



Ramelius Resources Limited

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ASX RELEASE

For Immediate Release

31 January 2007

General Manager
The Company Announcements Office
Australian Stock Exchange Limited
PO Box H224
Australia Square
Sydney NSW 1215

Dear Sir/Madam,

RAMELIUS RESOURCES LIMITED QUARTERLY REPORT ENDING 31 DECEMBER 2006

QUARTERLY HIGHLIGHTS

HIGHLIGHTS

Mining Wattle Dam (WA)

- Mining campaign finalised with 160,123 tonnes mined at a cumulative uncut grade of 10.1 g/t gold mined to 31 October 2006.
- Gold in stockpiles at 31 December 2006 ~44,860 ounces valued at approximately \$35 million at a gold price of A\$780/ounce
- RC drilling to evaluate the mine's cut-back and underground potential commenced in December 2006 and will continue until the end of January 2007.

Burbanks Treatment Plant Acquisition

- Burbanks 180,000tpa gold processing acquired for \$2.8 million.
- Funded from existing cash reserves
- Advances Cashflows from yet to be processed stockpiles

Exploration (WA)

- **Spargoville 7000N** – RC drilling has intersected significant values, 7 metres @ 4.1 and 9 metres @ 4.4 g/t gold within a lower grade envelope 700 metres south, along strike from the Wattle Dam Gold Mine.

OUTLOOK

- Gold exploration is continuing at the Wattle Dam Gold Mine; the 7000N prospect and the West Larkinville prospect.
- Nickel Exploration is expected to recommence at Hilditch in February 2007.
- The Burbanks Processing Plant is expected to commence milling Wattle Dam Ore in March 2007.
- Decision on further mining at Wattle Dam expected 1Q2007.

OPERATIONS SUMMARY

MINING - WATTLE DAM 7800N GOLD MINE (WA)

(100% Gold)

Open pit mining continued at the Wattle Dam Gold Mine to 31 October 2006, with a total of 160,123 tonnes of ore mined from twenty one flitches (53.5 metres depth) at a cumulative grade of 10.1 g/t gold estimated from "un-cut" grade control drilling when mining was suspended.

Approximately 3,000 tonnes of broken ore at an estimated grade of 14g/t remains in the pit floor below the water table. Significant high grade intercepts were also returned from various locations in the pit walls and accordingly will figure in the reassessment drilling programs being undertaken to determine the cut-back and/or underground potential of the Wattle dam Gold Mine.

Production Statistics (Excluding nuggets and specimen stone)

Wattle Dam Gold Mine Production Statistics				
QUARTER ENDING 31 DECEMBER 2006				
Excludes nuggets and specimen stone				

	<u>Unit</u>	<u>Mined</u>	<u>Processed</u>	<u>Stockpiled</u>
Ore Mined - <i>High Grade</i>	tonnes	26,301	7,240	124,497
Predicted Grade (Grade Control - uncut)	g/t Gold	13.3	10.1	10.8
Reconciled Head Grade	g/t Gold		5.6*	
Total Recovery	%		98	
Gold Production	oz		1,273**	
Gold Production	kg		39.6**	

Ore Mined - <i>Low Grade</i>	tonnes			9,318
Predicted Grade (Grade Control - uncut)	g/t Gold			0.9
Reconciled Head Grade	g/t Gold			
Total Recovery	%			
Gold Production	oz			
Gold Production	kg			

TOTAL GOLD PRODUCTION	oz		1,273**	
TOTAL GOLD PRODUCTION	kg		39.6**	

Waste Removed	bcm	13,000		
Vertical Advance	metres	13		

* Head Grade estimated during 27th to 31st December 2006

** Theoretical Production during 27th to 31st December 2006

Wattle Dam Gold Mine Production Statistics
PROGRESSIVE TO 31 DECEMBER 2006

(Mining suspended 31 October 2006)

(Includes milling 7,240 tonnes 27th to 31st December 2006, the first 5 days of the campaign)

Excludes nuggets and specimen stone

	<u>Unit</u>	<u>Mined</u>	<u>Processed</u>	<u>Stockpiled</u>
Ore Mined - High Grade	tonnes	160,123	35,626	124,497
Predicted Grade (Grade Control - uncut)	g/t Gold	10.1	7.6	10.8
Reconciled Head Grade	g/t Gold		9.5	
Total Recovery	%		95	
Gold Production	oz		10,828	
Gold Production	kg		336.6	

