limited and Explaurum Limited.

Foreign currency translation reserve
Foreign currency translation reserve comprises all foreign exchange difference arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

STATEMENT OF CASH FLOWS
For the year Ended 30 June 2021

	Note	2021 $'000	2020 $'000
Cash flows from operating activities			
Receipts from operations		634,129	466,333
Payments to suppliers and employees		(304,622)	(230,024)
Interest received		713	930
Income tax paid		(24,571)	(1,208)
Net cash provided by operating activities	4(b)	**305,649**	236,031
Cash flows from investing activities			
Payments for property, plant, and equipment		(40,335)	(16,207)
Payments for mine development		(111,485)	(105,037)
Proceeds from sale of property, plant, and equipment		55	107
Proceeds from the sale of subsidiary		1,000	-
Proceeds from the sale of non core projects and royalties		2,000	950
Payments for the acquisition of subsidiary, net of cash acquired		(14,352)	(30,692)
Payments for investments		(308)	(30)
Proceeds from the sale of investments		314	-
Payments for mining tenements and exploration		(13,725)	(18,356)
Payments for contingent consideration	14	(5,813)	-
Payments for site rehabilitation	15	(699)	(1,540)
Net cash used in investing activities		**(183,348)**	(170,805)
Cash flows from financing activities			
Proceeds from the issue of shares	16	-	300
Proceeds from borrowings		-	32,500
Repayment of borrowings	12	(24,375)	(8,125)
Borrowing costs and interest paid		(408)	(1,860)
Principal elements of lease payments	13	(21,886)	(15,737)
Return of secured deposits	6	3,370	4,130
Dividends paid		(16,170)	(6,579)
Net cash (used in) / provided by financing activities		**(59,469)**	4,629
Net increase in cash and cash equivalents		62,832	69,855
Cash and cash equivalents at the beginning of the financial year		165,670	95,815
Cash and cash equivalents at the end of the financial year	4(a)	**228,502**	165,670

Contents of the notes to the financial statements

Notes to the financial statements: About this report

About this report

Ramelius Resources Limited (referred to as 'Ramelius' or 'company') is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly listed on the Australian Securities Exchange Limited (**ASX**). The nature of the operations and principal activities of Ramelius and its controlled entities (referred to as 'the group') are described in the segment information.

The consolidated general purpose financial report of the group for the year ended 30 June 2021 was authorised for issue in accordance with a resolution of the Directors on 26 August 2021. The Directors have the power to amend and reissue the financial report.

The financial report is a general purpose financial report which:

- has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standard Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements of the group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);

- has been prepared under the historical cost convention except for investments, which have been measured at fair value through profit and loss (**FVPL**) or fair value through other comprehensive income (**FVOCI**);

- has been presented in Australian dollars and rounded to the nearest $1,000 unless otherwise stated, in accordance with ASIC Legislative Instrument (Rounding in Financial/Directors Reports) Instrument 2016/191;

- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the group and effective for reporting periods beginning on or before 1 July 2020. Refer to Note 32 for further details;

- does not early adopt Accounting Standards and Interpretations that have been issued or amended but are not yet effective. Refer to Note 32 for further details.

Key Judgements, Estimates and Assumptions

In the process of applying the group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial report are found in the following notes:

Page		
47	Note 3	Recovery of deferred tax assets
52, 54, & 56	Note 8, 9, & 10	Impairment of assets
52 & 54	Note 8 & 9	Depreciation and amortisation
54	Note 9	Production stripping
54	Note 9	Deferred mining expenditure
54	Note 9	Ore Reserves
56	Note 10	Exploration and evaluation expenditure
59	Note 13	Leases
60	Note 14	Contingent consideration
62	Note 15	Provision for restoration and rehabilitation
62	Note 15	Provision for long service leave

Principles of consolidation

The consolidated financial statements comprise the financial statements of the parent entity, Ramelius Resources Limited, and its controlled entities. A list of controlled entities is contained in Note 21 to the consolidated financial statements. All controlled entities have a 30 June financial year end.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profits and losses resulting from intra group transactions have been eliminated.

Subsidiaries are consolidated from the date on which control is obtained to the date on which control is disposed. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

Foreign currency

The functional currencies of overseas subsidiaries are listed in Note 21. As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into Australian dollars at the rate of exchange ruling at the balance sheet date and the income statements are translated at the average exchange rates for the year. The exchange differences arising on the translation are taken directly to a separate component of equity.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Exchange differences arising from the application of these procedures are taken to the income statement, with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity, which are taken directly to equity until the disposal of the net investment and are then recognised in the income statement. Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Notes to the financial statements: Key Numbers

Other accounting policies
Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

The notes to the financial statements
The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the group. Information is considered material and relevant if, for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the group;
- it helps to explain the impact of significant changes in the group's business – for example acquisition and impairment write downs; or
- it relates to an aspect of the group's operations that is important to its future performance.

The notes are organised into the following sections:

- *Key numbers:* provides a breakdown of individual line items in the financial statements that the Directors consider most relevant and summarises the accounting policies, judgements and estimates relevant to understanding these line items;
- *Risk:* provides information about the capital management practices of the group and discusses the group's exposure to various financial risks and what the group does to manage these risks;
- *Group structure:* explains aspects of the group structure and how changes have affected the financial position and performance of the group;
- *Unrecognised items:* provides information about items that are not recognised in the financial statements but could potentially have a significant impact on the group's financial position and performance;
- *Other information:* provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements. However, these are not considered critical in understanding the financial performance or position of the group.

Significant items in the current reporting period
The financial position and performance of the group was particularly affected by the following events and transactions during the reporting period:

- The finalisation of the Penny Gold Mine Feasibility Study and consequently the Boards approval to commence project development which resulted in the transfer of the asset from exploration and evaluation expenditure to a mine development asset (Notes 9 & 10).

For a detailed discussion about the group's performance and financial position please refer to our operating and financial review on pages 4 to 13.

Segment information
(a) Description of segments and principal activities

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 / Chief Executive Officer, to make strategic decisions.

The group has identified three reportable segments of its business:

- Mt Magnet: mining and processing of gold from the Mt Magnet region including the Vivien and Penny Gold Mines.
- Edna May: mining and processing of gold from the Edna May region including the Marda and Tampia Gold Mines.
- Exploration: exploration and evaluation of gold mineralisation.

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. Operating segment performance details for financial years 2021 and 2020 are set out below:

(b) Segment results

2021 Segment results	Mt Magnet $'000	Edna May $'000	Exploration $'000	Total $'000
Segment revenue	**377,205**	**257,078**	-	**634,283**
Cost of production	(200,388)	(173,735)	-	(374,123)
Amortisation and depreciation	(85,105)	(77,901)	-	(163,006)
Movement in inventory	(4,218)	4,882	-	664
Deferred mining costs	63,637	29,003	-	92,640
Gross margin	**151,131**	**39,327**	-	**190,458**
Exploration and evaluation costs and impairments	-	-	(5,274)	(5,274)
Segment margin	**151,131**	**39,327**	**(5,274)**	**185,184**
Interest income				715
Other income				8,261
Finance costs				(3,414)
Other expenses				(16,006)
Profit before income tax				**174,740**
Total segment assets	**365,380**	**212,913**	**31,777**	**610,070**
Total segment liabilities	**66,300**	**72,608**	**723**	**139,631**

2020 Segment results	Mt Magnet $'000	Edna May $'000	Exploration $'000	Total $'000
Segment revenue	324,322	136,252	-	460,574
Cost of production	(211,659)	(117,877)	-	(329,536)
Amortisation and depreciation	(70,465)	(32,620)	-	(103,085)
Movement in inventory	38,444	17,728	-	56,172
Deferred mining costs	53,756	33,335	-	87,091
Gross margin	134,398	36,818	-	171,216
Exploration and evaluation costs and impairments	-	-	(6,774)	(6,774)
Segment margin	134,398	36,818	(6,774)	164,442
Interest income				998
Other income				1,346
Finance costs				(4,025)
Other expenses				(13,276)
Profit before income tax				149,485
Total segment assets	183,486	204,249	196,892	584,627
Total segment liabilities	92,011	75,821	907	168,739

Notes to the financial statements: Key numbers

(c) Segment gross margin reconciliation

Segment margin reconciles to profit before income tax for the year ended 30 June 2021 and 30 June 2020 as follows:

	2021 $'000	2020 $'000
Segment margin	**185,184**	164,442
Other income	3,261	31
Interest income	715	998
Depreciation and amortisation	(530)	(428)
Employee benefit expense	(8,827)	(6,737)
Equity settled share based payments	(1,770)	(2,130)
Fair value gains / (loss) on investments at FVPL	(364)	173
Foreign exchange gain / (loss)	(164)	-
Gain on sale of non core projects and royalties	5,000	1,142
Finance costs	(3,414)	(4,025)
Other expenses	(4,351)	(3,981)
Profit before income tax	**174,740**	149,485

(d) Segment assets

Operating segment assets are reconciled to total assets as follows:

Segment assets	**610,070**	584,627
Unallocated assets:		
Cash and cash equivalents	228,502	165,670
Other current assets	828	3,630
Other non current assets	13	13
Investments at FVOCI	6,308	624
Property, plant, & equipment	577	378
Total assets as per the balance sheet	**846,298**	754,942

(e) Segment liabilities

Operating segment liabilities are reconciled to total liabilities as follows:

Segment liabilities	**139,631**	168,739
Unallocated liabilities:		
Trade and other payables	4,333	4,290
Current tax liabilities	30,342	21,272
Current provisions	581	555
Current lease liabilities	130	288
Borrowings	-	23,475
Non current provisions	83	42
Deferred tax liabilities	35,417	21,061
Total liabilities as per the balance sheet	**210,517**	239,722

(f) Major customers

Ramelius sells its gold production to either The Perth Mint or delivers it into forward gold contracts.

