

RAMELIUS RESOURCES LIMITED

ACN 001 717 540



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ASX RELEASE

**For Immediate Release
31 October 2007**

RAMELIUS RESOURCES LIMITED

ACN 001 717 540

QUARTERLY REPORT

FOR THE PERIOD ENDING 30 SEPTEMBER 2007

ASX CODE: RMS

QUARTERLY OVERVIEW

- RC Drilling at Wattle Dam intersected **16 metres @ 482 g/t Au** (uncut) from 123 metres down hole depth, including 1 metre @ 6,770 g/t Au in hole WDRC289; and **9 metres @ 454 g/t Au** (uncut) from 132 metres down hole depth, including 1 metre @ 3,687 g/t Au in hole WDRC290.
- These holes have confirmed the existence of a high grade zone of mineralisation at Wattle Dam. Diamond drilling to test the northerly plunge of this mineralisation commenced in late September. Results from the first eight holes are expected from mid December.
- Gold Production of 7170 ounces of gold for the quarter from the treatment of 40,000 tonnes of ore at the Company's Burbanks treatment plant.
- During the quarter the Company completed the following dividend and capital initiatives:
 1. a fully franked dividend of 0.5 cents per share was paid on 3 August 2007,
 2. a capital return of 7.5 cents per share was paid on 28 September 2007; and
 3. a bonus option issue of 1 option for each 10 ordinary shares held with an exercise price of \$1.00 were issued on 17 August 2007.
- Gold in stockpiles at 30 September 2007 are estimated at **22,000 ounces** valued at **A\$18.5 million** at a gold price of A\$840 per ounce.
- RC drilling was completed at Larkinville West to follow-up gold mineralisation of **32 metres at 2.0 g/t Au** from RAB drilling completed in the June quarter. Results are pending.
- At **Eagle's Nest**, RC drilling of a gold auger anomaly commenced in September and was completed in October. Results are pending.

OUTLOOK

- Diamond drilling to test extensions of Wattle Dam ore body at depth. Drilling commenced in late September and will continue to the end of the December quarter.
- Further gold production from the Burbanks mill as production continues at ~15,000 tonnes per month.

- RC and Diamond drilling to test nickel targets at 1A North and Hilditch.
- Continued RAB drilling to test nickel and gold targets north of the Wattle Dam mine.

OPERATIONS SUMMARY**MINING - WATTLE DAM 7800N GOLD MINE (WA) – M15/1101
(100% Gold)**

Open pit mining at the Wattle Dam Gold Mine was suspended on 31 October 2006, with a total of ~160,000 tonnes of ore mined from twenty one flitches (total 53.5 metres depth) at a cumulative grade of 10.1 g/t gold estimated from “un-cut” grade control drilling. Subsequently geological mapping of the open pit and resource delineation drilling below the open pit has been undertaken.

As at 30 September 2007, estimated stockpiles of Wattle Dam ore are 76,089 tonnes at 9.00 g/t for a total of 22,000 ounces of gold.

Table 1: Production Statistics (Including nuggets and specimen stone)

Production Statistics - June Quarter 2007	Unit	Mined	Processed
Ore Mined	tonnes		
Ore processed	tonnes		39,681
Recovered Head Grade	g/t gold		6.2
Total Recovery	%		95.6
Gold Production *	oz		7170
Gold Production	kg		223

* Gold in circuit of 1650 oz not included

Production Statistics - Project to Date	Unit	Mined	Grade g/t gold (uncut)
Ore Mined High Grade	tonnes	160,123	10.1
Ore Mined Low Grade	tonnes	14,666	1.1
Ore processed	tonnes	111,245	7.2
Recovery	%	95	
Gold Production *	oz	24,783	
Gold Production *	kg	771	

* Includes nuggets & specir

Estimated Stockpiles 30 Sep 2007	Unit	Stockpiled	Grade g/t gold (uncut)
ROM Stockpiles	tonnes	66,681	10.1
Low Grade Stockpile	tonnes	9,408	0.9
Contained Gold	oz	22,000	
Contained Gold	kg	682	

WATTLE DAM FOLLOW-UP EVALUATION DRILLING - M15/1101

PROGRAM SUMMARY – SURFACE RC DRILLING

Ramelius completed 16 holes of surface RC drilling for 2838 metres and 30 holes of in pit RC drilling for 1603 metres during the September quarter. All results from this drilling have been received.

This drilling has identified a zone of high grade mineralization beneath and to the north of the Wattle Dam open pit. Best results received during the quarter include 16 metres @ 482 g/t gold (uncut) in hole WDRC289 , 9 metres @ 454 g/t gold (uncut) in hole WDRC290 and 11 metres @ 48 g/t (uncut) in hole WDRC296.