Ore Mined - Low Grade	tonnes	14,666	5,348	9,318
Predicted Grade (Grade Control - uncut)	g/t Gold	1.1	1.4	0.9
Reconciled Head Grade	g/t Gold		4.5	
Total Recovery	%		89	
Gold Production	oz		690	
Gold Production	kg		21.5	

TOTAL GOLD PRODUCTION	oz		11,518	
TOTAL GOLD PRODUCTION	kg		358.1	

Waste Removed	bcm	445,000		
Vertical Advance	metres	53.5		

MILLING

The second ROM Ore Milling Campaign commenced at the Greenfields Plant near Coolgardie on 27 December 2006 and was completed on 19 January 2007. Final reconciliations are not available at the date of this report. An estimate of the Head Grade and the theoretical gold production for the period 27th to 31st December 2006 are included in the above table.

GOLD STOCKS AT 31 DECEMBER 2006

(Excludes nuggets and specimen stone)

Refined Gold	186 oz
Theoretical Production 27 to 31 Dec	1,273 oz
In stockpiles (mine and mill) (approx)	43,400 oz
Total	<u>44,860 oz</u>

Milled ore to date	35,626 tonnes
Ore Stockpiled at Mill	24,558 tonnes}
Ore Stockpiled at Wattle Dam	99,939 tonnes} Ore at Grass = 124,497 tonnes

Total Ore mined to date **160,123 tonnes**

It should be noted that the Grade Control Tonnes and Grade estimates quoted herein are un-cut values.

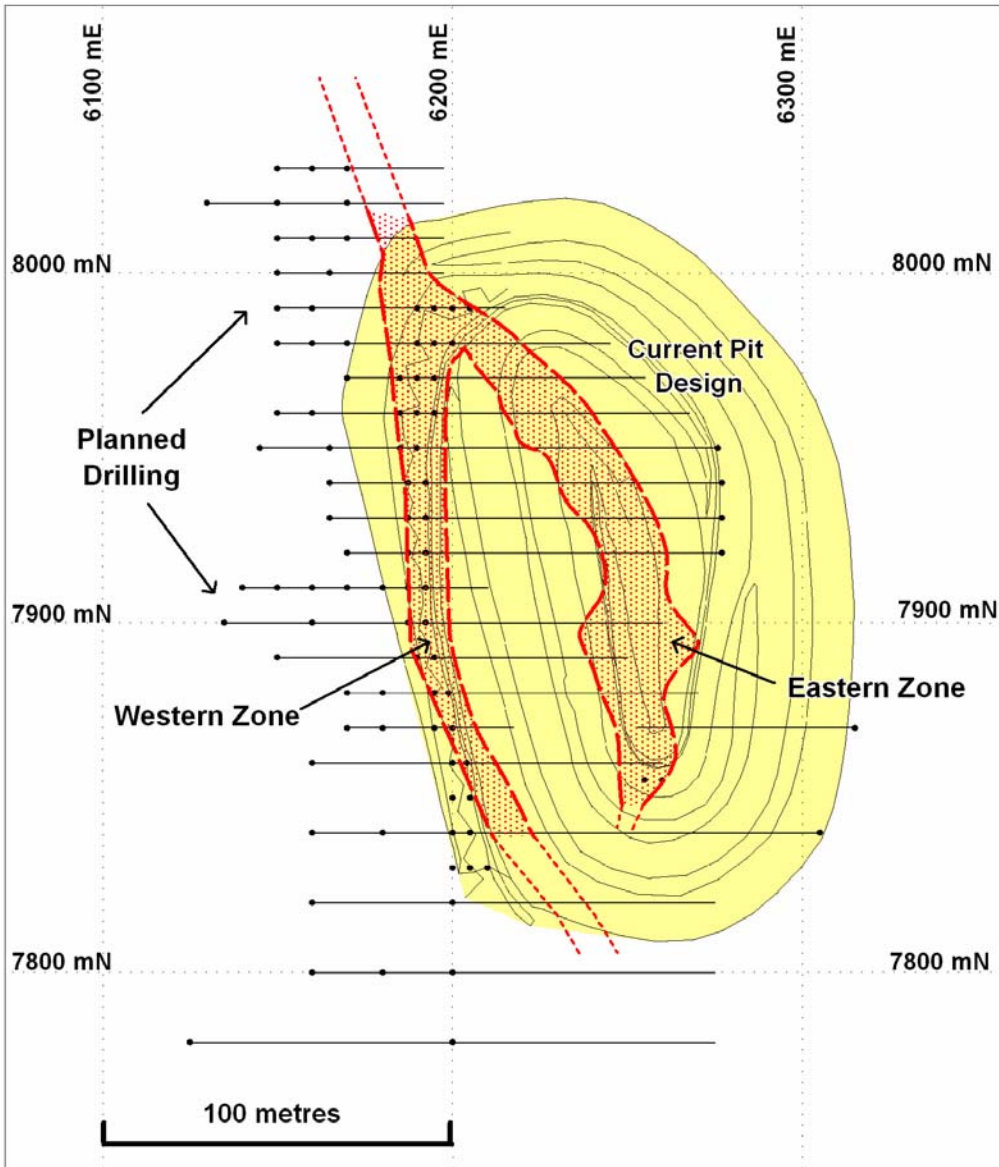
Values returned from assays of grade control drilling have often exceeded expectations such as in Flitch 21 – **5,650g/t** and whilst this value is substantiated by recovery of free gold from the drill cuttings and is supported by surrounding high values from drilling on 3.5 metre x 3 metre spacings, it has been cut to 1000g/t for grade control purposes.

