



Ramelius Resources Limited

ACN 001 717 540

140 Greenhill Road, Unley SA 5061
GPO Box 1373, Adelaide SA 5001
DX 52003, Unley
Telephone (08) 8373 6473 / (08) 8373 5588
Facsimile (08) 8373 5917

ASX RELEASE

For Immediate Release

18 May 2007

General Manager
The Company Announcements Office
ASX Limited
PO Box H224
Australia Square
Sydney NSW 1215

Dear Sir/Madam,

Notice of Meeting

Ramelius Resources Limited advises that the attached Notice of Meeting of Shareholders together with the Explanatory Memorandum and a Proxy Form was today mailed to all shareholders of the Company.

Yours faithfully

Dom Francese
Company Secretary

RAMELIUS RESOURCES LIMITED

ABN 51 001 717 540

NOTICE OF MEETING

Ramelius Resources Limited (**Company**) gives notice that a meeting of its members will be held at 140 Greenhill Road, Unley, South Australia, on Thursday 28 June 2007 commencing at 4.30 pm.

AGENDA

Capital Return to Shareholders

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That in accordance with s 256(1) of the *Corporations Act 2001* (Cth), approval be given for the share capital of the Company to be reduced by paying the sum of \$0.075 cents per fully paid ordinary share on issue on the Record Date (as defined in the Explanatory Memorandum accompanying the Notice convening this meeting) to each holder of full paid ordinary shares in the Company on the Record Date."

Further information regarding the proposed capital return to shareholders is set out in the accompanying Explanatory Memorandum. This Notice should be read in conjunction with the Notes overleaf and the accompanying Explanatory Memorandum, which form part of this Notice.

By order of the Board



.....
Dom Francese
Company Secretary

Dated 18 May 2007

NOTES

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on the member's behalf. If the member is entitled to cast two or more votes at the meeting, the member may appoint up to two proxies to attend and vote on the member's behalf.
2. If a member appoints two proxies, each proxy must be appointed to represent a specified proportion or number of the member's votes. Absent this specification, each proxy will need to exercise half the votes.
3. A proxy need not be a member of the Company.
4. To appoint a proxy, a proxy form must be signed by the member or the member's attorney duly authorised in writing. If the member is a corporation, the proxy form must be signed in accordance with section 127 of the *Corporations Act 2001* (Cth).
5. To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be received by the Company not later than 48 hours prior to the meeting. Proxy forms and authorities may be sent by post or facsimile to:

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide SA 5000

or by facsimile to Computershare on: + 61 8 8236 2305

6. Members who forward their proxy forms by fax must make available the original executed form of the proxy for production at the meeting, if called upon to do so.
7. For the purposes of the meeting, persons on the register of members as at 5:00 pm on 27 June 2007 will be entitled to vote as the holder of shares held by them at that time.
8. The Constitution of the Company provides that 10 shareholders present in person, by proxy, attorney or body corporate representative shall be a quorum for a general meeting of the Company.
9. Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the Constitution of the Company.
10. Proof of identity will be required for admission of corporate representatives and attorneys to the meeting.

EXPLANATORY MEMORANDUM

TO ACCOMPANY THE NOTICE OF MEETING DATED 18 MAY 2007

Introduction

1. The Company proposes reducing its share capital by paying 7.5 cents to each shareholder registered on the Record Date (as defined below), by way of return of capital (**Capital Return**). The *Corporations Act* permits the Company to reduce its share capital pursuant to an equal capital reduction if:
 - 1.1 it is fair and reasonable to shareholders as a whole;
 - 1.2 it does not materially prejudice the Company's ability to pay its creditors; and
 - 1.3 it is approved by shareholders by ordinary resolution in a general meeting.
2. The Capital Return is a distribution of capital, surplus to the Company's current requirements and the directors consider that the Capital Return is fair and reasonable to shareholders as a whole. The directors believe the Capital Return will not impact on the Company's ability to meet its obligations to creditors or on its ability to give effect to its business plans.
3. The directors recommend that shareholders vote in favour of the Capital Return.