(g) Segments assets by geographical location

There are no non current assets situated outside the geographic region of Australia.

Notes to the financial statements: Key numbers

Note 1: Revenue

The group derives the following types of revenue:

	Note	2021 $'000	2020 $'000
(a) Revenue			
Gold sales		633,132	459,609
Silver sales		824	767
Other revenue		327	198
Total revenue		**634,283**	460,574

	Note	2021 $'000	2020 $'000
(b) Other income			
Fair value gains on investments at FVPL	7	2,279	-
Change in fair value of Edna May contingent consideration		-	173
Gain on sale of non core projects and royalties		5,000	1,142
Gain on sale of subsidiary		982	-
Foreign exchange gains		-	31
Total other income		**8,261**	1,346

(c) Recognising revenue from major business activities

Revenue (general)

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods or rendering of a service is recognised upon delivery of the goods or service to customers as this corresponds to the transfer of control of the goods and the cessation of all involvement with those goods. All revenue is stated net of goods and services tax (**GST**).

Gold bullion and silver sales

Revenue from gold bullion and silver sales is brought to account when control over the inventory has transferred to the buyer and selling prices are known or can be reasonably estimated.

Note 2: Expenses

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

	Note	2021 $'000	2020 $'000
(a) Cost of sales			
Mining and milling production costs		214,198	182,020
Employee benefits expense		41,236	38,388
Royalties		26,049	22,036
Amortisation and depreciation		163,006	103,085
Inventory movements		(664)	(56,171)
Total cost of sales		**443,825**	289,358

	Note	2021 $'000	2020 $'000
(b) Other expenses			
Employee benefit expense		8,827	6,737
Equity settled share based payments	26	1,770	2,130
Other expenses		4,351	3,981
Change in fair value of Edna May contingent consideration	14	364	-
Amortisation and depreciation		530	428
Exploration and evaluation costs		260	438
Impairment of exploration and evaluation assets	10	5,014	6,336
Foreign exchange losses		164	-
Total other expenses		**21,280**	20,050

Notes to the financial statements: Key numbers

	Note	2021 $'000	2020 $'000
(c) Finance costs			
Provisions: unwinding of discount	15	368	639
Contingent consideration: unwinding of discount	14	804	1,236
Interest on leases	13	933	1,009
Interest and finance charges		1,309	1,141
Total finance costs		**3,414**	4,025

(d) Recognising expenses from major business activities

Amortisation and depreciation

Refer to Notes 8 and 9 for details on depreciation and amortisation.

Impairment

Impairment expenses are recognised to the extent that the carrying amounts of assets exceed their recoverable amounts. Refer to Notes 8, 9 and 10 for further details on impairment.

Employee benefits expense

The group's accounting policy for liabilities associated with employee benefits is set out in Note 15. The policy relating to share based payments is set out in Note 26.

Note 3: Income tax expense

This note provides an analysis of the group's income tax expense, shows what amounts are recognised directly in equity and how the tax expense is affected by non assessable and non deductible items. It also explains significant estimates made in relation to the groups tax position.

	2021 $'000	2020 $'000
(a) The components of tax expense comprise		
Current tax	33,640	22,480
Deferred tax	14,322	13,590
Income tax expense	**47,962**	36,070

(b) Recognition of income tax expense to prima facia tax payable:

	2021 $'000	2020 $'000
Accounting profit before tax	174,740	149,485
Income tax expense calculated at 30%	52,422	44,846
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income:		
Share based payments	531	639
Other	(1,105)	671
Tax losses utilised in current year previously not brought to account	(3,886)	(2,996)
Tax losses brought to account	-	(7,090)
Income tax expense	**47,962**	36,070
Applicable effective tax rate	27%	24%

(c) *Deferred tax movement:*

30 June 2021	1 July 2020 $'000	Transfers $'000	Other comp. income $'000	Income statement $'000	30 June 2021 $'000
Deferred tax liability (DTL)					
Exploration and evaluation	22,266	(16,241)	-	3,351	9,376
Development	26,158	16,241	-	4,465	46,864
Inventory – consumables	314	-	-	922	1,236
Investments at FVPL	-	-	-	683	683
Total DTL	**48,738**	**-**	**-**	**9,421**	**58,159**
Deferred tax asset (DTA)					
Inventory – deferred mining costs	1,044	-	-	-	1,044
Inventory – stock	1,469	-	-	(1,204)	265
Property, plant, and equipment	1,816	-	-	(1,478)	338
Provisions	14,583	-	-	1,340	15,923
Leases (see Note 13)	237	-	-	(156)	81
Investments at FVOCI	(28)	-	(34)	-	(62)
Tax losses	7,090	-	-	(3,598)	3,492
Other	1,466	-	-	195	1,661
Total DTA	**27,677**	**-**	**(34)**	**(4,901)**	**22,742**
Net deferred tax liability #	**(21,061)**			**(14,322)**	**(35,417)**

Deferred tax assets and liabilities have been offset for presentation on the balance sheet pursuant to set off provisions

30 June 2020	1 July 2019 $'000	Adoption of AASB 16 $'000	Transfers $'000	Other comp. income $'000	Income statement $'000	30 June 2020 $'000
Deferred tax liability (DTL)						
Exploration and evaluation	8,726	-	3,021	-	10,519	22,266
Development	22,234	-	(3,021)	-	6,945	26,158
Inventory – consumables	319	-	-	-	(5)	314
Total DTL	**31,279**	**-**	**-**	**-**	**17,459**	**48,738**
Deferred tax asset (DTA)						
Inventory – deferred mining costs	2,236	-	-	-	(1,192)	1,044
Inventory – stock	-	-	-	-	1,469	1,469
Property, plant, and equipment	1,944	-	-	-	(128)	1,816
Provisions	15,554	-	-	-	(971)	14,583
Leases (see Note 13)	-	298	-	-	(61)	237
Investments at FVOCI	-	-	-	(28)	-	(28)
Tax losses	2,115	-	-	-	(2,115)	-
Tax losses brought to account	-	-	-	-	7,090	7,090
Other	1,689	-	-	-	(223)	1,466
Total DTA	**23,538**	**298**	**-**	**(28)**	**3,869**	**27,677**
Net deferred tax liability #	**(7,741)**				**(13,590)**	**(21,061)**

Deferred tax assets and liabilities have been offset for presentation on the balance sheet pursuant to set off provisions.

Notes to the financial statements: Key numbers

	2021 Gross	2021 Net (30%)	2020 Gross	2020 Net (30%)
(d) Tax losses				
Unused tax losses:				
- for which a deferred asset has been recognised	11,639	3,492	23,632	7,090
- for which no deferred asset has been recognised	13,987	4,196	25,402	7,620
Total potential unused tax losses	**25,626**	**7,688**	49,034	14,710

Tax losses arising from the acquisition of the Spectrum Metals Limited during the 2020 financial year of $12,953,000 (with a tax benefit of $3,886,000) were recognised and fully utilised within the current financial year.

Tax losses arising from the acquisition of Explaurum Operations Pty Limited during the 2019 year of $11,993,000 (with a tax benefit of $3,598,000 brought to account in the 2020 financial year) were utilised during the current financial year. The balance of unused Explaurum Operations Pty Limited tax losses is $11,639,000 (with a tax benefit of $3,492,000) at 30 June 2021. A deferred tax asset has been recognised for these unused tax losses.

The utilisation of losses depends upon the generation of future taxable profits which Ramelius believes to be recoverable based on current taxable income projections. Utilisation will also be subject to relevant tax legislation associated with recoupment.

The unused tax losses for which no deferred tax asset has been recognised relates to capital losses.

Key judgement, estimates and assumptions: Recovery of deferred tax assets

Judgement is required to determine whether deferred tax assets are recognised in the balance sheet. Deferred tax assets, including those arising from unused tax losses, require management to assess the likelihood that the group will generate sufficient taxable earnings in the future periods in order to recognise and utilise those deferred tax assets. Judgement is also required in respect of the expected manner of recovery of the value of an asset or liability (which will then impact the quantum of the deferred tax assets or deferred tax liabilities recognised) and the application of existing laws in each jurisdiction.

Estimates of future taxable income are based on forecast cash flows from operations and existing tax laws in each jurisdiction. These assessments require the use of estimates and assumptions such as exchange rates, commodity prices, the timing of production profiles, and operating performance over the life of the assets. To the extent that cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets reported at the reporting date could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the group operates could limit the ability of the group to obtain tax deductions and recover/utilise deferred tax assets in future periods.