The high grade intercepts of 16 metres @ 482 g/t gold (uncut) in hole WDRC289 and 9 metres @ 454 g/t gold (uncut) in hole WDRC290 are located up dip and along strike to the south of the previously identified high grade intersection of 48 metres @ 154 g/t gold within WDRC226.

The high grade intercept of 11 metres @ 48 g/t gold with WDRC296 is located 20 metres to the north of the previously identified high grade intersection of 48 metres @ 154 g/t gold within WDRC226. It is interpreted that WDRC296 has intersected the up dip portion of the high grade northerly plunging zone on section 8040N.

High grade drill results and/or visible gold intersections coupled with favourable chlorite/biotite/pyrite alteration have now been intersected from a depth of 95 metres over a strike length of 80 metres below and extending beyond the northern end of the current open pit. The deepest drilling to date remains at a depth of 180 metres below surface at the northern end of this zone.

The samples from this RC drilling, which used a face sampling bit, were collected over one metre intervals using a cyclone and a 2 to 3 kilogram sample was riffle split for gold analysis. The samples were submitted to

Genalysis Laboratory Services Pty Ltd where they were dried and pulverised prior to a 200 gram sub-sample being taken for Leachwell analysis. When wet samples were encountered, the entire one metre drill sample was sent to Genalysis for drying and jaw crushing prior to rifle splitting to obtain the 2 to 3 kilogram sub-sample for pulverization and analysis. Routine check and duplicate sampling is yet to be undertaken. The drill cuttings were geologically logged along with factors such as water inflows that may affect the quality of the samples. All significant results are detailed in Appendix I and II.