Proposed Timetable

4. An indicative timetable for the Capital Return is set out below. The timetable is dependent on shareholders approving the Capital Return at the meeting convened by the Notice to which this Explanatory Memorandum relates.

| | |
|--|--------------|
| Deadline for return of proxies | 26 June 2007 |
| Time for determining shareholders entitled to attend and vote at meeting | 27 June 2007 |
| Annual General Meeting | 28 June 2007 |
| ASX notified of outcome of resolution | 28 June 2007 |

5. The implementation of the proposed capital reduction is also conditional on the Company obtaining a favourable class ruling from the Australian Taxation Office (**ATO**). If a favourable ruling is not obtained the proposed capital return will not proceed and other capital initiatives will be considered.
6. A Record Date for the capital return will be determined by the directors if and when shareholder approval and a favourable class ruling from the ATO are obtained. The Record Date will be announced no later than one month after the latest of these to occur. The directors do not propose that the Record Date will be before 1 July 2007.

Reason for the Capital Return

7. The directors have concluded that the Capital Return is the most appropriate mechanism to return capital to shareholders. Its major advantages compared to other mechanisms, such as a share buy back, are simplicity and greater certainty of outcome.
8. The directors believe that a Capital Return of 7.5 cents per share will not prejudice the Company's ability to meet its obligations or implement its business plans. Following the Capital Return, the Company will have a strong balance sheet with the capacity to fund further growth opportunities as they arise.

Effect on the Company

9. Based on 98,809,745 shares, being the number of shares on issue at the date of this Explanatory Memorandum, and the Capital Return of 7.5 cents per share, an amount of approximately \$7.4 million will be charged against the Company's share capital account and paid to shareholders. The Company's share capital account will therefore be reduced by approximately \$7.4 million following the Capital Return.
10. Based on 166,869,611 shares, being the number of shares which will be on issue if full conversion of all outstanding options over unissued shares on issue at the date of this Explanatory Memorandum occurs prior to the Record Date, and the Capital Return of 7.5 cents per share, an amount of approximately \$12.5 million will be charged against the Company's share capital account and paid to shareholders. The Company's share capital account will therefore be reduced by approximately \$12.5 million following the Capital Return.
11. All shareholders will hold the same number of shares in the Company immediately after the Capital Return as they held immediately before the Capital Return. The Capital Return will not affect either the total number of shares on issue or the number of shares held by each shareholder.
12. The Capital Return will be entirely funded by capital raised to date or expected to be raised during the balance of 2007 from the exercise of options.

Directors' Interests in the Capital Return

13. As at the date of this Explanatory Memorandum, the number of shares in which each director of the Company holds a relevant interest is as follows:

| Director | Number of Shares |
|--------------------|------------------|
| Mr. RM Kennedy | 3,335,556 |
| Mr. RG Nelson | 1,734,683 |
| Mr. JF Houldsworth | 3,385,318 |

14. Each of the directors who hold Ordinary Shares will receive 7.5 cents per share in respect of each Ordinary Share held by that director on the Record Date.

15. As at the date of this Explanatory Memorandum, the number of options over unissued shares in which each director of the Company holds a relevant interest is as follows:

| Director | Number of Options |
|--------------------|-------------------|
| Mr. RM Kennedy | 4,349,928 |
| Mr. RG Nelson | 3,577,342 |
| Mr. JF Houldsworth | 2,010,000 |

16. If the directors convert their options into shares before the Record Date they will receive 7.5 cents per share in respect of the Ordinary Shares issued on exercise of those options.

Impact on Share Options

17. As required under the ASX Listing Rules, if the Capital Return proceeds, the Company will reduce the exercise price of all options issued by the Company by an amount equal to the Capital Return of 7.5 cents per share, as follows:

| Options Expiry Date | Exercise Price Before the Capital Return | Exercise Price After the Capital Return |
|---------------------|--|---|
| 31 December 2007 | \$0.18687 | \$0.11187 |

18. As at the date of this Explanatory Memorandum, the Company had on issue 38,705,845 options exercisable at \$0.175 each before 30 June 2007. These options will have either been exercised or have expired before the Record Date for the Capital Return. Accordingly, there will be no adjustment to the exercise price of this class of option by reason of the Capital Return.

Tax Implications for Shareholders

19. The tax implications for each shareholder receiving a Capital Return may differ depending upon the status of their shareholding. Therefore, the information set out in this memorandum should not be viewed as tax advice in relation to the specific circumstances of individual shareholders. Accordingly, it is recommended that each shareholder should seek specific tax advice to confirm their personal tax position.
20. This general description is only relevant in relation to the Australian taxation position of shareholders who hold shares on capital account. This general description does not apply to shareholders who hold shares on revenue account or as trading stock. Shareholders should seek their own advice in relation to the taxation consequences arising for their particular circumstances.
21. Shareholders who are not residents of Australia for tax purposes should seek their own advice in relation to the taxation consequences arising from the capital return under the laws of their country of residence.