(e) Recognition and measurement of income tax

Current income tax

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

Deferred taxes

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

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

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

Notes to the financial statements: Key numbers

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profits will be available against which the benefits of the deferred tax asset can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

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

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

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

Note 4: Cash and cash equivalents

	2021 $'000	2020 $'000
(a) Cash and cash equivalents		
Cash at bank and in hand	108,502	125,670
Deposits at call	120,000	40,000
Total cash and cash equivalents	**228,502**	165,670
(b) Reconciliation of net profit after tax to net cash flows from operations		
Net profit	126,778	113,415
Non cash items		
Equity settled share based payments	1,770	2,130
Amortisation and depreciation	163,536	103,513
Write off and impairment of exploration assets	5,274	6,336
Discount unwind on provisions	368	639
Discount unwind on contingent consideration	804	1,236
Change in fair value of contingent consideration	364	(173)
Net exchange differences	164	(31)
Fair value gains on investments at FVPL	(2,279)	-
Items presented as investing or financing activities		
Gain on sale of non core projects and royalties	(5,000)	-
Gain on sale of subsidiaries	(982)	-
Other	2,316	1,121
(Increase) / decrease in assets		
Prepayments	(379)	918
Trade and other receivables	1,314	3,725
Inventories	(3,260)	(56,486)
Increase / (decrease) in liabilities		
Trade and other payables	(9,759)	24,347
Current tax payable	9,070	21,272
Provisions	1,160	721
Deferred tax liabilities	14,390	13,348
Net cash provided by operating activities	**305,649**	236,031

Notes to the financial statements: Key numbers

(c) Recognition and measurement

Cash and cash equivalents

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

Risk exposure

The group's exposure to interest rate risk is discussed in Note 18. Maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents disclosed above.

(d) Net cash reconciliation

This section sets out an analysis of net cash and the movements in the net cash for each of the financial years presented.

Net cash	2021 $'000	2020 $'000
Cash and cash equivalents	228,502	165,670
Borrowings – bank loans repayable within one year	-	(24,375)
Borrowings – leases repayable within one year	(16,673)	(16,643)
Borrowings – leases repayable after one year	(9,364)	(13,846)
Net cash	**202,465**	110,806

	Borrowings $'000	Leases $'000	Sub total $'000	Cash $'000	Net Cash $'000
Balance at 1 July 2019	-	-	-	95,815	95,815
Adoption of *AASB 16 Leases*	-	(21,256)	(21,256)	-	(21,256)
At 1 July 2019 (re stated)	**-**	**(21,256)**	**(21,256)**	**95,815**	**74,559**
Cash flows	(24,375)	15,737	(8,638)	69,855	61,217
Lease additions (including interest)	-	(24,970)	(24,970)	-	(24,970)
Balance at 30 June 2020	**(24,375)**	**(30,489)**	**(54,864)**	**165,670**	**110,806**
Cash flows	24,375	21,886	46,261	62,832	109,093
Lease additions (including interest)	-	(17,434)	(17,434)	-	(17,434)
Balance at 30 June 2021	**-**	**(26,037)**	**(26,037)**	**228,502**	**202,465**

Note 5: Inventories

	2021 $'000	2020 $'000
Ore stockpiles	76,792	73,308
Gold in circuit	5,889	5,382
Gold bullion & doré	4,048	7,376
Gold nuggets	80	80
Consumables and supplies	14,004	11,407
Total inventories	**100,813**	97,553

(a) Inventory expense

The reversal of prior period net realisable value write downs through cost of sales amounted to $3,920,000 (2020: $4,802,000 write down). A large component of the net realisable value provision recognised at 30 June 2020 was reversed over the 2021 financial year as stockpile grades increased or the lower grade (predominantly Stellar) ore was milled.

Notes to the financial statements: Key numbers

(b) Recognition and measurement

Inventories

Ore stockpiles, gold in circuit and poured gold bars (bullion and doré) are physically measured, or estimated, and valued at the lower of cost and net realisable value. Cost represents the weighted average cost and includes direct costs and an appropriate allocation of fixed and variable production overhead costs, including depreciation and amortisation.

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

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

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

Note 6: Other assets

	2021 $'000	2020 $'000
Current		
Prepayments	1,484	1,105
Secured term deposits with financial institutions	-	3,370
Total other current assets	**1,484**	4,475
Non current		
Other security bonds & deposits	503	503
Total other non current assets	**503**	503

(a) Other non current assets

Other non current assets comprise secured deposits with financial institutions for finance facilities as well as bonds and deposits with government bodies with regards to the mining and exploration activities of the group.

Note 7: Investments

Listed investment financial assets are measured at fair value and depending on their nature classified as either fair value through profit and loss or fair value through other comprehensive income.

Investments at fair value through profit and loss	3,279	-
Investments at fair value through other comprehensive income	3,029	624
Total investments	**6,308**	624
Gains recognised through profit and loss	2,279	-
Gains recognised in other comprehensive income	377	672

(a) Investments at fair value through profit and loss

An investment is classified at fair value through profit and loss if it is classified as held for trading or is designated as such on initial recognition. Investments are designated at fair value through the profit and loss if Ramelius manages such investments and makes purchase and sale decisions based on their fair value in accordance with the risk management or investment strategy. Attributable transaction costs are recognised in the profit and loss as incurred.

(b) Investments at fair value through other comprehensive income

An investment at fair value through other comprehensive income comprise equity securities which are not held for trading, and which the group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and Ramelius considered this classification to be more relevant.

Notes to the financial statements: Key numbers

Note 8: Property, plant, and equipment

2021	Land and buildings $'000	Plant and equipment $'000	Assets under construction $'000	Right of use assets $'000	Total $'000
As at 1 July 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**
Year ended 30 June 2021					
Opening net book amount	7,226	34,103	7,340	29,699	78,368
Transfers to mine development	-	-	(181)	-	(181)
Additions	8,522	12,650	19,163	16,501	56,836
Disposals	-	(127)	-	-	(127)
Transfers	10	6,239	(6,249)	-	-
Depreciation charge	(751)	(13,535)	-	(20,433)	(34,719)
Closing net book amount	**15,007**	**39,330**	**20,073**	**25,767**	**100,177**
As at 30 June 2021					
Cost	17,943	137,292	20,073	60,724	236,032
Accumulated depreciation	(2,936)	(97,962)	-	(34,957)	(135,855)
Net book amount	**15,007**	**39,330**	**20,073**	**25,767**	**100,177**

2020	Land and buildings $'000	Plant and equipment $'000	Assets under construction $'000	Right of use assets $'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)
Net book amount	**7,074**	**34,021**	**2,728**	**-**	**43,823**
Adoption of AASB 16 Leases	-	-	-	20,262	20,262
As at 1 July 2019 (restated)	**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**

(a) Depreciation

Items of plant and equipment are depreciated on a straight line basis over their estimated useful lives, the duration of which reflects the useful lives depending on the nature of the asset. The group uses the straight line method when depreciating property, plant, and equipment, resulting in estimated useful lives for each class of depreciable assets as follows:

Class of fixed asset	Useful life
Land and buildings	1 - 40 years
Motor vehicles	2 - 12 years
Computers and communication equipment	2 - 10 years
Furniture and equipment	1 - 20 years
Plant and equipment	1 – 30 years

Key judgement, estimates and assumptions: Depreciation

The estimations of useful lives, residual value and depreciation methods require management judgement and are reviewed biannually for all major items of plant and equipment. If they need to be modified, the change is accounted for prospectively from the date of reassessment until the end of the revised useful life (for both the current and future years).

(b) Derecognition

An item of property, plant, and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefits. Gains and losses on derecognising assets are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Impairment

Key judgement, estimates and assumptions: Impairment of assets

*The group assesses each Cash Generating Unit (**CGU**) at least annually, to determine whether there is any indication of impairment or reversal of a prior impairment. Where an indicator of impairment or reversal exists, a formal estimate of the recoverable amount is made, which is deemed as being the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as ore reserves, future production, commodity prices, discount rates, exchange rates, operating costs, sustaining capital costs, any future development cost necessary to produce the reserves (including the magnitude and timing of cash flows) and operating performance.*

Some of the factors considered in management's assessment as to whether there existed any indicators of impairment at the CGUs included:

- *Strong operational and financial performance of the CGUs;*
- *The extension of mine life across all CGUs;*
- *Positive gold price environment against budget; and*
- *Acquisitions complementing the existing CGUs of the group.*

(d) Recognition and measurement of property, plant, and equipment

Cost

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

Property, plant, and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

Note 9: Mine development

	Note	2021 $'000	2020 $'000
Mine development		812,021	516,134
Less: accumulated amortisation		(436,683)	(307,866)
Net book amount		**375,338**	208,268
Mine development			
Opening net book amount		208,268	99,430
Additions		119,163	107,537
Restoration and rehabilitation adjustment	15	2,935	(4,753)
Transfer from property, plant, and equipment	8	181	-
Transfer from exploration and evaluation asset	10	173,608	83,537
Amortisation		(128,817)	(77,483)
Closing net book amount		**375,338**	208,268

(a) Impairment

No impairment of development assets arose during the 2021 financial year. Refer to Note 8(c) for further discussion on the impairment of assets and the process undertaken by management in forming this conclusion.

(b) Recognition and measurement

Mine development

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

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

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

Deferred mining expenditure – Pre production mine development

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

Deferred mining expenditure - Surface mining costs
Mining costs incurred during the production stage of operations are deferred, this is generally the case where there are fluctuations in deferred mining costs over the life of the mine, and the effect is material. The amount of mining costs deferred is based on the ratio obtained by dividing the volume of waste material moved by the volume of ore mined. Mining costs incurred in the period are deferred to the extent that the current period waste to ore ratio exceeds the life of mine waste to ore (**life of mine**) ratio. The life of mine ratio is based on economically recoverable reserves of the operation.

