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# NEWS

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For Immediate Release  
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## **FINAL CUT-BACK TO YIELD HIGHER GRADE GOLD FOR RAMELIUS AHEAD OF UNDERGROUND PRODUCTION**

Significant high grade yields from the final cutback of an open pit gold mine in Western Australia have been foreshadowed by 100% owner, Ramelius Resources Limited (ASX code: "RMS") as the miner prepares for its maiden underground production.

Ramelius announced today that while 85% of the pit cutback was now complete at its Wattle Dam gold mine, 25 kilometres west of Kambalda, initial grade control drilling suggested high grade gold zones continued into the final 25 metres of pit floor still to be removed.

"The milling of these tonnages, planned for the current March quarter, has the potential to result in significant cash enhancements from Wattle Dam's final open pit offerings," Ramelius' Managing Director, Mr Joe Houldsworth, said today.

"Significantly, the ore tonnes and grades from the pit cutback have already exceeded original estimates," Mr Houldsworth said.

"The total ore mined from the cutback to the end of December last year, is estimated to contain nearly 6,400 ounces of gold".

"That is equivalent to the original estimated production for the whole of the pit cut back operation – and we still have a further 25 metres of pit to mine."

Ramelius announced today it had produced 2,456 ounces of gold during the December 2008 quarter from primarily low grade ore at Wattle Dam - and generated revenue of \$2.7 million from the sale of 2,248 ounces of gold at an average price of A\$1,206.70 per ounce.

Some 31,612 tonnes of ore were extracted from the pit during the just concluded quarter at an estimated grade of 4.6 grams per tonne gold (g/t Au), including 16,760 tonnes at an estimated grade of 6.9 g/t Au.

Mr Houldsworth said the open pit work is expected to be completed in the first week of March 2009 with preparatory works completed in the pit next month for the portal position.

The Company has announced an enhanced resource estimate for Wattle Dam's underground operations of 677,000 tonnes at 5.5 g/t Au for 118,600 ounces of gold.

Mr Houldsworth said this resource – a 43% increase on earlier estimates - was within 230 metres of surface and the mineralisation remained open at depth.

Ramelius has selected HWE Mining Pty Limited as its preferred underground contractor at Wattle Dam, with contract negotiations in their final stages.

The Company processes its ore through its wholly-owned nearby Burbanks gold mill.

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