Dividend

22. The capital return should not be treated as a dividend for Australian income tax purposes.

Capital gains tax (CGT)

Tax resident shareholders

Capital return less than cost base

23. Where the capital return is less than the cost base of your shares for CGT purposes you will not realise a capital gain from the capital return. The cost base of your shares will be reduced by the amount of the capital return.

Capital return exceeds cost base

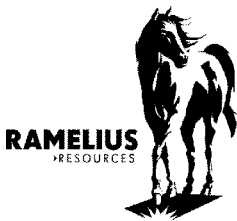
24. As the amount of the capital return is 7.5 cents per share it is unlikely that the amount of the capital return will exceed the cost base of your shares. Where the capital return is greater than the cost base for your shares for CGT purposes, you will realise a capital gain. This gain will be to the extent that the capital return exceeds the cost base of your shares for CGT purposes. In this case, you should obtain your own advice on the amount of any capital gain to be included in your taxable income.

Tax non-resident shareholders

25. Non- resident shareholders will not be liable for CGT in respect of the capital return provided that they and their associates have not, at any time during the five years preceding the capital return, beneficially owned at least 10 per cent (by value) of the shares in Ramelius. Shareholders who are not residents of Australia for tax purposes should seek their own advice in relation to the taxation consequences arising from the capital return under the laws of their country of residence.

ATO Class Ruling

26. An application has been lodged with the ATO for a class ruling that no part of the capital reduction will be treated as a dividend for Australian taxation purposes. The Company will advise the outcome of the application lodged with the ATO for a class ruling, once that ruling is received.
27. As mentioned above, the implementation of the proposed capital reduction is conditional on the Company obtaining a favourable class ruling from the ATO. If a favourable ruling is not obtained the proposed capital return will not proceed and other capital initiatives will be considered.



Ramelius Resources Limited

ABN 51 001 717 540

Proxy Form

All correspondence to:

Computershare Investor Services Pty Limited
GPO Box 1903 Adelaide
SA 5001 Australia
Enquiries (within Australia) 1300 556 161
(outside Australia) 61 3 9415 4000
Facsimile 61 8 8236 2305
www.computershare.com

Mark this box with an 'X' if you have made any changes to your address details (see reverse)



000001
000
RMS
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



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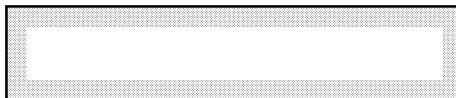
Appointment of Proxy

I/We being a member/s of Ramelius Resources Limited and entitled to attend and vote hereby appoint



the Chairman
of the Meeting
(mark with an 'X')

OR



If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Ramelius Resources Limited to be held at 140 Greenhill Road, Unley SA 5061 on 28 June 2007 at 4.30 pm and at any adjournment of that meeting.

Voting directions to your proxy - please mark to indicate your directions

1. To approve the Capital Return to Shareholders

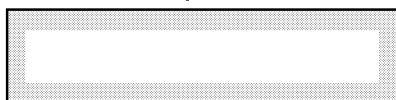
| For | Against | Abstain* |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

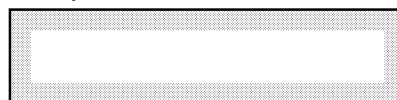
PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1



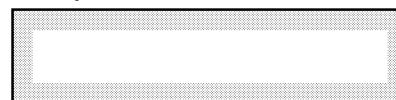
Sole Director and
Sole Company Secretary

Securityholder 2



Director

Securityholder 3



Director/Company Secretary

In addition to signing the Proxy Form in the above box(es) please provide the information below in case we need to contact you.

Contact Name

Contact Daytime Telephone

Date

/ /

RMS

1 3 P R



How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the securityholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry or at www.computershare.com.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 4.30 pm on 28 June 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged using the reply paid envelope or:

- IN PERSON Registered Office - 140 Greenhill Road, UNLEY SA 5061 AUSTRALIA
Share Registry - Computershare Investor Services Pty Limited, Level 5, 115 Grenfell Street, Adelaide SA 5000 Australia
- BY MAIL Registered Office - 140 Greenhill Road, UNLEY SA 5061 AUSTRALIA
Share Registry - Computershare Investor Services Pty Limited, GPO Box 1903, Adelaide SA 5001 Australia
- BY FAX 61 8 8236 2305