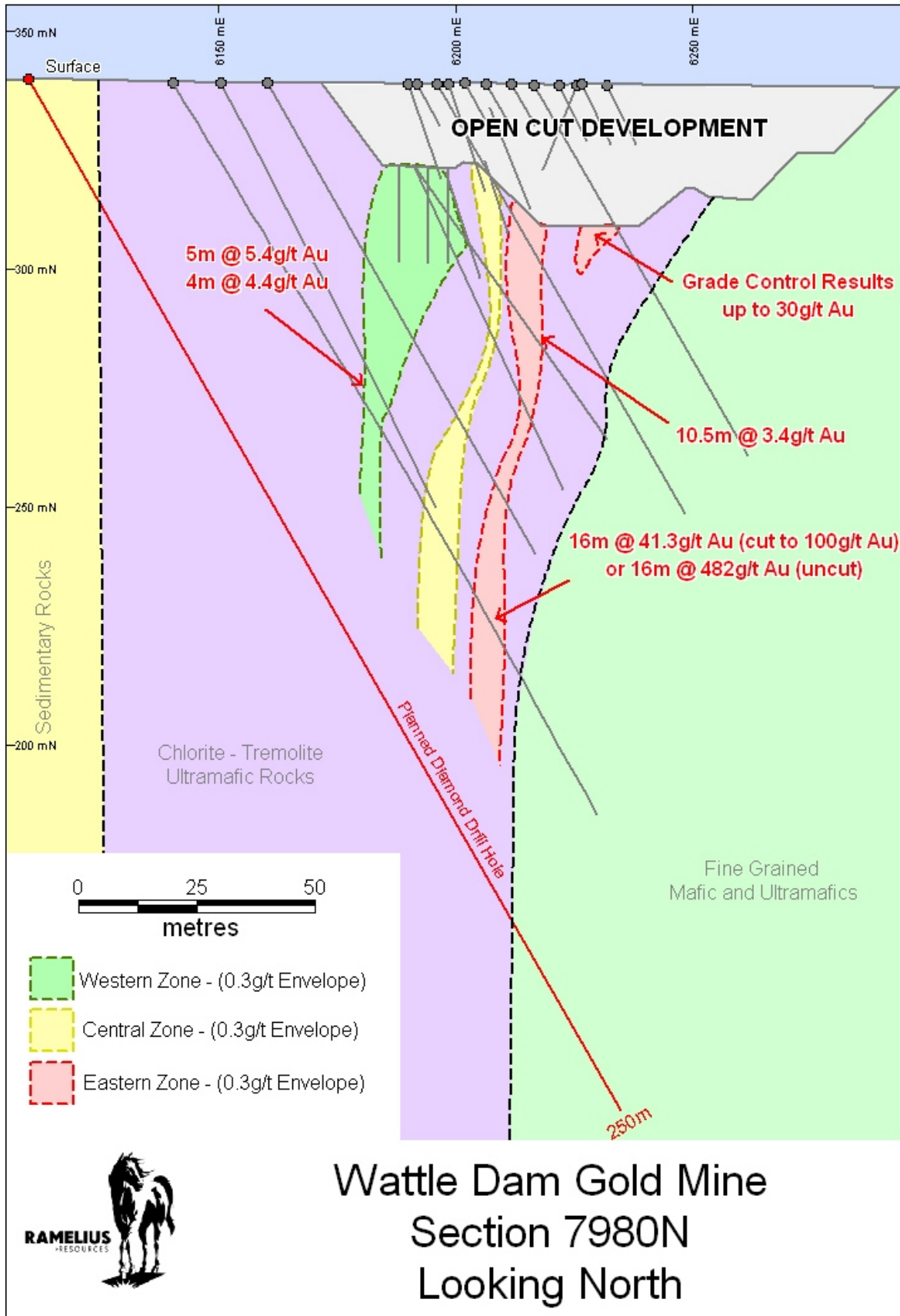


Figure 1: Geological Section 7980N of Wattle Dam High Grade Zone

Diamond drilling is currently underway which is targeting extensions of the identified high grade zone down dip and down plunge to the north. A total of fifteen holes are initially planned which will evaluate the identified northerly plunging high grade zone at vertical depths of between 170 metres and 300 metres below surface. A total of eight RC precollars and eight diamond tails have been completed to date. Results from the diamond core samples are expected from mid December.



Figure 2: Diamond (foreground) and RC drilling rigs at Wattle Dam in September

PROGRAM SUMMARY – IN-PIT RC DRILLING

A program of in-pit RC drilling totaling 38 holes for 2223 metres was completed to test an area up to 40 metres immediately below the current pit floor in order to determine whether a cut back would be feasible. All results from this drilling have been received.

Results from the drilling has identified zones of high grade mineralisation beneath the pit floor at the southern and northern limits.

Significant intercepts returned from drilling at the southern end of the pit include 12.75 metres @ 14 g/t gold (uncut – WDRC270) and 7.5 metres @ 4.6 g/t gold (WDRC271). These results suggest mineralisation extends for approximately 30 metres below from the current pit floor at the southern end. The intercept of 4.5 metres @ 23.0 g/t gold (uncut - WDRC265) is located within the eastern wall towards the southern end of the open pit.

At the northern end of the pit, significant intercepts including 5.25 metres @ 8.1 g/t gold (WDRC260) and 10.5 metres @ 3.4 g/t gold (WDRC256) and are located 10 – 20 metres underneath the pit floor.

The samples from this RC drilling, which used a face sampling bit, were collected over 0.75 metre intervals using a cyclone and a 2 to 3 kilogram sample was riffle split for gold analysis. The samples were submitted to Genalysis Laboratory Services Pty Ltd where they were dried and pulverised prior to a 200 gram sub-sample being taken for Leachwell analysis. When wet samples were collected via the cyclone, the entire one metre drill sample was sent to Genalysis for drying and jaw crushing prior to riffle splitting to obtain a 2 to 3 kilogram sub-sample for pulverization and analysis. Routine check and duplicate sampling is yet to be undertaken. The drill cuttings were geologically logged along with factors such as water inflows that may affect the quality of the samples.

RESOURCE MODEL AND ESTIMATE

A geological model of the gold distribution both immediately under the pit and at depth is in preparation. Based on this a resource estimate will be prepared. CSA Australia has been engaged to undertake this estimate which is to be used for the mine planning of a pit cut back and ultimately an underground development.

An initial estimate using only RC drilling will be completed in the December quarter to allow for completion of a cut back design of the Wattle Dam open pit.

A second resource estimate will be completed in early 2008 incorporating the results of diamond drilling completed in the September and December quarters 2007 and this will form the basis of a study into underground mining at Wattle Dam.

