

**RAMELIUS RESOURCES LIMITED**

ACN 001 717 540



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*25 February 2008*

General Manager  
The Company Announcements Office  
ASX Limited  
PO Box H224  
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Dear Sir/Madam,

***For Immediate Release***

**RAMELIUS RESOURCES LIMITED**

ACN 001 717 540

**ASX RELEASE – WATTLE DAM GOLD MINE UPDATE**

**25 FEBRUARY 2008**

**ASX CODE: RMS**

The Directors of Ramelius Resources Limited (**ASX code:"RMS"**) are pleased to release an update from the Wattle Dam Gold Mine and other exploration activities undertaken in the Spargoville gold/nickel belt located 25 kms west of Kambalda in the Eastern Goldfields of WA.

## **HIGHLIGHTS**

- **Wattle Dam Pit Cut Back progressing well**
- **Additional High Grade Ore Identified in base of Pit Cut Back**
- **Pit Cut Back now planned to greater depth (89 metres below surface)**
- **Grades increasing at depth and an overcall showing up in production**
- **Average milling grades of 4.5g/t and expected production in excess of 2000 oz for February 2009**
- **Work on Underground Portal planned to commence in March 2009.**
- **Costs for Underground Operation estimated to be A\$385/ounce for Operating costs and A\$190/ounce for Capital Costs on Base Case Mine Plan with potential significant cost reduction from any overcall.**
- **RC Drilling Completed at 8500N Prospect (600m north of Wattle Dam)**

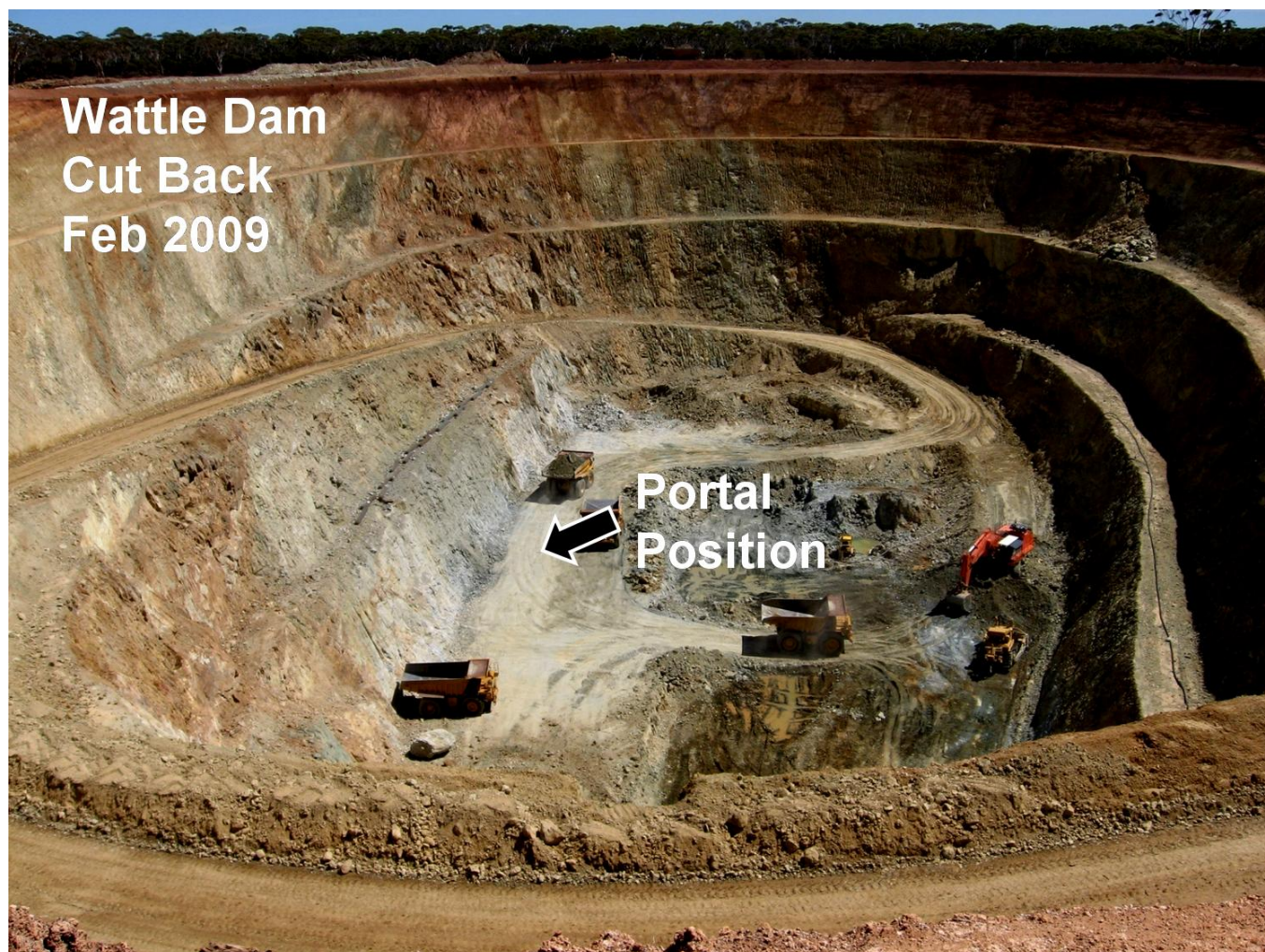
## **SUMMARY**

The Wattle Dam pit cut back is now into fresh ore below the base of the original pit, with ore production from the pit in January 2009 of 20,732t at 4 g/t gold. Grade through the mill in February 2009 to date has averaged in excess of 4.5 g/t gold, with predicted production in excess of 2000 ounces for the month. Grade control drilling completed in the pit during February indicates Ore Blocks averaging in excess of 6 g/t gold.