In the production stage of some operations, further developments of the mine require a phase of unusually high overburden removal activity that is similar in nature to pre production mine development. The costs of such unusually high overburden removal activity are deferred and charged against reported profits in subsequent periods on a unit of production basis. The accounting treatment is consistent with that of overburden removal costs incurred during the development phase of a mine, before production commences. Deferred mining costs that relate to the production phase of the operation are carried forward as part of 'development assets'. The amortisation of deferred mining costs is included in site operating costs.

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

Key judgement, estimates and assumptions: Deferred mining expenditure
The group defers mining costs incurred during the production stage of its operations. Changes in an individual mine's design will generally result in changes to the life of mine waste to ore (life of mine) ratio. Changes in other technical and economic parameters that impact reserves will also have an impact on the life of mine ratio even if they do not affect the mine's design. Changes to the life of mine ratio are accounted for prospectively.

Key judgement, estimates and assumptions: Ore reserves
The group estimates ore reserves and mineral resources each year based on information compiled by Competent Persons as defined in accordance with the Australian code for reporting Exploration Results, Mineral Resources and Ore Reserves 2012 ('JORC code'). Estimated quantities of economically recoverable reserves are based upon interpretations of geological models and require assumptions to be made including estimates of short and long term commodity prices, exchange rates, future operating performance and capital requirements. Changes in reported reserve estimates can impact the carrying value of plant and equipment and development, provision for restoration and rehabilitation obligations as well as the amount of depreciation and amortisation.

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

Development assets are amortised based on the unit of production method which results in an amortisation charge proportional to the depletion of the estimated recoverable reserves. Where there is a change in the reserves the amortisation rate is adjusted prospectively in the reporting period in which the change occurs. The net carrying values of development expenditure carried forward are reviewed half yearly by Directors to determine whether there is any indication of impairment, refer to Note 8 (d) for further information.

Notes to the financial statements: Key numbers

Note 10: Exploration and evaluation assets

	Note	2021 $'000	2020 $'000
Exploration and evaluation		31,253	196,247
Exploration and evaluation asset reconciliation			
Opening net book amount		196,247	99,442
Additions on the acquisition of subsidiary	20	-	168,515
Additions		13,652	18,355
Disposal		(18)	(208)
Impairment	2(b)	(5,014)	(6,336)
Exchange differences		(6)	16
Transfer to development asset	9	(173,608)	(83,537)
Closing net book amount		**31,253**	196,247

(a) Transfer to development assets

During the year a total of $173,608,000 was transferred from exploration and evaluation assets to a mine development asset. This included $171,506,000 relating to the Penny Gold Mine. The Penny Gold Mine's costs were transferred to mine development upon the completion of the Feasibility Study and subsequent investment decision with the project now moving into development.

During 2020, a total of $83,537,000 was transferred from exploration and evaluation assets to a mine development asset. These amounts related to the Tampia Gold Mine and the Eridanus open pit project (Mt Magnet). Details of the transfer were disclosed in Note 10 of the group's annual financial statements for the year ended 30 June 2020.

(b) Recognition and measurement

Exploration and evaluation

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

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

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

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

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

Deferred feasibility

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

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

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

Mineral rights

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

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

Notes to the financial statements: Key numbers

Key judgement, estimates and assumptions: Impairment

Impairment of specific exploration and evaluation assets during the year have occurred where Directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation. At each reporting date the group undertakes an assessment of the carrying amount of its exploration and evaluation assets. During the year indicators of impairment were identified on certain exploration and evaluation assets in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources. As a result of this review, an impairment loss of $5,014,000 (2020: $6,336,000) has been recognised in relation to areas of interest where the Directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation

Key judgement, estimates and assumptions: Exploration, evaluation and deferred feasibility expenditure

Judgement is required to determine whether future economic benefits are likely, from either exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of existence of reserves. In addition to these judgements, the group has to make certain estimates and assumptions. The determination of JORC resources is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e. measured, indicated or inferred). The estimates directly impact when the group capitalises exploration and evaluation expenditure. The capitalisation policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available. The recoverable amount of capitalised expenditure relating to undeveloped mining projects can be particularly sensitive to variations in key estimates and assumptions. If variation in key estimates or assumptions has a negative impact on recoverable amount it could result in a requirement for impairment.

Note 11: Trade and other payables

	2021 $'000	2020 $'000
Trade payables	19,941	23,350
Other payables and accruals	38,538	58,952
Total trade and other payables	**58,479**	82,302

(a) Recognition and measurement

Trade and other payables

Liabilities for trade and other payables are initially recorded at the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the group, and then subsequently at amortised cost. Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short term nature.

Risk exposure

The group's exposure to cash flow risk is discussed in Note 18.

Note 12: Borrowings

	2021 $'000	2020 $'000
Current		
Secured bank loans	-	24,375
Less: capitalised borrowing costs	-	(900)
Total current borrowings	**-**	23,475

(a) Secured liabilities and assets pledged as security

Secured Bank Loans

The secured bank loan under the Syndicated Financial Agreement (**SFA**) entered into last year has been fully repaid at 30 June 2021. Whilst the secured bank loan has been fully repaid the facility itself, and security structure, remains in place to facilitate forward gold sales for hedging purposes. The group has granted a security interest over all of its assets in favour of CBA Corporate Services (NSW) Pty Ltd as security trustee. The carrying amounts of the financial and non financial assets pledged as security for the secured borrowings are disclosed in Note 29.

(b) Compliance with loan covenants
Ramelius Resources Limited has complied with the financial and non financial covenants of the SFA during the 2021 reporting period.

(c) Fair value
For the secured bank loans under the SFA, the fair values are not materially different from their carrying amounts, since the interest payable on the secured bank loan is close to current market rates and the secured bank loan is of a short term nature.

(d) Risk exposures
Details of the group's exposure to risks arising from borrowings are set out in Note 18.

Note 13: Lease Liabilities

	2021 $'000	2020 $'000
Current		
Current	16,673	16,643
Non current	9,364	13,846
Total lease liability	**26,037**	30,489

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2021 $'000	2020 $'000
Opening lease liability	30,489	21,256
Additions	16,501	23,961
Interest expense (Note 2(c))	933	1,009
Payments	(21,886)	(15,737)
Closing lease liability	**26,037**	30,489
Maturity analysis:		
Year 1	17,240	17,431
Year 2	7,246	8,064
Year 3	2,356	4,269
Year 4	-	2,057
Gross lease liability	**26,842**	31,821
Less future interest charges	(805)	(1,332)
Total lease liability	**26,037**	30,489

Right of use assets
The group has lease contracts for various items of mining equipment, power infrastructure, motor vehicles and buildings used in its operations. These leases generally have lease terms between two and five years. The group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the group is restricted from assigning and subleasing the leased assets.

The group also has certain leases of assets with lease terms of twelve months or less and leases of storage containers and equipment for which the assets are of low value. The group applies the short term lease and lease of low value assets recognition exemptions for these leases.

Notes to the financial statements: Key numbers

Set out below are the carrying amounts of right of use assets recognised and the movements during the period (as shown in property, plant, and equipment):

2021	Land and buildings $'000	Plant and equipment $'000	Vehicles $'000	Total $'000
As at 1 July 2020	277	**29,133**	**289**	**29,699**
Additions	115	13,397	2,989	16,501
Depreciation charge	(209)	(19,204)	(1,020)	(20,433)
As at 30 June 2021	**183**	**23,326**	**2,258**	**25,767**
As at 1 July 2019	428	19,654	180	20,262
Additions	-	23,708	253	23,961
Depreciation charge	(151)	(14,229)	(144)	(14,524)
As at 30 June 2020	277	29,133	289	29,699

Impact on the income statement

The following amounts are recognised in the income statement:

Impact on income statement:	Note	2021 $'000	2020 $'000
The application of AASB 16 has resulted in the following amounts being recorded in the income statement:			
Depreciation of right of use asset	8	20,433	14,524
Interest expense	2(c)	933	1,009
Income tax expense	3	(156)	61
Total amount recorded in the income statement resulting from AASB 16		**21,210**	**15,594**

Payments of $2,874,000 (2020: $6,180,000) for short term leases (lease terns of 12 months or less) were expensed in the income statement for the year ended 30 June 2021.

(a) Accounting policy - Leases

When a contract is entered into the group assesses whether the contract contains a lease. A lease arises when the group has the right to direct the use of an identified asset which is not substitutable and to obtain substantially all economic benefits from the use of the assets throughout the period of use. The group separates the lease and non lease components of the contract and accounts for these separately.

The group applies a single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. The group recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

Right of use assets
The group recognises right of use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date plus any make good obligations.

Right of use assets are depreciated using the straight line method over the shorter of their useful life and the lease term as follows:

- Mining equipment 2 to 5 years
- Motor vehicles 2 to 3 years
- Buildings 2 to 3 years

Periodic adjustments are made for any remeasurement of the lease liabilities and for impairment losses, assessed in accordance with the group's impairment policies.