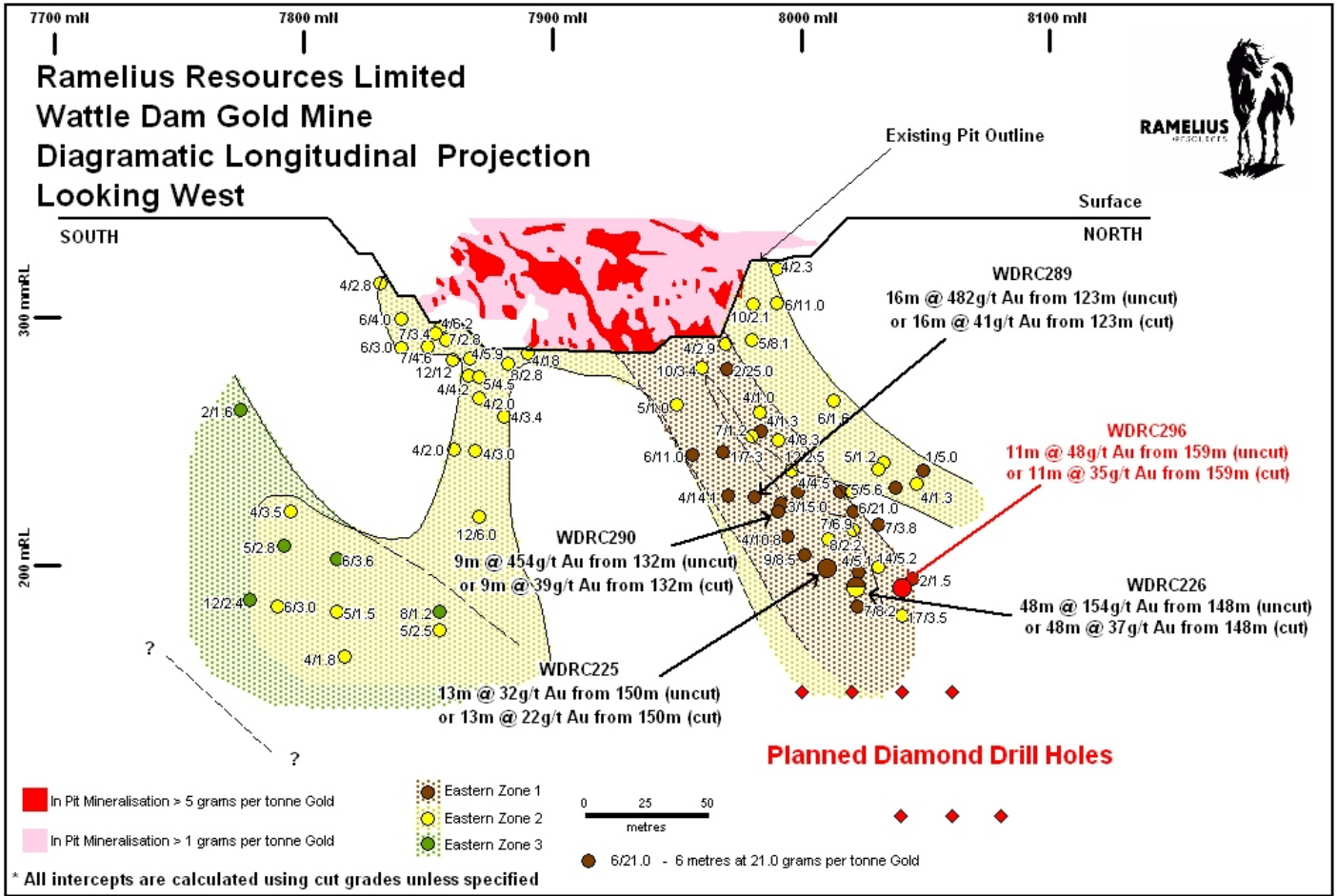


Figure 3: Wattle Dam Long Section

BURBANKS TREATMENT PLANT (Ramelius Milling Services Pty Ltd a Wholly Owned Subsidiary of Ramelius Resources Limited)
(100% M15/1273; 1369; 1370: G15/10 – 13: L15/109 – 110; 189; 234)

During the quarter 39,681 tonnes of ore was processed through the mill, at a recovered head grade of 6.2 g/t gold. Production of gold for the quarter was 7170 ounces, with 1650 ounces estimated to be in circuit as at 30 September 2007. It is planned that milling of Wattle Dam ore at the Burbanks mill will continue at approximately 15,000 tonnes per month during the December quarter.



Figure 4: Burbanks Mill

EXPLORATION

The Company continued its extensive exploration programs during the quarter. Drilling programs were undertaken at the Larkinville West, Eagles Nest, Central and Hilditch projects for both gold and nickel.

Larkinville West Gold (E15/689 and P15/4214) Gold

A total of 14 RC drill holes for 1,650 metres have been completed to evaluate anomalous within the previous RAB drilling, including 32 metres @ 2.0g/t gold from 12 metres, (LWRB0051). Anomalous ($\geq 0.1\text{g/t Au}$) intercepts were returned from the RAB drilling over a strike length of 700 metres. The RC drilling was completed to test the most prospective 350 metres of the anomalous strike at a drill spacing of 20 metres x 100 metres.