Note: Emphasis is placed on the “Estimate Only” nature of the ore grades

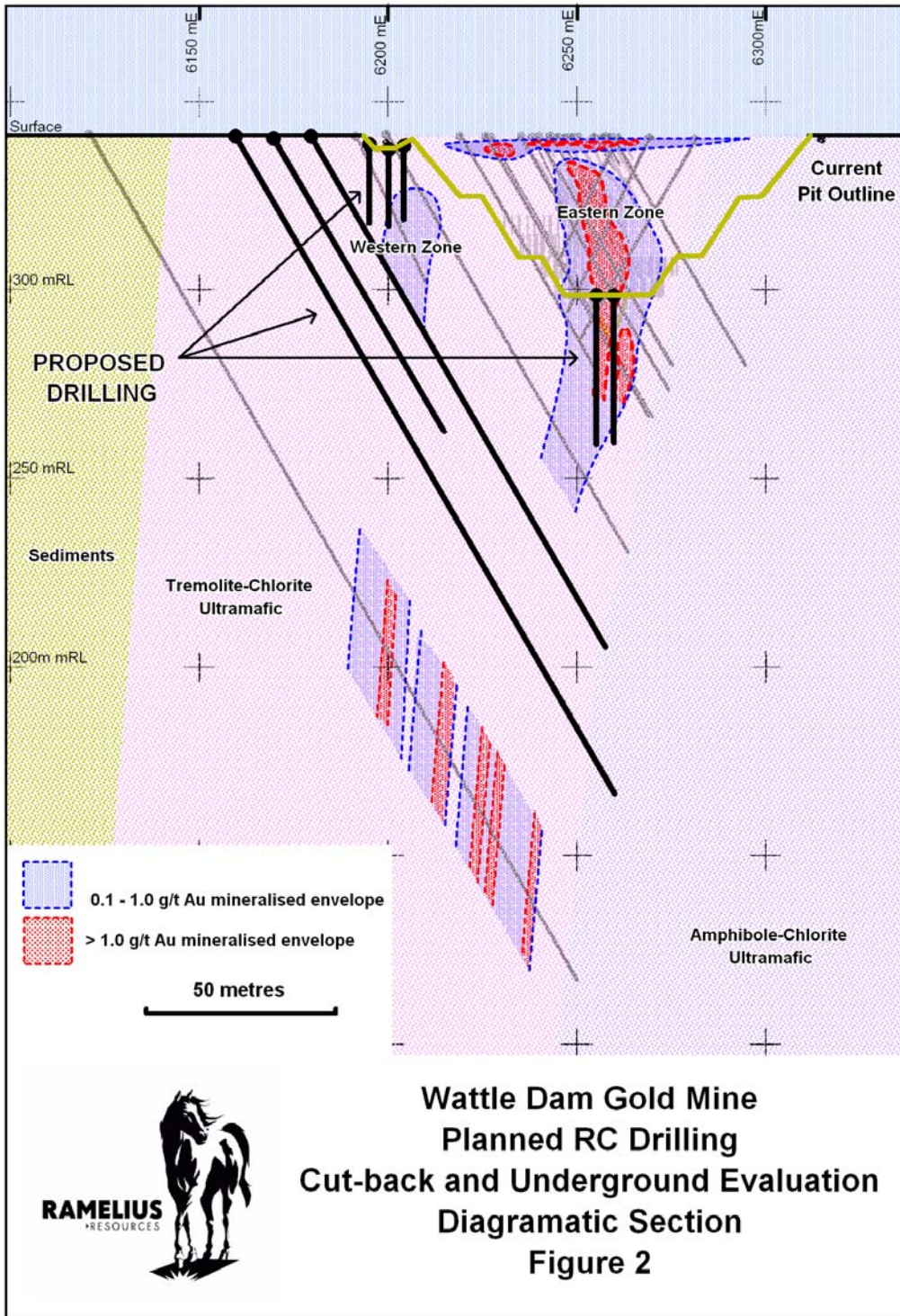
WATTLE DAM GOLD MINE EVALUATION DRILLING

