



Ramelius Resources Limited and Controlled Entities

Interim Financial Report

31 December 2008

CORPORATE DIRECTORY

Ramelius Resources Limited

ACN 001 717 540
ABN 51 001 717 540
Incorporated in NSW

Registered Office

140 Greenhill Road
UNLEY SA 5061
Telephone: (08) 8373 6473 / (08) 8373 5588

Share Registrar

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
ADELAIDE SA 5000
Telephone: (08) 8236 2300
Facsimile: (08) 8236 2305

Email: info@computershare.com.au

Auditor

Grant Thornton
Chartered Accountants
67 Greenhill Road
Wayville SA 5034

Ramelius Resources Limited and Controlled Entities

Directors' report

The directors present their report together with the consolidated half-year financial report of Ramelius Resources Limited ("the Company") and its controlled entities for the half-year ended 31 December 2008 and the auditor's independent review report thereon.

Directors

The directors of the Company at any time during or since the end of the half-year are:

Robert Michael Kennedy *ASAIT, Grad, Dip (Systems Analysis), FCA, ACIS, FAIM, FAICD*
Non-Executive Chairman

Reginald George Nelson *BSc, Hon Life Member Society of Exploration Geophysicists, FAusIMM, FAICD*
Non-Executive Director

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

Joseph Fred Houldsworth
Managing Director and Chief Executive Officer

Ian James Gordon *BCom, MAICD.*
Executive Director and Chief Operating Officer

Principal activities

The consolidated entity's principal activity is gold and other mineral exploration and production.

Review and results of operations

During the half-year the Company mined 67,077 tonnes of ore from the Wattle Dam pit cut-back at an estimated grade of 2.96 g/t gold. 50,888 tonnes of low grade gold ore was milled during the half-year to produce 3,036 ounces of gold.

Gold sales to 31 December 2008 totalled \$3,013,912. The average gold sales price received during the period was \$1,197.72 per ounce.

As at 31 December 2008, total ore mined from the Wattle Dam pit cut back operation, was estimated to contain 6,388 ounces which was equivalent to the estimated production for the whole pit cut back operation with 25 metres of depth to the cut back remaining and with grade control drilling confirming that the high grade zone continued.

In July 2008 the Company announced that RC drilling had intersected Wattle Dam style mineralisation at Golden Orb with intercepts of 7 metres at 10.8g/t gold from 117 metres (including 2 metres at 27g/t gold) and 4 metres at 6.9g/t gold from 103 metres (including 2 metres at 12.2g/t gold) which with previous drilling, had defined a new gold zone on the same contact as Wattle Dam that was open to the north, south and down dip and which had the potential to add to the existing Wattle Dam Resources as a low cost, high grade gold operation.

A program of 13 diamond drill holes (GODH0001 – GODH0013) for 2,544 metres was subsequently completed at Golden Orb which returned significant results including 10 metres at 3.2g/t gold from 176 metres including 1 metre at 10.8g/t gold from 177 metres from one drill-hole GODH0012 and 1 metre at 99.1g/t from 199 metres including 0.35 metres at 226g/t gold from 199 metres from another drill-hole GODH0004.

In August 2008 the Company announced a visible gold intercept in a diamond drill hole at Wattle Dam which returned an intercept of 3 metres at 229 g/t (7.36 oz/t) gold from 253 metres down hole including 0.16 metres at 4,288 g/t (137.8 oz/t) gold from 254.46 metres. In October 2008 further visible gold was intersected in another diamond drill hole which returned 1 metre at 79 g/t (2.54 oz per tonne) gold from 268 metres down hole; and 5.5 metres at 148 g/t (4.75 oz per tonne) gold from 273.5 metres down hole including 0.2 metres at 1846 g/t (59 oz per tonne) gold and 0.6 metres at 738 g/t (24 oz per tonne) gold. These drilling results confirmed the down plunge continuation of the high grade zone at Wattle Dam at depth below the current mine plan.

During the reporting period, the Company;

- acquired West Wattle Dam tenements PL15/4381 and MLA15/1474 through the issue of 100,000 shares in the Company as consideration at a fair value of \$80,000.

Ramelius Resources Limited and Controlled Entities

Directors' report (continued)

- sold Parker Range tenements EL77/1403, PL's 77/3481, 77/3740, 77/3764, 77/3765 and MLA77/1085 for a cash consideration of \$100,000 and a 1% royalty on the sale of any precious metals from the tenements capped at \$500,000.
- surrendered a small insignificant tenement holding, EL15/718 which the Controlling Entity elected not to convert to a mining lease.

Share capital increased during the half-year by \$1,788 as result of option-holders exercising 1,192 options at \$1.50.

Net loss after extraordinary items and income tax for the half-year was \$749,422.