All results are pending.

Eagles Nest (M15/1475) Gold & Nickel

The Eagles Nest Project is located approximately seven kilometres to the south and along strike from the Wattle Dam Gold Mine. The lease was the site of the discovery in 1931 of "The Golden Eagle Nugget" which weighed in at 78 pounds or 1,131 troy ounces, the largest recorded nugget found in WA. Since this time the tenement area has been held continuously by individual miners and prospectors and consequently has had little if any systematic exploration. The Company believes the "Golden Eagle" and numerous other nuggets located at this location to be a significant indicator of the rich and nuggety trend that it now has proved at Wattle Dam.

A detailed auger geochemical sampling programme for gold was completed over the Eagles Nest Project (M15/1475) and adjoining North Widgiemooltha Project tenements, (M15/99 and 100) during the last quarter. Results from the auger sampling delineated a zone of co-incident gold and arsenic anomalism over a strike length of approximately 500 metres. The gold anomalism is defined by values greater than 100ppb with central values in excess of 250ppb. It lies within ultramafic lithologies bounded by felsic lithologies to the east and west.

An RC drilling programme comprising 18 RC drill holes for 1,800 metres has been generated as a first pass evaluation of the area. This drilling has now been completed. All results are pending.

Spargoville Regional (Gold & Nickel)

The Wattle Dam Project tenements host the Spargoville ultramafic belt and are prospective for both gold and nickel. A series of targets along this belt have been generated and are being followed up by RAB, RC and diamond drilling.

A total of 523 RAB holes for 9,198 metres and 83 Aircore holes for 3,520 metres have been completed to evaluate and define these anomalies. At the end of the quarter the majority of results were pending; however a significant intersection has been identified in drill hole SRRB0240, which returned 18m @ 0.77% nickel from 16 metres (including 4 metres @ 1.1% nickel from 24 metres).

RC and Diamond drilling will be undertaken at the 1A north and Hilditch projects in the next quarter to test several sulphide nickel targets. At 1A North diamond drilling will test the interpreted down dip position of a previous intersection of 0.45 metres at 2% nickel associated with an EM conductor.