Lease liabilities
Lease liabilities are initially measured as the present value of future minimum lease payments, discounted using the group's incremental borrowing rate if the rate explicit in the lease cannot be readily measured at amortised cost using the effective interest rate over the lease term. Minimum lease payments are fixed payments or index based variable payments incorporating the group's expectations of extension options and do not include non lease component of a contract. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease liability is remeasured when there are changes in the future lease payments arising from a change in rates, index, or lease terms from exercising an extension or termination options. A corresponding adjustment is made to the carrying amount of the lease assets, with any excess recognised in the income statement.

Short term leases and leases of low value assets
The group applies the short term lease recognition exemption to its short term leases (i.e., those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of plant and equipment that are of low value. Lease payments on short term leases and leases of low value assets are recognised as expense as they are incurred.

Key judgements, estimates and assumptions: Leases
Identification of non lease components
In addition to containing a lease, the group's mining services contracts involves the provision of additional services, including personnel cost, low value materials, drilling, hauling related activities and other items. These are non lease components and the group has elected to separate these from the lease components.

Judgement is required to identify each of the lease and non lease components. The consideration in the contract is then allocated between the lease and non lease components on a relative stand alone price basis. This requires the group to estimate stand alone prices for each lease and non lease component based on quoted prices within the contract.

Identifying in substance fixed rates versus variable lease payments
The lease payments used to calculate the lease related balances under AASB 16 include fixed payments, in substance fixed payments and variable payments based on an index or rate. Variable payments not based on an index or rate are excluded from the measurement of lease liabilities and related assets.

For the group's mining services contracts, in addition to the fixed payments, there are payments that are variable payments because the contract terms require payment based on a rate per hour. In terms of AASB 16, the group uses judgement to determine that no minimum hours or volumes within the contract are a fixed minimum that results in an amount payable that is unavoidable.

Therefore, the group has had to apply judgement to determine that there are no in substance fixed payments included in the lease payments used to calculate the lease related balances. Payments identified as variable not based on an index or rate, are excluded from recognition and measurement of the lease related balances.

Estimating the incremental borrowing rate
*The group cannot readily determine the interest rate implicit in its leases. Therefore, it uses the relevant incremental borrowing rate (**IBR**) to measure lease liabilities. The IBR is the rate of interest that the group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. The IBR, therefore, reflects what the group would have to pay, which requires estimation when no observable rates are available and to make adjustments to reflect the terms and conditions of the lease. The group estimates the IBR using observable inputs (such as market interest rates) when available and considered certain contract and entity specific judgements estimates (such as the lease term and credit rating). The IBR range used by the group was between 2.53% and 3.75%.*

Notes to the financial statements: Key numbers

Note 14: Contingent consideration

	Note	2021 $'000	2020 $'000
Current			
Edna May contingent consideration		5,186	6,261
Non current			
Edna May contingent consideration		3,353	6,923
Total contingent consideration		**8,539**	13,184

	Note	2021 $'000	2020 $'000
Movements			
Opening book amount		13,184	12,121
Payments		(5,813)	-
Unwinding of discount rate	2(c)	804	1,236
Change in fair value of contingent consideration	2(b)	364	(173)
Total contingent consideration		**8,539**	13,184

Significant estimate: Contingent consideration

The purchase consideration for Edna May included contingent consideration of:

- *$20,000,000 in cash or Ramelius shares, or a combination of both, at Ramelius' sole election, upon a Board approved decision to mine the Edna May Stage 3 open pit; and*
- *Royalty payments of up to a maximum of $30,000,000 payable at $60/oz from gold production over 200,000 ounces (or up to $50,000,000 payable at $100/oz if the Edna May Stage 3 open pit decision to mine is not Board approved).*

The potential undiscounted amount payable under the agreement is between $0 and $44,187,000.

The fair value of the contingent consideration has been revalued at 30 June 2021 which resulted in an increase of the contingent consideration of $364,000 which has been recorded in the income statement.

Note 15: Provisions

	Note	2021 $'000	2020 $'000
Current			
Employee benefits		7,875	6,804
Rehabilitation and restoration costs		1,330	2,415
Total current provisions		**9,205**	9,219
Non current			
Employee benefits		507	418
Rehabilitation and restoration costs		41,991	38,302
Total non current provisions		**42,498**	38,720
Rehabilitation and restoration costs			
Opening book amount		40,717	46,371
Revision of provision during the year	9	2,935	(4,753)
Expenditure on rehabilitation and restoration		(699)	(1,540)
Discount unwind	2(c)	368	639
Total provision for rehabilitation and restoration		**43,321**	40,717

Notes to the financial statements: Key numbers

(a) Revision of rehabilitation and restoration provision

Represents amendments to future restoration and rehabilitation liabilities resulting from changes to the approved mine plan in the financial year, initial recognition of new rehabilitation provisions as well as a change in provision assumptions. Key provision assumption changes include reassessment of costs and timing of expenditure.

(b) Recognition and measurement

Provisions

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

Employee Benefits - Wages, salaries, salary at risk, annual leave and sick leave

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

Long service leave

The liability for long service leave is measured at the present value of the estimated future cash outflows to be made by the group resulting from employees' services provided up to the reporting date. Liability for long service leave benefits not expected to be settled within twelve months are discounted using the rates attaching to high quality corporate bonds at the reporting date, which most closely match the terms of maturity of the related liability. In determining the liability for these long term employee benefits, consideration has been given to expected future increases in wage and salary rates, the group's experience with staff departures and periods of service. Related on costs have also been included in the liability.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Defined contribution superannuation plans

Contributions to defined contribution superannuation plans are expensed when incurred.

Provision for restoration and rehabilitation

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

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

The unwind effect of discounting the provision is recorded as a finance cost in the Income Statement and the carrying amount capitalised as a part of mining assets is amortised on a unit of production basis. Costs incurred that relate to an existing condition caused by past operations, but do not have future economic benefits, are expensed as incurred.

Key judgement, estimates and assumptions: Provision for restoration and rehabilitation

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

Key judgement, estimates and assumptions: Provision for long service leave

Management judgement is required in determining the following key assumptions used in the calculation of long service leave at balance sheet date:

- *Future increase in salaries and wages;*
- *Future on cost rates; and*
- *Future probability of employee departures and period of service*

Note 16: Share capital

	Number of shares	$'000
Ordinary shares		
Share capital at 30 June 2019	657,872,969	214,218
Shares issued as part of the acquisition of Spectrum[1]	145,203,969	155,523
Shares issued from exercise of performance rights	1,377,522	598
Shares issued from exercise of options	1,500,000	300
Transfer from share based payments reserve	-	142
At 30 June 2020	805,954,460	370,781
Shares issued from exercise of performance rights	3,062,806	960
Shares issues as consideration for asset acquisition[2]	5,000,000	7,650
At 30 June 2021	**814,017,266**	**379,391**

1. Represents the value of shares at the date of issue. Details of the acquisition were disclosed in Note 20 of the group's financial statements for the year ended 30 June 2020.
2. Represents the shares issued for the acquisition of the minority interest of the Tampia Gold Mine.

(a) Recognition and measurement

Share capital

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

Ordinary shares

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings other than voting exclusions as required by the *Corporations Act 2001*. In the event of winding up of the company, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

Options over shares

Refer Note 26 for further information on options, including details of any options issued, exercised and lapsed during the financial year and options over shares outstanding at financial year end.

Rights over shares

Refer Note 26 for further information on rights, including details of any rights issued, exercised and lapsed during the financial year and rights over shares outstanding at financial year end.

Note 17: Reserves

	2021 $'000	2020 $'000
Share based payments reserve	4,232	3,422
Investments at FVOCI	147	(317)
Other	634	634
NCI acquisition reserve	(38,395)	(38,395)
Foreign currency translation reserve	105	(51)
Total reserves	**(33,277)**	(34,707)

Share based payment reserve
Share based payments reserve records items recognised as expenses on valuation of employees share options and rights.

Investments at FVOCI
The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income (**OCI**). These changes are accumulated within the FVOCI reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed.

*Non Controlling Interest (**NCI**) acquisition reserve*
The NCI acquisition reserve represents the incremental increase in the Ramelius share price on the acquisition of non controlling interest post the date control was obtained. This reserve relates to the acquisition of Spectrum Metals Limited and Explaurum Limited.

Foreign currency translation reserve
Foreign currency translation reserve comprises all foreign exchange difference arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

Note 18: Financial instruments and financial risk management

The Directors are responsible for monitoring and managing financial risk exposures of the group. The group holds the following financial assets and liabilities:

	2021 $'000	2020 $'000
Financial assets		
Cash at bank	108,502	125,670
Term deposits	120,000	40,000
Trade and other receivables	1,920	3,234
Secured term deposits with financial institutions	-	3,370
Other security bonds and deposits	503	503
Investments	6,308	624
Total financial assets	**237,233**	173,401
Financial liabilities		
Trade and other payables	58,479	82,302
Lease Liabilities	26,037	30,489
Contingent consideration	8,539	13,184
Borrowings	-	23,475
Total financial liabilities	**93,055**	149,450

(a) Recognition and measurement

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

Notes to the financial statements: Risk

(b) Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted prices in an active market are used to determine fair value where possible. The group does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Amortised Cost

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

Financial liabilities

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

Fair value through other comprehensive income (FVOCI)

FVOCI investments include any investment not included in the above categories.