Events subsequent to balance date

Since 31 December 2008 the consolidated entity:

- selected HWE Mining Pty Limited as preferred underground contractor for the Wattle Dam mine.
- announced a new underground resource estimate of 677,000 tonnes at 5.5 g/t gold for 118,600 ounces for Wattle Dam which was estimated to a depth of 230 metres below surface and representing an increase of 43% on the previous resource of 83,200 oz and with the resource still open at depth.

Other than the above matters, there has not arisen in the interval between 31 December 2008 and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future years.

Likely developments

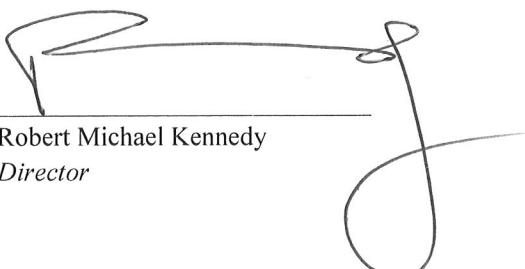
Further information about likely developments in the operations of the Company and the expected results of those operations in future years have not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Auditors Independence Declaration

Section 307C of the Corporations Act 2001 requires the Company's auditors, Grant Thornton, to provide the directors of Ramelius Resources Limited with an Independence Declaration in relation to the review of the half-year financial report. The Independence Declaration is set out on the following page and forms part of this Director's Report.

Signed in accordance with a resolution of the Board of Directors:

Dated at UNLEY this 13th day of MARCH 2009.



Robert Michael Kennedy
Director

**Grant Thornton South Australian
Partnership**
ABN 27 244 906 724

Level 1,
67 Greenhill Rd
Wayville SA 5034
GPO Box 1270
Adelaide SA 5001
DX 275 Adelaide

T 61 8 8372 6666
F 61 8 8372 6677
E info@gtsa.com.au
W www.grantthornton.com.au

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF RAMELIUS RESOURCE LIMITED AND CONTROLLED
ENTITY**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Ramelius Resources Limited and controlled entity for the half-year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



P S Paterson
Partner

Signed at Wayville on this *13* day of *March* 2009

Ramelius Resources Limited and Controlled Entities
Consolidated Income Statement
For the half-year-ended 31 December 2008

	Note	Dec 2008 \$	Dec 2007 \$
Sales	4	3,013,913	11,527,276
Other Revenues from ordinary activities	4	448,748	273,185
Total Revenue		3,462,661	11,800,461
Administrative expenses		311,168	298,444
Changes in inventories		(1,100,077)	2,608,399
Consultancy expenses		60,000	87,157
Depreciation and amortisation		1,613,858	862,615
Employment expenses		423,462	471,130
Exploration costs written off		6,656	-
Gold hedging expenses		394,919	201,150
Impairment of exploration assets		-	479,579
Listing expenses		26,918	48,924
Loss on disposal of assets		-	2,704
Mining and milling expenses		2,723,271	4,626,386
Occupancy expenses		16,008	38,939
Other expenses from ordinary activities		18,445	16,971
Profit/(loss) from ordinary activities before related income tax expense		(1,031,967)	2,058,063
Income tax (expense)/benefit relating to ordinary activities		282,525	(622,530)
Profit/(loss) from ordinary activities after related income tax		(749,442)	1,435,533
Basic earnings per share (cents)		(0.4)	0.9
Diluted earnings per share (cents)		(0.3)	0.8

The accompanying notes form part of these financial statements.

Ramelius Resources Limited and Controlled Entities
Consolidated Balance Sheet
As at 31 December 2008

	Dec 2008	June 2008
	\$	\$
Current assets		
Cash assets	6,088,829	16,170,847
Trade and other receivables	992,975	667,674
Inventories	1,215,297	151,643
Other financial assets	62,143	353,823
Other current assets	96,790	162,940
Total current assets	<u>8,456,034</u>	<u>17,506,927</u>
Non-current assets		
Property, plant, equipment & development assets	18,560,631	13,465,084
Exploration and evaluation expenditure	10,786,135	8,041,534
Deferred tax assets	4,911,124	2,879,980
Total non-current assets	<u>34,257,890</u>	<u>24,386,598</u>
Total assets	<u>42,713,924</u>	<u>41,893,525</u>
Current liabilities		
Trade and other payables	3,023,831	3,162,274
Short term provisions	296,209	257,858
Total current liabilities	<u>3,320,040</u>	<u>3,420,132</u>
Non-current liabilities		
Long term provisions	369,969	285,214
Deferred tax liability	5,970,100	4,556,099
Total non-current liabilities	<u>6,340,069</u>	<u>4,841,313</u>
Total liabilities	<u>9,660,109</u>	<u>8,261,445</u>
Net assets	<u>33,053,815</u>	<u>33,632,080</u>
Equity		
Issued capital	28,743,003	28,661,250
Share based payments reserve	644,836	555,412
Retained profits / (losses)	3,665,976	4,415,418
Total equity	<u>33,053,815</u>	<u>33,632,080</u>

The accompanying notes form part of these financial statements.