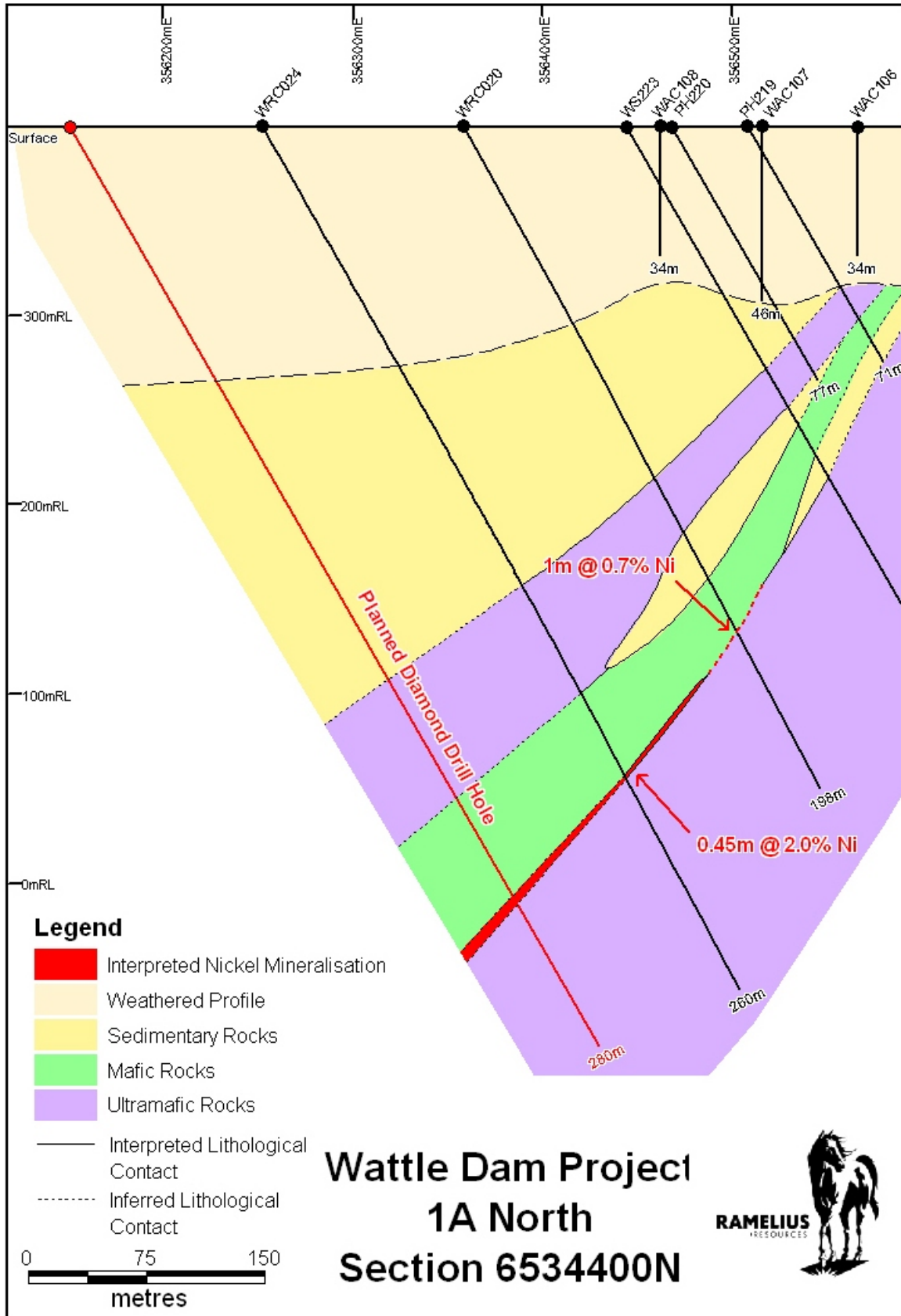


Figure 5: Position of Interpreted nickel mineralization at 1A North

CORPORATE

FINANCIALS

Cash at bank at 30 September 2007 totalled **\$2.7 million**

A total of **6467 oz** of gold bullion was sold during the quarter, realising **A\$5.2m** at an average price of **A\$805** per oz.

Exploration Expenditure for the quarter totalled **\$1.3 million**

CAPITAL RETURN / MAIDEN DIVIDEND / BONUS OPTION

During the quarter the Company completed the following dividend and capital initiatives:

- a fully franked dividend of 0.5 cents per share was paid on 3 August 2007
- a capital return of 7.5 cents per share was paid on 28 September 2007; and
- a bonus option issue of 1 option for each 10 ordinary shares held with an exercise price of \$1.00 were issued on 17 August 2007.

SHARE CAPITAL

Changes to the Company's share capital for the quarter were:

Shares on issue 30 June 2007	156,147,567
Shares issues on exercise of options	8,276,190
Shares on issue 30 September 2007	164,423,757

ROYALTY INTERESTS (WA)

The Current status of the Company's Royalty Interests is as follows.

PROJECT NAME	CURRENT HOLDER	NATURE OF RAMELIUS' ROYALTY	COMMENTS
SANDSTONE - Gold	Troy Resources NL	Production based Royalty Capped at \$300,000	No Current Activity by Holder on the Royalty Tenements
BULONG - Gold	Yilgarn Gold Ltd	Production based Royalty Not Capped	No Current Activity by Holder on the Royalty Tenements
SPARGOS REWARD - Gold	Breakaway Resources Ltd	3% Gross Gold Royalty	No Current Activity by Holder on the Royalty Tenements
SIBERIA - Gold/Nickel	Siberia Mining Corp Ltd	Nickel and Gold Royalty Collectively capped at \$100,000	No Current Activity by Holder on the Royalty Tenements
EDJUDINA - Gold	Saracen Mineral Holdings Ltd	Production based Royalty Capped at \$500,000	Currently Subject to Feasibility Study
EUCALYPTUS - Nickel	GME Resources Ltd	Option to purchase on commencement of mining Nickel Laterites at \$0.10/tonne of Proven Ore.	No Current Activity by Holder on the Royalty Tenements

The Information in this report that relates to Exploration Results is based on information compiled by Matthew Svensson and Diane Tily-Laurie.

Matthew Svensson is a Member of the Australian Institute of Geoscientists and is 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.