(c) Fair value

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

(d) Expected loss

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

Management of financial risk

The group's management of financial risk is aimed at ensuring cash flows are sufficient to:

- Withstand significant changes in cash flow at risk scenarios and meet all financial commitments as and when they fall due; and
- Maintain the capacity to fund future project development, exploration and acquisition strategies.

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

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

(a) Liquidity risk

The group manages liquidity risk by monitoring immediate and forecasted cash requirements and ensures adequate cash reserves are maintained to pay debts as and when due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. At the end of the financial year the group held short term on demand cash balances of $108,502,000 (2020: $125,670,000) that is available for managing liquidity risk. In addition to this short term deposits at call totalled $120,000,000 (2020: $40,000,000).

Management monitors rolling forecasts of the group's available cash reserve on the basis of expected cash flows to manage any potential future liquidity risks.

i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

Maturities of financial liabilities	Less than 6 months $'000	6 – 12 months $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Total contractual cash flows $'000	Carrying amount of liabilities $'000
As at 30 June 2021						
Trade and other payables	58,479	-	-	-	58,479	58,479
Lease liabilities	9,077	7,596	7,051	2,313	26,037	26,037
Contingent consideration	3,861	1,738	3,180	405	9,184	8,539
Total non derivatives	**71,417**	**9,334**	**10,231**	**2,718**	**93,700**	**93,055**
As at 30 June 2020						
Trade and other payables	72,412	9,890	-	-	82,302	82,302
Borrowings	16,250	8,125	-	-	24,375	23,475
Lease liabilities	9,238	7,404	7,711	6,136	30,489	30,489
Contingent consideration	1,964	4,298	6,025	2,118	14,405	13,184
Total non derivatives	**99,864**	**29,717**	**13,736**	**8,254**	**151,571**	**149,450**

(b) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk on financial assets of the entity which have been recognised in the Balance Sheet is the carrying amount, net of any provision for doubtful debts. Credit risk is managed through the consideration of credit worthiness of customers and counterparties. This ensures to the extent possible, that customers and counterparties to transactions are able to pay their obligations when due and payable. Such monitoring is used in assessing impairment.

i. Past due but not impaired

As at 30 June 2021 there were no receivables past due but not impaired (2020: NIL).

ii. Impaired trade receivables

Individual receivables which are known to be uncollectable are written off by reducing the carrying amount directly. The other receivables are assessed to determine whether there is objective evidence that an impairment has been incurred but not yet identified. For these receivables, the estimated impairment losses are recognised in a separate provision for impairment. The group considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor,
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or delinquency in payments (past due).

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses are recognised in profit or loss within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses.

(c) Market risk

i. Foreign currency risk

The group undertakes transactions impacted by foreign currencies; hence exposures to exchange rate fluctuations arise. The majority of the group's revenue is affected by movements in USD:AUD exchange rate that impacts on the Australian gold price whereas the majority of costs (including capital expenditure) are in Australian dollars. The group considers the effects of foreign currency risk on its financial position and financial performance and assesses its option to hedge based on current economic conditions and available market data.

ii. Commodity price risk

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

Notes to the financial statements: Risk

Forward sales contracts

Gold price risk is managed through the use of forward sales contracts which effectively fix the Australian Dollar gold price and thus provide cash flow certainty. These contracts are accounted for as sale contracts with revenue recognised once gold has been physically delivered into the contract. The physical gold delivery contracts are considered a contract to sell a non financial item and therefore do not fall within the scope of *AASB 9 Financial Instruments*. At 30 June 2021, the group had 206,000 ounces in forward sales contracts at an average price of A$2,335. Refer to Note 23 for further details.

Put options

Gold price risk may be managed with the use of hedging strategies through the purchase of gold put options to establish gold "floor prices" in Australian dollars over the group's gold production; however, this is generally at levels lower than current market prices. These put options enable Ramelius to retain full exposure to current, and any future rises in the gold price while providing protection to a fall in the gold price below the strike price. Gold put options are marked to market at fair value through the income statement.

Gold prices, cash flows and economic conditions are constantly monitored to determine whether to implement a hedging program.

(d) Gold price sensitivity analysis

The group has performed a sensitivity analysis relating to its exposure to gold price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity.

Based on gold sales of 149,600oz (277,450oz less forward sales of 127,850oz) in 2021 and 67,410oz (228,210oz less forward sales of 160,800oz) in 2020, if gold price in Australian dollars had changed by + / - A$100, with all other variables remaining constant, the estimated realised impact on pre tax profit (loss) and equity would have been as follows:

	2021 $'000	2020 $'000
Impact on pre-tax profit		
Increase in gold price by A$100	14,960	6,741
Decrease in gold price by A$100	(14,960)	(6,741)
Impact on equity		
Increase in gold price by A$100	14,960	6,741
Decrease in gold price by A$100	(14,960)	(6,741)

(e) Fair value measurement

The financial assets and liabilities of the group are recognised on the balance sheet at their fair value in accordance with the group's accounting policies. Measurement of fair value is grouped into levels based on the degree to which fair value is observable in accordance with *AASB 7 Financial Instruments: Disclosure*.

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

(f) Fair value measurement of financial instruments

Derivative financial assets are measured at fair value using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. The valuations would be recognised as a Level 2 in the fair value hierarchy as they have been derived using inputs from a variety of market data. Available for sale financial assets are measured at fair value using the closing price on the reporting date as listed on the Australian Securities Exchange Limited (ASX). Available for sale financial assets are recognised as a Level 1 in the fair value hierarchy as defined under *AASB 7 Financial Instruments: Disclosures*. The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short term nature.

Notes to the financial statements: Risk

Note 19: Capital risk management

(a) Risk management

The group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

Loan covenants

Under the terms of the SFA the group is required to comply with financial and non financial covenants. The group has complied with these covenants throughout the financial year.

(b) Dividends

Ordinary shares

	2021 $'000	2020 $'000
Final ordinary dividend for the 2020 financial year of 2 cents (2019: 1 cent) per fully paid share paid on 2 October 2020	16,170	6,579
Total dividends paid	**16,170**	6,579

Franked dividends

	2021 $'000	2020 $'000
Franking credits available for subsequent reporting periods based on a tax rate of 30%	68,203	41,486

The above represents the balance of the franking account as at the end of the reporting period, adjusted for:

- Franking credits / debits that will arise from payment of any current tax liability / current tax asset, and
- Franking debits that will arise from the payment of dividends recognised as a liability at the reporting date.

Notes to the financial statements: Group structure

Note 20: Asset acquisitions

(a) Penny Gold Mine (Spectrum Metals Limited)

On 23 June 2020, the company completed the acquisition of Spectrum Metals Limited. The total purchase consideration was $170,806,000 comprising cash paid of $31,433,000, shares issued (net of NCI reserve and revaluation of on market acquisitions) of $127,662,000, and acquisitions related costs of $11,711,000. The group determined that the transaction did not constitute a business combination in accordance with *AASB 3 Business Combinations*. The acquisition of net assets meets the definition of, and has been accounted for, as an asset acquisition.

Details of the acquisition were disclosed in Note 20 of the group's annual financial statements for the year ended 30 June 2020.

(b) Amounts paid in current year

During the year Ramelius paid acquisition costs (being transaction stamp duty) that it previously provided for, but not paid. The stamp duty related to the Tampia, Marda, and Penny Gold Mine acquisitions. The final stamp duty on these acquisitions paid in the current year was $14,352,000.

Note 21: Interests in other entities

(a) Controlled entities

The group's principal subsidiaries at 30 June 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Country of incorporation	Functional currency	Percentage owned 2021 %	Percentage owned 2020 %
Parent entity				
Ramelius Resources Limited	Australia	Australian dollars	n/a	n/a
Subsidiaries of Ramelius Resources Limited				
Mt Magnet Gold Pty Limited	Australia	Australian dollars	100	100
RMSXG Pty Limited	Australia	Australian dollars	100	100
Ramelius USA Corporation	USA	US dollars	100	100
Ramelius Operations Pty Limited	Australia	Australian dollars	100	100
Explaurum Limited	Australia	Australian dollars	100	100
Subsidiaries of Mt Magnet Gold Pty Limited				
Spectrum Metals Limited	Australia	Australian dollars	100	100
Subsidiaries of Spectrum Metals Limited				
Penny Operations Pty Limited (Formerly Zebra Minerals Pty Limited)	Australia	Australian dollars	100	100
Red Dirt Mining Pty Limited	Australia	Australian dollars	-	100
Subsidiaries of Ramelius Operations Pty Limited				
Edna May Operations Pty Limited	Australia	Australian dollars	100	100
Marda Operations Pty Limited	Australia	Australian dollars	100	100
Subsidiaries of Explaurum Limited				
Tampia Operations Pty Limited (Formerly Explaurum Operations Pty Limited)	Australia	Australian dollars	100	100
Ninghan Exploration Pty Limited	Australia	Australian dollars	100	100

The parent entity and all subsidiaries of Ramelius, except for Ramelius USA Corporation (including all of its subsidiaries), form part of the closed group.