Ramelius Resources Limited and Controlled Entities
Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2008

Consolidated entity	Issued Capital \$	Share Based Payments Reserve \$	Retained Profits / (Losses) \$	Total \$
Balance at 1 July 2007	21,735,396	56,900	3,803,721	25,596,017
Transaction costs associated with the issue of shares	(1,986)	-	-	(1,986)
Transaction costs associated with the issue of bonus options	(27,456)	-	-	(27,456)
3,529,960 listed options exercised during the period at \$0.18687	659,642	-	-	659,642
356,259 listed options exercised during the period at \$1.00	356,259	-	-	356,259
6,415,122 listed options exercised during the period at \$0.11187	717,659	-	-	717,659
Return of capital to shareholders	(11,975,816)	-	-	(11,975,816)
Profit/(loss) attributable to shareholders	-	-	1,435,533	1,435,533
Balance as at 31 December 2007	11,463,698	56,900	5,239,254	16,759,852
Balance at 1 July 2008	28,661,250	555,412	4,415,418	33,632,080
Transaction costs associated with the issue of shares net of tax	(35)	-	-	(35)
Fair value of unvested performance rights for executives	-	89,424	-	89,424
Fair value of 100,000 shares issued to tenement vendor	80,000	-	-	80,000
1,192 listed options exercised during the period at \$1.50	1,788	-	-	1,788
Profit/(loss) attributable to shareholders	-	-	(749,442)	(749,442)
Balance as at 31 December 2008	28,743,003	644,836	3,665,976	33,053,815

The accompanying notes form part of these financial statements.

Ramelius Resources Limited and Controlled Entities
Consolidated Cash Flow Statement
For the half-year ended 31 December 2008

	Dec 2008	Dec 2007
	\$	\$
Cash flows from operating activities		
Cash payments in the course of operations	(4,445,716)	(8,597,374)
Cash receipts in the course of operations	2,859,126	15,689,618
Interest received	493,714	260,847
Net cash provided by/(used in) operating activities	<u>(1,092,876)</u>	<u>7,353,091</u>
Cash flows from investing activities		
Payments for property, plant, equipment and development	(5,273,182)	(530,189)
Proceeds from sale of tenements	100,000	-
Proceeds from sale of property, plant and equipment	-	2,709
Transaction costs on sale of tenements	(1,063)	-
Payments for mining tenements and exploration	(3,553,418)	(4,268,976)
Net cash provided by/(used in) investing activities	<u>(8,727,663)</u>	<u>(4,796,456)</u>
Cash flows from financing activities		
Proceeds from issue of shares	1,788	1,733,627
Transaction costs from issue of shares	(160,027)	(33,169)
Payments for hedge options	(103,240)	(111,075)
Payment of dividend to shareholders	-	(780,739)
Return of capital to shareholders	-	(11,975,816)
Net cash provided by/(used in) financing activities	<u>(261,479)</u>	<u>(11,167,172)</u>
Net increase/(decrease) in cash held	(10,082,018)	(8,610,537)
Cash at the beginning of the half-year	<u>16,170,847</u>	<u>12,984,705</u>
Cash at the end of the half-year	<u><u>6,088,829</u></u>	<u><u>4,374,168</u></u>

The accompanying notes form part of these financial statements.

Ramelius Resources Limited and Controlled Entities
Condensed notes to the consolidated financial statements
For the half-year ended 31 December 2008

1 Reporting entity

Ramelius Resources Limited (the “Company”) is a company domiciled in Australia. The consolidated half-year financial report of the Company for the six months ended 31 December 2008 comprises the Company and its subsidiaries (together referred to as the “Consolidated Entity”).

2 Basis of preparation

The consolidated half-year financial report is a general purpose financial report which has been prepared in accordance with AASB 134: Interim Financial Reporting and the Corporations Act 2001.

The consolidated half-year financial report does not include full disclosures of the type normally included in the annual financial report. This report should be read in conjunction with the annual financial report of the Consolidated Entity for the year ended 30 June 2008 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The annual financial report of the entity for the year ended 30 June 2008 is available from the Company’s website at www.rameliusresources.com.au as announcements made by the Company to the Australian Securities Exchange Limited.

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

3 Significant accounting policies

The accounting policies applied by the Consolidated Entity in this consolidated half-year financial report are the same as those applied by the entity in its financial report for the year ended 30 June 2008.