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

APPENDIX I

Wattle Dam Surface RC Drilling Results

Hole Number	Northing (GDA)	Easting (GDA)	RL (m)	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Width	Grade	Cut Grade	
WDRC149	7870	6180	340	-60	90	177	108	112	4	3		
							incl	109	110	1	11.3	
WDRC229	7828	6209	340	-50	90	80	35	39	4	2.8		
WDRC235	7860	6180	340	-60	90	184	107	111	4	2		
							incl	108	109	1	8.2	
WDRC236	8000	6160	340	-60	90	130	47	51	4	2.1		
							incl	48	49	1	5.6	
WDRC247	7880	6178	340	-60	90	166	89	93	4	3.4		
							incl	92	93	1	9.9	
WDRC249	8030	6280	340	-60	267	250	139	146	7	3.8		
							incl	140	141	1	14	
							and	145	146	1	8.7	
								159	173	14	5.2	
							incl	160	161	1	18.9	
							and	169	170	1	34.9	
								176	180	4	2.3	
							incl	177	178	1	9.1	
							incl	228	238	10	2.7	
	235	236	1	6								
WDRC288	7970	6140	340	-60	90	184	124	128	4	14.1		
							incl	124	126	2	24.2	
WDRC289	7980	6140	340	-60	90	178	78	82	4	4		
							incl	79	80	1	9.7	
								123	139	16	482	41.3
							incl	129	130	1	6770.3	100
							and	134	135	1	399.8	100
WDRC290	7990	6140	340	-60	90	184	80	84	4	2.1		
							incl	81	82	1	6.3	
								99	103	4	8.3	
							incl	101	102	1	30.1	
								126	130	4	4.5	
							incl	126	127	1	15	
								132	141	9	454.3	38.5
							incl	134	137	3	3687	100
WDRC296	8040	6280	340	-60	270	250	159	170	11	47.9	35	
							incl	159	160	1	196	100
							and	169	170	1	146	100
								177	194	17	3.5	
							incl	188	189	1	12.7	
WDRC299	8000	6288	340	-60	270	226	150	159	9	8.5		
							incl	150	151	1	39.7	
							and	154	155	1	15.3	

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Hole Number	Northing (GDA)	Easting (GDA)	RL (m)	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Width	Grade	Cut Grade
							208	213	5	1.8	
							222	226	4	2.3	
WDRC300	8010	6273	340	-57	270	196	149	157	8	2.2	
							184	189	5	2.2	
WDRC301	8020	6266	340	-60	270	200 incl	126	131	5	5.6	
							126	127	1	24.7	
							167	173	6	1.9	
WDRC303	7990	6120	340	-60	90	208	95	99	4	2.5	

Wattle Dam Surface RC Drilling - Significant Results (≥ 8 gram metres)

APPENDIX II

Wattle Dam In Pit RC Drilling Results

Hole Number	Northing (GDA)	Easting (GDA)	RL (m)	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Width	Grade	Cut Grade
WDRC250	7990	6200	320	-50	90	48.75 incl	0.75	5.25	4.5	2.3	
							1.5	2.25	0.75	7.43	
WDRC255	7930	6190	330	-50	90	101.25 incl	16.5	21.75	5.25	3.7	
							16.5	18	1.5	6.7	
WDRC256	7980	6190	322	-55	90	70.5 incl and	33	43.5	10.5	3.4	
							33	34.5	1.5	7	
							42.75	43.75	1	19.9	
WDRC258	7970	6190	323	-45	90	90 incl incl	0.75	5.25	4.5	2.85	
							3	3.75	0.75	8	
							50.25	54.75	4.5	2.9	
							50.25	51.75	1.5	7.3	
WDRC259	7970	6190	323	-60	90	100.5	5.25	10.5	5.25	2.3	
WDRC260	7960	6193	325	-50	90	80.25 incl incl incl	3	11.25	8.25	2.3	
							4.5	5.25	0.75	10.9	
							54.75	60	5.25	8.1	
							58.5	60	1.5	8.6	
							66	70.5	4.5	2.7	
							67.5	68.25	0.75	13.7	
WDRC261	7960	6193	325	-60	90	90	5.25	9.75	4.5	2.1	
WDRC263	7940	6189	328	-60	90	127.5	0	4.5	4.5	2.1	
WDRC264	7930	6190	330	-60	90	120.75	24	28.5	4.5	2.3	
WDRC265	7890	6273	302	-60	270	30 incl	3.75	8.25	4.5	23	18
							6	6.75	0.75	130.4	
WDRC270	7855	6260	299	-75	360	35.25 incl incl and incl	1.5	6	4.5	2.2	
							3	3.75	0.75	6.7	
							7.5	20.25	12.75	14.4	11.5
							15	15.75	0.75	149.8	
							15.75	16.5	0.75	48.5	
							24	30.75	6.75	2.5	
							28.5	30	1.5	6.9	