Notes to the financial statements: Unrecognised items

(b) Joint operations

The group has the following direct interests in unincorporated joint operations at 30 June 2021 and 30 June 2020:

Joint operation project	Joint operation partner	Principal activity	Interest (%) 2021	2020
Nulla South	Chalice Gold Mines Limited	Gold	75%*	0%*
Gibb Rock	Chalice Gold Mines Limited	Gold	0%*	0%*
Coogee Farm out	Unlisted entity	Gold	0%*	Diluting 90%
Parker Dome	Unlisted entity	Gold	0%*	0%*
Mt Finnerty	Unlisted entity	Gold	0%*	0%*
Jupiter	Kinetic Gold#	Gold	0%*	0%*

* Ramelius is earning into the joint ventures by undertaking exploration and evaluation activities.
# Kinetic Gold is a subsidiary of Renaissance Gold Inc.

The share of assets in unincorporated joint operations is as follows:

	2021 $'000	2020 $'000
Non current assets		
Exploration and evaluation assets (Note 10)	248	684

(c) Recognition and measurement

Under *AASB 11 Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Ramelius has exploration related joint arrangements which are considered joint operations. Ramelius recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Note 22: Contingent liabilities

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

(a) Bank guarantees

The group has negotiated a number of bank guarantees in favour of various government authorities and service providers. The total nominal amount of these guarantees at the reporting date is $172,103 (2020: $120,145). These bank guarantees are fully secured by cash on term deposit.

Notes to the financial statements: Unrecognised items

Note 23: 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 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**
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 expenditure commitments

	2021 $'000	2020 $'000
Capital expenditure contracted but not provided for in the financial statements:		
Within one year	**4,461**	3,575

(c) Minimum exploration and evaluation commitments

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

	2021 $'000	2020 $'000
Within one year	4,958	5,077
Between one and five years	14,488	17,572
Due later than five years	17,140	21,580
Total minimum exploration and evaluation commitments	**36,586**	44,229

Notes to the financial statements: Other information

Note 24: Events occurring after the reporting period

In August 2021 a binding agreement was executed with Liontown Resources Ltd (''Liontown'') for the termination of the Lithium Royalty owned by Ramelius over the majority of Liontown's Kathleen Valley Lithium Project. Consideration of $30.3 million was paid upon completion on 4 August 2021. The royalty was granted when Ramelius disposed of the Kathleen Valley Lithium – Tantalum project to Liontown in 2016. The royalty comprised both a production component of A$0.50/tonne of ore mined and a sales component of 1% of the gross sales of the ore.

There were no other matters or circumstances that have arisen since 30 June 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.

Note 25: Related party transactions

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

	2021 $	2020 $
Key management personnel compensation		
Short term employee benefits[1]	3,512,405	3,321,883
Post employment benefits	168,000	148,422
Other long term benefits	88,296	45,560
Share based payments	726,334	1,014,048
Total key management personnel compensation	**4,495,035**	4,529,913

1. Short term benefits as per *Corporations Regulation* 2M.3.03(1) Item 6.

Detailed remuneration disclosures are provided in the Remuneration Report.

(a) Subsidiaries
Interests in subsidiaries are set out in Note 21.

(b) Transactions with other related parties
There were no other transactions with related parties during the year. There were no amounts receivable from or payable to Directors and their related entities at reporting date.

Note 26: Share based payments

(a) Performance rights
Under the Performance Rights Plan, which was approved by shareholders at the 2019 Annual General Meeting, eligible employees are granted performance rights (each being an entitlement to an ordinary fully paid share) subject to the satisfaction of vesting conditions and on the terms and conditions as determined by the Board. Performance rights are issued for no consideration and have a nil exercise price.

From 1 July 2020, there are two equally weighted performance hurdles, relative total shareholder returns (**TSR**) measured against a benchmark peer group and 15% absolute TSR. Prior to 1 July 2020, the only performance hurdle was relative TSR. Once vested, performance rights remain exercisable for a period of seven years.

Performance rights issued under the plan carry no voting or dividend rights.

Notes to the financial statements: Other information

The table set out below summarises the performance rights granted:

	2021 Performance rights	2020 Performance rights
As at 1 July	11,762,913	10,075,033
Performance rights forfeited	(1,120,354)	(618,601)
Performance rights granted	1,830,658	3,684,003
Performance rights exercised	(3,062,806)	(1,377,522)
As at 30 June	**9,410,411**	11,762,913
Vested and exercisable at 30 June	*1,744,707*	*1,224,625*

The fair value at grant date is independently determined using a Monte Carlo Simulations pricing model that takes into account the exercise price, the term of the performance right, the share price at grant date, expected price volatility of the underlying share and the risk free rate for the term of the performance right. The expected price volatility is based on historic volatility (based on the remaining life of the performance right). Model inputs for performance rights granted during the year are as follows:

	Performance rights granted:			
Metric	**1 Oct 2020**	**1 Oct 2020**	**26 Nov 2020**	**26 Nov 2020**
Exercise price	$nil	$nil	$nil	$nil
Grant date	1 Oct 2020	1 Oct 2020	26 Nov 2020	29 Nov 2020
Life	2.8 years	2.8 years	2.6 years	2.6 years
Share price at grant date	$2.07	$2.07	$1.70	$1.70
Expected price volatility	65%	65%	65%	65%
Risk free rate	0.90%	0.90%	1.16%	1.16%

Performance rights outstanding at the end of the year have the following expiry date:

Grant date	Expiry date	2021 Performance rights	2020 Performance rights
23 November 2016	1 July 2024	101,138	202,276
23 November 2016	1 July 2025	129,593	213,881
23 November 2016	1 July 2026	241,043	308,468
22 December 2016	11 June 2026	500,000	500,000
1 July 2017	1 July 2027	772,933	2,342,388
31 July 2017	1 July 2027	-	464,445
3 October 2017	1 July 2027	-	580,500
5 September 2018	1 July 2028	1,976,026	2,437,039
29 November 2018	1 July 2028	1,081,024	1,156,469
9 October 2019	1 July 2029	2,146,509	2,590,422
22 November 2019	1 July 2027	322,342	322,342
22 November 2019	1 July 2029	644,683	644,683
1 October 2020	1 July 2030	1,139,728	-
26 November 2020	1 July 2030	355,392	-
Total		**9,410,411**	11,762,913
Weighted average remaining contractual life of performance rights outstanding at the end of the year		7.23 years	7.92 years

(b) Expenses arising from share based payment transactions

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

	2021 $'000	2020 $'000
Performance rights	1,770	2,130
Total share based payment expense	**1,770**	2,130

(c) Recognition and measurement

The group provides benefits to employees (including the Managing Director / Chief Executive Officer) in the form of share based compensation, whereby employees render services in exchange for shares or options and/or rights over shares (equity settled transactions).

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

(i) Performance rights plan

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

(ii) Other long term incentives

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

The fair value of options and/or rights granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options and/or rights granted, which includes any market performance conditions and the impact of any non vesting conditions but excludes the impact of any service and non market performance vesting conditions.

Non market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options and/or rights that are expected to vest based on the non market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Upon exercise of the rights, the balance of the share based payments reserve relating to those rights remains in the share based payments reserve until it is transferred to retained earnings.

Notes to the financial statements: Other information

Note 27: Remuneration of auditors

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

	2021 $	2020 $
Total remuneration of Deloitte Touche Tohmatsu for audit or review of financial reports of the group	188,700	156,175

Note 28: Earnings per share

	2021 Cents	2020 Cents
(a) Basic earnings per share		
Basic earnings per share attributable to the ordinary equity holders of the company	15.64	16.43
(b) Diluted earnings per share		
Diluted earnings per share attributable to the ordinary equity holders of the company	15.45	16.13

	2021 Number	2020 Number
(c) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	810,528,504	690,240,811
Adjustments for calculation of diluted earnings per share:		
Share rights and options	9,952,989	12,922,406
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	**820,481,493**	703,163,217

(d) Calculation of earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, adjusted to exclude costs of servicing equity other than ordinary shares,
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in determining basic earnings per share to take into account the:

- after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares,
- weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(e) Earnings used in the calculation of earnings per share

Both the basic and diluted earnings per share have been calculated using the profit after tax as the numerator.

(f) Classification of securities

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

(g) Classification of securities as potential ordinary shares

Rights to shares granted to executives and senior managers are included in the calculation of diluted earnings per share and assume all outstanding rights will vest. Rights are included in the calculation of diluted earnings per share to the extent they are dilutive. Options have been included in determining diluted earnings per share to the extent that they are in the money (i.e. not antidilutive). Rights and options are not included in basic earnings per share.

Note 29: Assets pledged as security

The carrying amounts of assets pledged as security for current borrowings are:

	2021 $'000	2020 $'000
Current		
Floating		
Cash and cash equivalents	228,502	164,951
Receivables	1,920	3,221
Inventories	100,813	97,553
Other Assets	1,484	4,475
Total current assets pledged as security	**332,719**	270,200
Non current		
Floating charge		
Investments	6,308	624
Property, plant and equipment	100,177	78,058
Development assets	373,237	208,268
Exploration and development assets	35,837	26,038
Total non current assets pledged as security	**515,559**	312,988
Total assets pledged as security	**848,278**	583,188

Note 30: Deed of cross guarantee

Pursuant to ASIC Instrument 2016/785, wholly owned controlled entities Mt Magnet Gold Pty Ltd, RMSXG Pty Ltd, Ramelius Operations Pty Ltd, Edna May Operations Pty Ltd, Marda Operations Pty Ltd, Tampia Operations Pty Ltd, Ninghan Exploration Pty Ltd and Penny Operations Pty Ltd are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of its financial reports and Director's Report.