A RC drilling program of 7,900 metres in 98 holes for resource delineation and to evaluate the greater underground potential at the Wattle Dam Gold Mine has commenced. This program comprises drilling from within the pit to evaluate, in particular, the Western Zone and drilling from the surface to test from the south to the north of the pit on 20 metres centres to depths of 200 metres. This drilling is expected to provide sufficient data to assess the potential for a cut back of the pit and indicate the potential for a subsequent underground development. The drilling is shown in plan, Figure 1 and in cross section in Figure 2.

Of this program 2,340 metres in 49 holes have been completed and the drilling suspended until early January 2007.



**Wattle Dam 7800N Gold Mine
Planned RC Drilling
Figure 1**



Gold Specimen Sales

The Company had a sales program of its extensive Gold Nugget and Specimen collection from the Wattle Dam Gold Mine during the quarter.

BURBANKS TREATMENT PLANT (Ramelius Milling Services Pty Ltd a Wholly Owned Subsidiary of Ramelius Resources Limited)

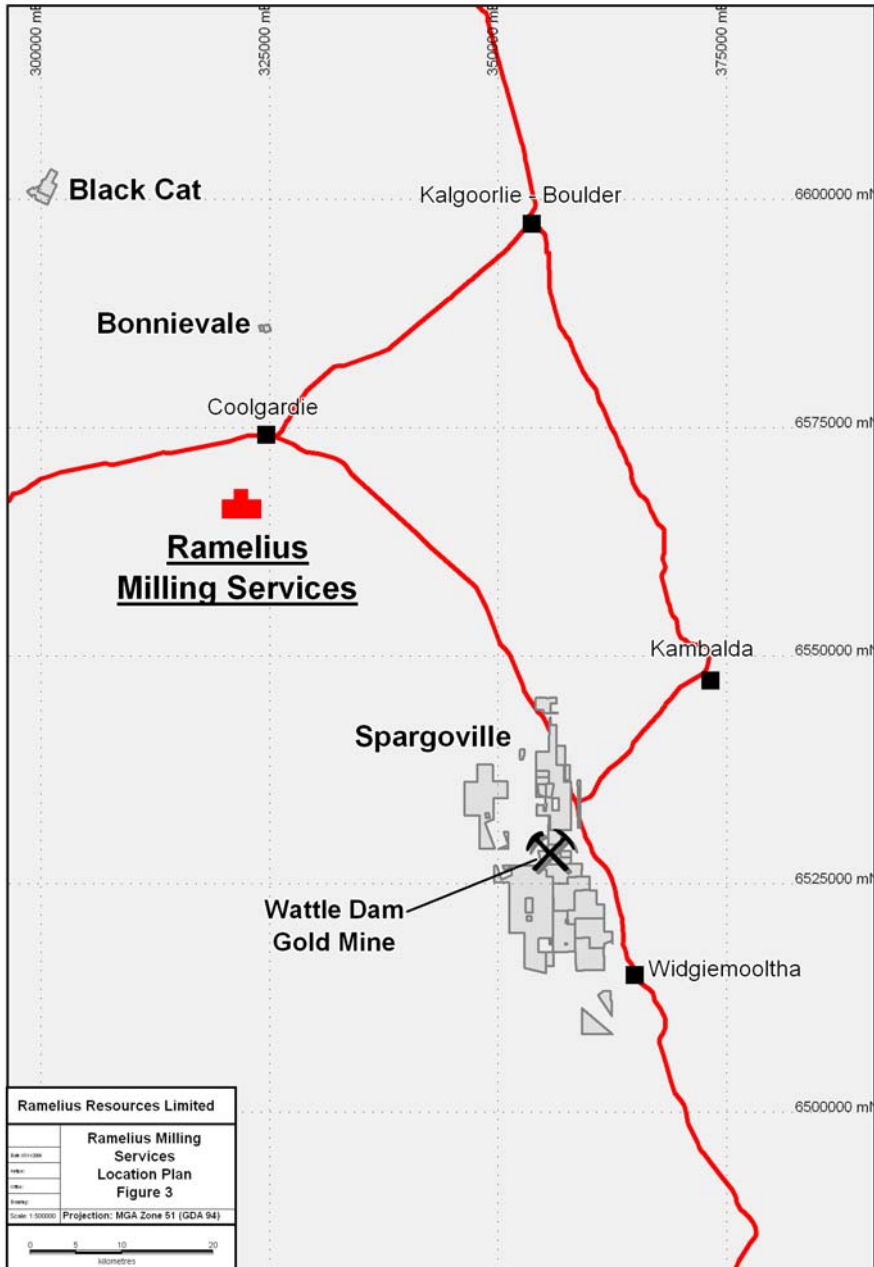
During the Quarter the Company purchased the Burbanks Gold Processing Plant, located 8 kilometres south of Coolgardie (Figure 3), from Coolgardie Custom Milling Pty Ltd for cash consideration of AUD\$2.8 million. The initial payment of three tranches was made in December with finalisation of the acquisition expected by March 2007. The acquisition, which includes plant, equipment and the underlying tenements, will be funded out of existing cash reserves.

