



## Ramelius Resources Limited

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### ASX RELEASE

#### For Immediate Release

9 May 2007

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

Dear Sir/Madam,

#### **CAPITAL RETURN / MAIDEN DIVIDEND / BONUS OPTION**

The Directors of Ramelius Resources Limited (ASX code: RMS) are pleased to announce the following:

1. A capital management program involving a return of capital of 7.5 cents per fully paid ordinary share,
2. the payment of the Company's maiden dividend of 0.5 cents per fully paid ordinary share, and
3. an issue of bonus options to shareholders on the basis of one free bonus option for every ten fully paid ordinary shares held exercisable at \$1.00 by 30 June 2009.

#### **CAPITAL RETURN**

The Directors of Ramelius Resources Limited have initiated a capital management program in which they have resolved to call a general meeting of shareholders to approve a return of capital ("capital return") of 7.5 cents per fully paid ordinary share. Assuming full conversion of all outstanding RMSO and RMSOA listed options, this payment will amount to approximately \$12.5 million. The capital return is subject to the approval by shareholders and a class ruling by the Australian Tax Office (ATO) on the taxation treatment of the payment.

The proposed capital return is being implemented to return surplus capital to shareholders raised to date or expected to be raised during the balance of 2007 from the exercise of options (amounting to approximately \$13.7 million) in order to maintain good capital management.

The Company's continued strong cash flows and absence of debt means it is able to make acquisitions or invest in expanding the existing operations.

A Notice of Meeting and Explanatory Statement in relation to the proposed return of capital will be sent to shareholders on or around Wednesday, 16 May 2007. Full details of the proposed return of capital will be set out in the Notice of Meeting and Explanatory Statement.

If approval for the proposed return of capital is obtained at a shareholder's meeting proposed to be held on 15 June 2007 and a favourable class ruling (i.e. the receipt of the capital return is treated as capital for taxation purposes) is received from the ATO, the Company will within a month of receiving the favourable class ruling set a Record Date for determining entitlements to participate in the capital return. Only holders of shares on the Company's register on that date will be eligible to participate in the capital return.

## **MAIDEN DIVIDEND**

The Directors of Ramelius are pleased to declare a 0.5 cent per share dividend out of profits for the current financial year which will be franked to the fullest extent possible.

The dividend has been declared in light of the higher than expected revenues from the recent Wattle Dam mining operations.

Assuming full conversion of all outstanding RMSO and RMSOA options, the dividend payment will total \$834,348.

The Dividend will be payable to all shareholders recorded on the Company's register as at the close of business on Monday 2<sup>nd</sup> July 2007 ("Record Date – Maiden Dividend"). Shares will be quoted by ASX ex-entitlement for the Dividend on Tuesday 26<sup>th</sup> June 2007 ("Ex-entitlement – Maiden Dividend").

It is anticipated that the Dividend payment will take place on Friday 3<sup>rd</sup>, August 2007.

## **BONUS OPTION ISSUE**

Ramelius is also pleased to advise that all shareholders of the Company will be entitled to receive one (1) free Bonus Option for every ten (10) Ramelius shares held on the Option Record Date.

The Bonus Issue is to reward shareholders for their on-going support the Company and to allow further shareholder participation in the future capital requirements of the Company.

The Issue will be made to all shareholders recorded on the Company's register as at a date to be advised within one month of the receipt of the class ruling from the ATO. The option will not be dependent upon the receipt of a favourable class ruling for the capital return. Only holders of shares on the Company's register on the Option Record Date will be eligible to receive the Bonus Options.

The terms and conditions of the Bonus Options are as follows:

Offer Basis:	One (1) Bonus Option for every ten (10) shares
Exercise Price:	\$1.00
Option Record Date:	To be advised
ASX Listing Date:	To be advised
Expiry Date:	30 June 2009
Proposed ASX Code:	RMSOB

The issue is subject to the lodgement of a prospectus with ASIC and ASX and the Company will apply for listing approval by the ASX.

Shareholders should note:

1. Eligible shareholders will receive Bonus Options based on a shareholder's holding of shares as at the Option Record Date, divided by ten and rounded up to the nearest whole number. No fractional entitlements to share options will accrue or be allocated.
2. These Options may be exercised at any time from the issue date until expiry on 30 June 2009.

The Directors reserve the right to amend the Option Record Date and timetable, subject to the Corporations Act 2001 (Cth) and ASX Listing Rules at their discretion without prior notice.

**For further information please contact:**

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