It is a condition of the Class Order that the company and each of its eligible controlled entities enter into a Deed of Cross Guarantee. In December 2011, Ramelius Resources Limited, RMSXG Pty Ltd and Mt Magnet Gold Pty Ltd (the Closed group) entered into a Deed of Cross Guarantee. In March 2018 Edna May Operations Pty Ltd and Ramelius Operations Pty Ltd joined the Closed group by entering the Deed of Cross Guarantee by way of an Assumption Deed. In April 2019 Explaurum Ltd, Tampia Operations Pty Ltd and Ninghan Exploration Pty Ltd joined the closed group by entering the Deed of Cross Guarantee by way of an Assumption Deed. In March 2021, Spectrum Metals Ltd and Penny Operations Pty Ltd joined the closed group by entering the Deed of Cross Guarantee by way of assumption Deed.

The effect of the Deed is that Ramelius Resources Limited has guaranteed to pay any deficiency in the event of winding up of the abovementioned controlled entities under certain provisions of the Corporations Act 2001. Mt Magnet Gold Pty Ltd, RMSXG Pty Ltd, Ramelius Operations Pty Ltd, Edna May Operations Pty Ltd, Marda Operations Pty Ltd, Explaurum Ltd, Tampia Operations Pty Ltd, Ninghan Exploration Pty Ltd and Penny Operations Pty Ltd have also given a similar guarantee in the event that Ramelius Resources Limited is wound up.

A Consolidated Statement of Comprehensive Income and Consolidated Balance sheet comprising the Closed group which are parties to the Deed of Cross Guarantee, after eliminating all transactions between parties to the Deed is set out below.

Notes to the financial statements: Other information

Statement of comprehensive income	2021 $'000	2020 $'000
Sales revenue	634,283	460,486
Cost of sales	(443,825)	(289,358)
Gross profit	**190,458**	171,128
Other expenses	(21,158)	(18,021)
Other income	8,261	1,346
Interest income	715	996
Finance costs	(3,414)	(4,025)
Profit before income tax	**174,862**	151,424
Income tax expense	(47,962)	(36,070)
Profit for the year	**126,900**	115,354
Other comprehensive income		
Net change in fair value of investments	376	655
Other comprehensive income for the year	**376**	655
Total comprehensive income for the year	**127,276**	116,009

Balance sheet	2021 $'000	2020 $'000
Current assets		
Cash and cash equivalents	228,502	164,951
Trade and other receivables	1,920	3,221
Inventories	100,813	97,553
Other assets	1,484	4,475
Total current assets	**332,719**	270,200
Non current assets		
Other receivables	1,754	2,745
Other assets	503	171,309
Investments	6,308	624
Property, plant, and equipment	100,177	78,057
Mine development	375,338	208,268
Exploration and evaluation assets	31,253	26,038
Total non current assets	**515,333**	487,041
Total assets	**848,052**	757,241

Notes to the financial statements: Other information

Balance sheet (continued)	2021 $'000	2020 $'000
Current liabilities		
Trade and other payables	58,479	82,126
Borrowings	-	23,475
Lease liability	16,673	16,643
Contingent consideration	5,186	6,262
Tax payable	30,342	21,272
Provisions	9,205	9,200
Current liabilities	**119,885**	158,978
Non current liabilities		
Lease liability	9,364	13,846
Contingent consideration	3,353	6,923
Deferred tax liabilities	35,417	21,061
Provisions	42,498	38,720
Total non current liabilities	**90,632**	80,550
Total liabilities	**210,517**	239,528
Net assets	**637,535**	517,713
Equity		
Share capital	379,391	370,781
Reserves	(33,384)	(34,657)
Retained earnings	291,528	181,589
Total equity	**637,535**	517,713

Note 31: Parent entity information

The financial information of the parent entity, Ramelius Resources Limited, has been prepared on the same basis as the consolidated financial statements, other than investments in controlled entities which were carried at cost less impairment.

	2021 $'000	2020 $'000
(a) Summary financial information		
Financial statement for the parent entity show the following aggregate amounts:		
Current assets	134,319	161,546
Total assets	515,384	499,027
Current liabilities	(31,034)	(34,709)
Total liabilities	(25,892)	(27,772)
Net assets	**489,492**	471,255
Equity		
Share capital	379,391	370,781
Reserves		
Share based payment reserve	4,232	3,288
Other reserves	12	(317)
Retained losses	105,857	97,503
Total equity	**489,492**	471,255
(b) Income statement		
Profit after income tax	**24,913**	122,476
Total comprehensive income	**24,652**	122,410

Notes to the financial statements: Other information

(i) Minimum exploration and evaluation commitments

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

Within one year	**393**	511
Later than one year but not later than five years	**1,020**	1,392
Later than five years	**1,113**	1,404
Total minimum exploration and evaluation commitments	**2,526**	3,307

(c) Contingent liabilities

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

(d) Bank guarantees

Ramelius has negotiated a number of bank guarantees in favour of various government authorities and service providers. The total nominal amount of these guarantees at the reporting date is $172,103 (2020: $120,145). These bank guarantees are fully secured by cash on term deposit.

(e) Guarantees in relation to debts of subsidiaries

In December 2011, Ramelius Resources Limited, RMSXG Pty Ltd and Mt Magnet Gold Pty Ltd (the Closed group) entered into a Deed of Cross Guarantee. In March 2018 Edna May Operations Pty Ltd and Ramelius Operations Pty Ltd joined the Closed group by entering the Deed of Cross Guarantee by way of an Assumption Deed. In April 2019 Explaurum Ltd, Tampia Operations Pty Ltd and Ninghan Exploration Pty Ltd joined the closed group by entering the Deed of Cross Guarantee by way of an Assumption Deed. In March 2021, Spectrum Metals Ltd and Penny Operations Pty Ltd joined the closed group by entering the Deed of Cross Guarantee by way of assumption Deed.

The effect of the Deed is that Ramelius has guaranteed to pay any deficiency in the event of winding up of the abovementioned subsidiaries under certain provisions of the *Corporations Act 2001.* The subsidiaries have also given a similar guarantee in the event that Ramelius is wound up.

Note 32: Accounting policies

(a) New standards and interpretations not yet adopted

The group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2020.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods and have not been early adopted by the group. The group has assessed that these new standards and interpretations will not have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Directors' declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 34 to 78 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 30 June 2021 and of its performance for the financial year ended on that date, and

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

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended Closed group identified in Note 30 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 30.

The 'About this report' section of the notes to the financial statements confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

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

Bob Vassie
Chair

Perth
26 August 2021

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Tower 2, Brookfield Place
123 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Ramelius Resources Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated balance sheet as at 30 June 2021, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 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 report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter

Accounting for mine development assets
 	
As at 30 June 2021, the carrying value of mine development assets amounts to $375.3 million as disclosed in Note 9.
 	
During the year the Group incurred $119.2 million of capital expenditure related to mine development assets and recognised related amortisation expenses of $128.8 million.
 	
The accounting for both underground and open pit operations includes a number of estimates and judgements, including:
• the allocation of mining costs between operating and capital expenditure; and
• the determination of the units of production used to amortise mine properties.
 	
For underground operations, a key driver of the allocation of costs between operating and capital expenditure is the physical mining data associated with the different underground mining activities including the development of declines, lateral and vertical development, as well as capital non-sustaining costs.
 	
The allocation of costs for open pit operations is based on the ratio between actual ore and waste mined, compared with the ratio of expected ore and waste mined over the life of the respective open pit.
	In respect of the allocation of mining costs our procedures included, but were not limited to:
	• obtaining an understanding of the key controls management has in place in relation to the capitalisation of both underground and open pit mining costs and the production of physical mining data; and
	• on a sample basis, testing the mining costs through agreeing to source data.
	
	In respect of the allocation of mining costs for underground operations, our procedures included, but were not limited to:
	• assessing the appropriateness of the allocation of costs between operating and capital expenditure based on the nature of the underlying activity, and recalculating the allocation based on the underlying physical data.
	
	In respect to the deferred stripping costs our procedures included, but were not limited to:
	• assessing the accounting policy against the appropriate accounting standards, including AASB 102 *Inventories* and AASB Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine*;
	• assessing the accuracy of the actual stripping ratios by agreeing key inputs to production reports and stockpile surveys; and
	• assessing the completeness and accuracy of costs associated with stripping activities.
	
	In respect of the Group's unit of production amortisation calculations our procedures included, but were not limited to:
	• obtaining an understanding of the key controls management has in place in relation to the calculation of the unit of production amortisation rate;
	• testing the mathematical accuracy of the rates applied; and
	• agreeing the inputs to source documentation, including:
	  ▪ the allocation of contained ounces to the specific mine development assets;
	  ▪ the contained ounces to the applicable reserves statement; and
	  ▪ the reasonableness of the life of mine plan for the development asset.
	
	We also assessed the appropriateness of the disclosures included in Note 9 to the financial statements.

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or businessactivities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 22 to 31 of the Directors' Report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Ramelius Resources Limited, for the year ended 30 June 2021, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

DELOITTE TOUCHE TOHMATSU

David Newman
Partner
Chartered Accountants
Perth, 26 August 2021