Key personnel have been retained for the supervision and management of the plant. In this respect Mr. Brian Kelty, currently the Project/Mine Manager for the Wattle Dam Gold Project has been appointed Operations Manager over the Company's Eastern Goldfields operations.

This acquisition is expected to have a material impact on the timing of cash flows from the Wattle Dam mining operations where Ramelius currently has Run of Mine stockpiles estimated at approximately 124,000 tonnes of ore at a grade of 10.8g/t gold. Previously the high demand on contract milling facilities in the area had not allowed Ramelius to plan with any certainty the timing or tonnage of future milling programs and hence the revenue due to the company.

With this acquisition Ramelius expects to commence milling the Wattle Dam stockpile at the Burbanks treatment plant during the March quarter.

An operating cost budget will be developed for treatment of Wattle Dam ore and options for upgrading capacity and improving the circuit performance are being investigated. It is Ramelius' aim to develop the Burbanks facility specifically for maximising recovery from high-grade (>4 g/t) gold ores.



STRATEGIC BENEFITS

With the high levels of existing ore stockpiles at Wattle Dam together with the probability of an extension to the ore body via a cutback and the potential underground operations, Ramelius has a high milling burden. Acquiring this gold processing plant secures processing availability for the future.

Ramelius will now be in a position to plan future mining and exploration programs in the knowledge that it will be able to swiftly monetise existing assets and new discoveries within its Spargoville regional project. Strong levels of activity from other junior explorers within the area may also serve to provide mill feed to the Ramelius plant.