	Dec 2008	Dec 2007
	\$	\$
4 Revenues from ordinary activities		
Revenues:		
From ordinary activities:		
Refined Gold Sales	3,013,913	11,512,289
Gold Nugget Sales	-	14,987
Total Sales Revenue	<u>3,013,913</u>	<u>11,527,276</u>
Other Income		
Interest received from other parties	367,079	272,089
Profit on sale of tenements	38,443	-
Other revenue	43,226	1,096
Total Other Revenue	<u>448,748</u>	<u>273,185</u>

5 Dividends

No dividends have been paid to shareholders during the 2008 half-year (2007: Fully franked dividend paid on 3 August 2007 of 0.5 cents per share franked at the tax rate of 30%).

- 780,739

Ramelius Resources Limited and Controlled Entities
Condensed notes to the consolidated financial statements
For the half-year ended 31 December 2008

6 ***Contingent liabilities***

There have been no changes to contingent liabilities since 30 June 2008 apart from potential additional termination benefits arising from the Company entering into new service agreements during the period with the Managing Director, and the Company Secretary/Chief Financial Officer whose previous employment agreements had expired at 30 June 2008. The maximum contingent liability at 31 December 2008 for termination benefits which may in appropriate circumstances become payable to these executives is a total of \$246,698. However any such termination payments are subject to the requirements of ASX Listing Rule 10.19, and in the event that the value of termination benefits to be paid and the value of all other termination benefits that are or may be payable to all officers of the Company together exceed 5% of the equity interests of the Company as set out in the latest accounts given to the ASX, the payment shall be pro-rata based on the maximum total termination benefits allowable under ASX Listing Rule 10.19.

7 ***Controlled Entities***

(a) Controlled Entities Consolidated

	Country of Incorporation	Percentage Owned (%)	
		Dec 2008	June 2008
Parent Entity:			
Ramelius Resources Limited	Australia	-	-
Subsidiaries of Ramelius Resources Limited:			
Ramelius Milling Services Pty Ltd	Australia	100	100

8 ***Events subsequent to balance date***

Since 31 December 2008 the consolidated entity;

- selected HWE Mining Pty Limited as preferred underground contractor for the Wattle Dam mine;
- announced a new underground resource estimate of 677,000 tonnes at 5.5 g/t gold for 118,600 ounces for Wattle Dam which was estimated to a depth of 230 metres below surface and representing an increase of 43% on the previous resource of 83,200 oz and with the resource still open at depth.

Other than the above matters, there has not arisen in the interval between 31 December 2008 and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the consolidated entity, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the consolidated entity, in future years.

9 ***Segment Reporting***

The consolidated entity operates in the mineral exploration and mining business segment located in Australia

Ramelius Resources Limited and Controlled Entities

Directors' declaration

For the half-year ended 31 December 2008

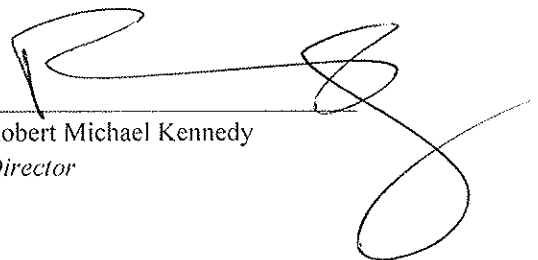
Directors' declaration

In the opinion of the directors of Ramelius Resources Limited:

- (a) the half-year financial statements and notes, set out on pages 5 to 10, comply with the Corporations Act 2001, including:
 - (i) give a true and fair view of the financial position of the consolidated entity as at 31 December 2008 and of its performance for the half-year ended on that date; and
 - (ii) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; 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.

Signed in accordance with a resolution of the directors:

Dated at UNLEY this 13th day of MARCH 2009.



Robert Michael Kennedy
Director



Grant Thornton

Grant Thornton South Australian
Partnership
ABN 27 244 906 724

Level 1,
67 Greenhill Rd
Wayville SA 5034
GPO Box 1270
Adelaide SA 5001
DX 275 Adelaide

T 61 8 8372 6666
F 61 8 8372 6677
E info@gtsa.com.au
W www.grantthornton.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RAMELIUS RESOURCES LIMITED AND CONTROLLED ENTITY

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of Ramelius Resources Limited (the Company) and consolidated entity, which comprises the consolidated balance sheet as at 31 December 2008, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, a description of accounting policies, other selected explanatory notes. The consolidated entity comprises both the Company and the entities it controlled at the half-year's end or from time to time during that half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards including the Australian Accounting Interpretations and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement ASRE 2410: Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.



Grant Thornton

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF RAMELIUS RESOURCES LIMITED AND CONTROLLED
ENTITY** *Cont*

Auditor's responsibility *Cont*

As the auditor of Ramelius Resources Limited and controlled entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

Conclusion

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

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

GRANT THORNTON
South Australian Partnership
Chartered Accountants

P S Paterson
Partner

Signed at Wayville on this *15* day of *March* 2009