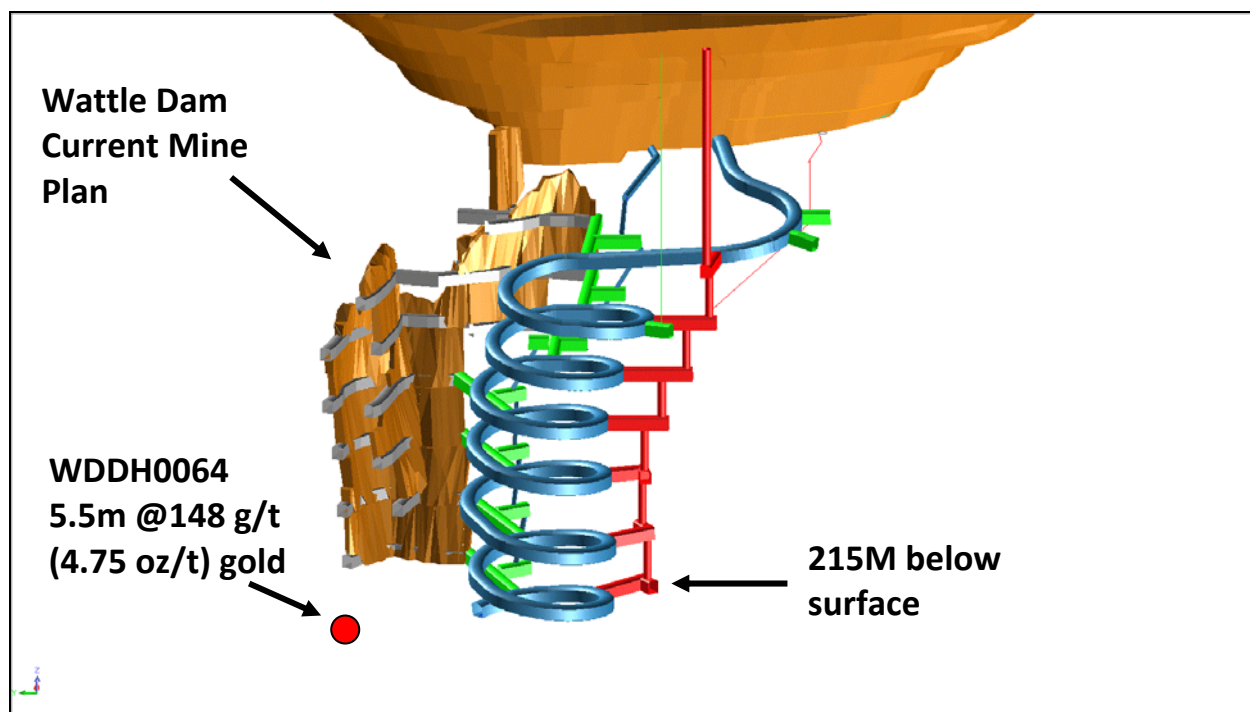
At the end of January 2009, the base of the pit was at the 282m RL (58 metres below surface), with the new planned base of the pit being at the 251m RL (89 metres below surface). To the end of January, the pit cut back had produced 87,809t @ 3.19 g/t, which compares favourably to the originally expected cut back mining inventory of 76,364 @ 2.29 g/t. This again demonstrates the ability of Wattle Dam to exceed expected production, with some 30 vertical metres of potentially high grade bearing ore yet to be extracted.

Preparation work on the underground portal will commence in March 2009, whilst the pit is being completed. The underground mine is now planned to produce a base case 70,000 ounces of gold up to the third quarter 2010 at an estimated operating cost of A\$385 per ounce and an estimated capital cost of \$A190 per ounce. Any overcall from the underground mine, as highlighted in both the open pit phases, will lower the cost substantially.

The underground decline is expected to begin full development in April 2009, with underground development ore being produced from June 2009 and stoping ore from October 2009.



Drilling of further exploratory holes at Wattle Dam, to following up on the exciting result in WDDH0064 (5.5m @ 148 g/t) will begin in March 2009. The WDDH0064 intersection is located 25 metres below the base of the current mine plan and is expected to add to Wattle Dam's high grade mining inventory once confirmation drilling is completed.



**Underground Mine Plan showing location of WDDH0064**

### **Exploration Update**

Three RC holes for 231 metres have been completed to follow up a significant intercept of 12 metres @ 5.5g/t gold from 28 metres including 4 metres at 10.5g/t gold from 32 metres located within previous Aircore drilling, approximately 300 metres south of Golden Orb.

A further eight RC holes for 778 metres were completed over the most significant portion of an 800 metre, >100ppb gold soil anomaly at the 8500N prospect, (located 600 metres north of Wattle Dam).

All results from the completed RC drilling are pending.

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The Information in this report that relates to Exploration Results is based on information compiled by Matthew Svensson.

Matthew Svensson is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting on Exploration Results. Matthew Svensson is a full-time employee of the company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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