PROCESS PLANT SUMMARY

The Burbanks process facility includes two stage crushing, ball milling and a carbon in pulp circuit of nominal 180,000 tpa capacity. The circuit has been on care and maintenance for approximately 2 years having previously been employed toll treating high-grade gold ores from the Coolgardie area. Included within the purchase price are the acquisition of three mining leases, four general purpose leases, two water licences, a tailings disposal facility, associated laboratory, offices and maintenance facilities.

Ramelius engaged GRD Minproc to report on the condition of the process equipment and identify the work required to recommission the circuit. In the event that the Company recognises spare treatment capacity, Custom Milling and Carbon Stripping Services will be considered.

EXPLORATION

SPARGOVILLE REGIONAL PROJECT (WA) (Various Gold, Nickel and Tantalum Rights)

Ramelius controls the gold rights to some 300 km² along more than 30 km strike length covering the Kunanalling and Spargos Reward Shears. This regional project contains four project areas, Wattle Dam (100% gold and tantalum rights and earning 80% nickel and base metals rights), Hilditch (90% gold and all minerals), Logan's/Larkinville (75% gold and tantalum rights and earning 80% nickel and base metals rights) and North Widgie (100% gold rights).

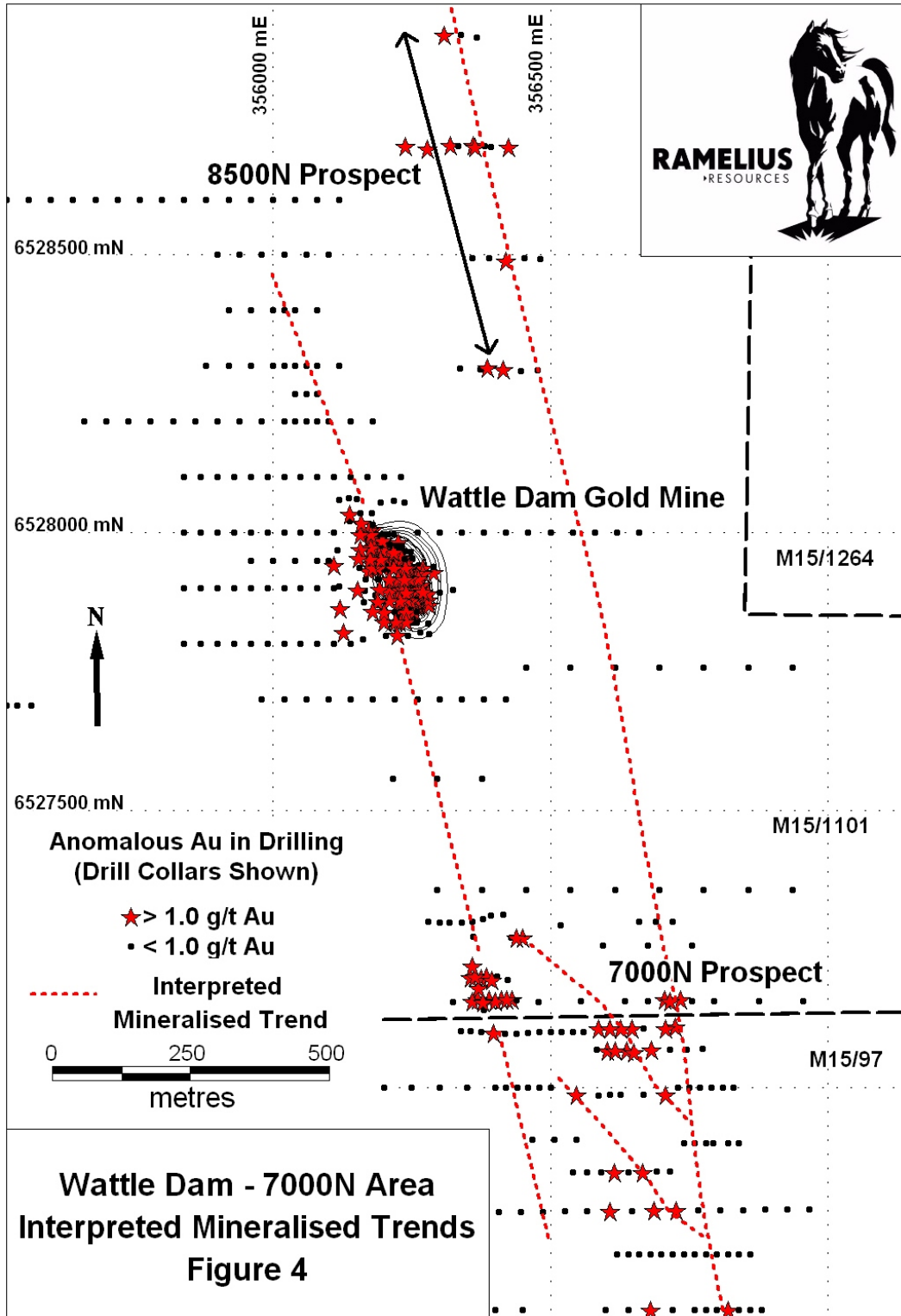
An earlier review of the exploration prospects within the Spargoville project area recognised in excess of 20 targets for gold, nickel and tantalum. Work has commenced on many of these targets with positive results being detailed below.