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Hole Number	Northing (GDA)	Easting (GDA)	RL (m)	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Width	Grade	Cut Grade
WDRC271	7855	6260	299	-75	180	35.25 incl and incl	6	13.5	7.5	4.6	
							7.5	8.25	0.75	8.2	
							12	12.75	0.75	29.4	
							18	24.75	6.75	2.8	
							23.25	24.25	1	15	
WDRC272	7855	6255	299	-60	90	20.25 incl and	0	4.5	4.5	6.2	
							0.75	1.5	0.75	20.7	
							2.25	3	0.75	11.1	
WDRC273	7855	6255	299	-75	180	40.5 incl	0	7.5	7.5	3.4	
							0	0.75	0.75	11.7	
WDRC277	7870	6247	298	-60	90	40.5 incl	23.25	28.5	5.25	4.5	
							24	24.75	0.75	19.2	
WDRC278	7870	6247	298	-75	90	40.5 incl	30.75	35.25	4.5	2	
							30.75	31.5	0.75	11.2	

Wattle Dam In-pit RC Drilling - Significant Results (≥ 8 gram metres)

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Ramelius Resources Limited

ABN

51 001 717 540

Quarter ended ("current quarter")

30 September 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	6,277	6,277
1.2 Payments for		
(a) exploration and evaluation	(1,272)	(1,272)
(b) development		
(c) production	(1,696)	(1,696)
(d) administration	(1,065)	(1,065)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	216	216
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material))		
GST	(137)	(137)
Prepaid insurance etc	(18)	(18)
Listing fee	(29)	(29)
Recovered administrative costs	91	91
Gold Production hedge contract	(81)	(81)
Consultants	(79)	(79)
Other	(41)	(41)
Net Operating Cash Flows	2,166	2,166
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(700)	(700)
(b) equity investments		
(c) other fixed assets	(353)	(353)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	2	2
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(1,051)	(1,051)
1.13 Total operating and investing cash flows (carried forward)	1,115	1,115

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	1,115	1,115
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,404	1,404
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid	(781)	(781)
1.19	Other (provide details if material)		
	Return of Capital to shareholders	(11,976)	(11,976)
	Payments relating to issue of shares	(24)	(24)
	Net financing cash flows	(11,377)	(11,377)
	Net increase (decrease) in cash held	(10,262)	(10,262)
1.20	Cash at beginning of quarter/year to date	12,988	12,988
1.21	Exchange rate adjustments to item 1.20		
		2,726	2,726
1.22	Cash at end of quarter		

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	182
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

The amount at 1.23 above represents non executive directors' fees and executive director's salary (including SGC superannuation) paid to an entity of which a director is a director.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

Note: Potential cash inflows during the next quarter from realised gold production/bullion if converted to cash are estimated to be \$6.7m.

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,100
4.2 Development & Production	2,000
Total	4,100*

* Refer to the note at item 3 above for Financing Facilities Available

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,307	6,645
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) – Term Deposits	419	6,343
Total: cash at end of quarter (item 1.22)	2,726	12,988

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.1	Interests in mining tenements relinquished, reduced or lapsed	E16/269, P15/4435-4440 incl.	Relinquished Right to Earn 75%	Earning 75%	0%
		P15/4464	Right to Earn 75% - Expired on Grant of P15/4790	Earning 75%	0%
6.2	Interests in mining tenements acquired or increased	P15/4790	Granted 14/8/07	0%	Earning 75%
		P15/4444	Purchased 10/8/07	0%	100%
		L15/284*	Applied for 21/9/07	0%	100%
		E15/718, M15/1101, M15/1263, M15/1264, P15/3767, P15/3873, P15/4479	Exercised Right to Earn 80% of Nickel Rights	100% Gold Rights	100% Gold Rights and Right to Earn 80% of Nickel Rights
		E15/689, E15/742, M15/1449, P15/4213, P15/4214, P15/4790, P15/4904, P15/4905	Exercised Right to Earn 80% of Nickel Rights	75% of Gold Rights	75% Gold Rights and Right to Earn 80% of Nickel Rights

* Ramelius Milling Services Pty Ltd

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	164,423,757	164,423,757		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	8,276,190	8,276,190	(as per 7.9 below)	(as per 7.9 below)
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	15,788,662 1,921,249	15,788,662 1,921,249	<i>Exercise price</i> \$1.00 \$0.11187	<i>Expiry date</i> 30/6/2009 31/12/2007
7.8 Issued during quarter	15,925,019	15,925,019		
7.9 Exercised during quarter	136,357 8,139,833	136,357 8,139,833	\$1.00 \$0.11187	30/6/2009 31/12/2007
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Print name: Dom Francese..... Date:31/10/2007.....
(~~Director~~/Company Secretary)

Notes

- 1 The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.