**WATTLE DAM PROJECT (Gold, Tantalum, Nickel)
(100% Gold, Tantalum and earning 80% Nickel Rights; PLs 15/3767; 3873; 4479;
EL 15/718 [MLAs 15/1769-1773]; MLs 15/1101; 1263; 1264; MLAs 15/1323; 1338:
100% PLs 4651 – 4653 [MLAs 15/1774-1776])**

RC DRILLING AT WATTLE DAM 7000N PROSPECT

This prospect is located approximately 700 metres to the south and along strike from the Wattle Dam Gold Mine. Previously, Ramelius had undertaken RC drilling in December 2004 and RAB drilling in April 2006 to follow up on drilling results obtained by previous explorers.

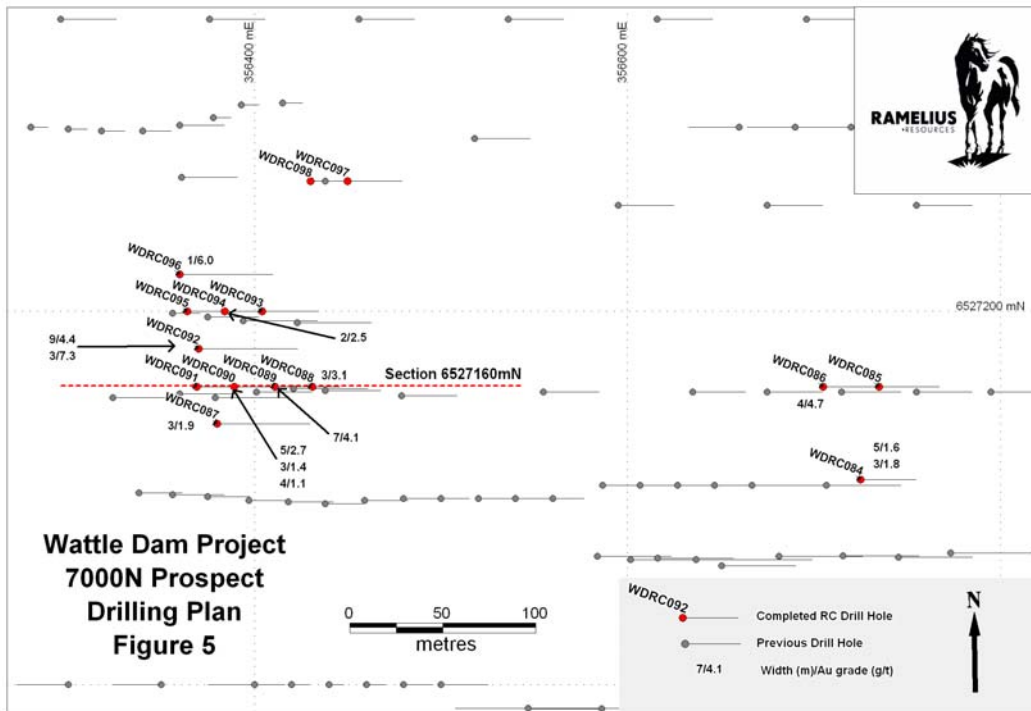
A total of 15 RC drill holes for 1,243 metres were completed at the 7000N prospect in order to evaluate two targets, refer to Figure 4.

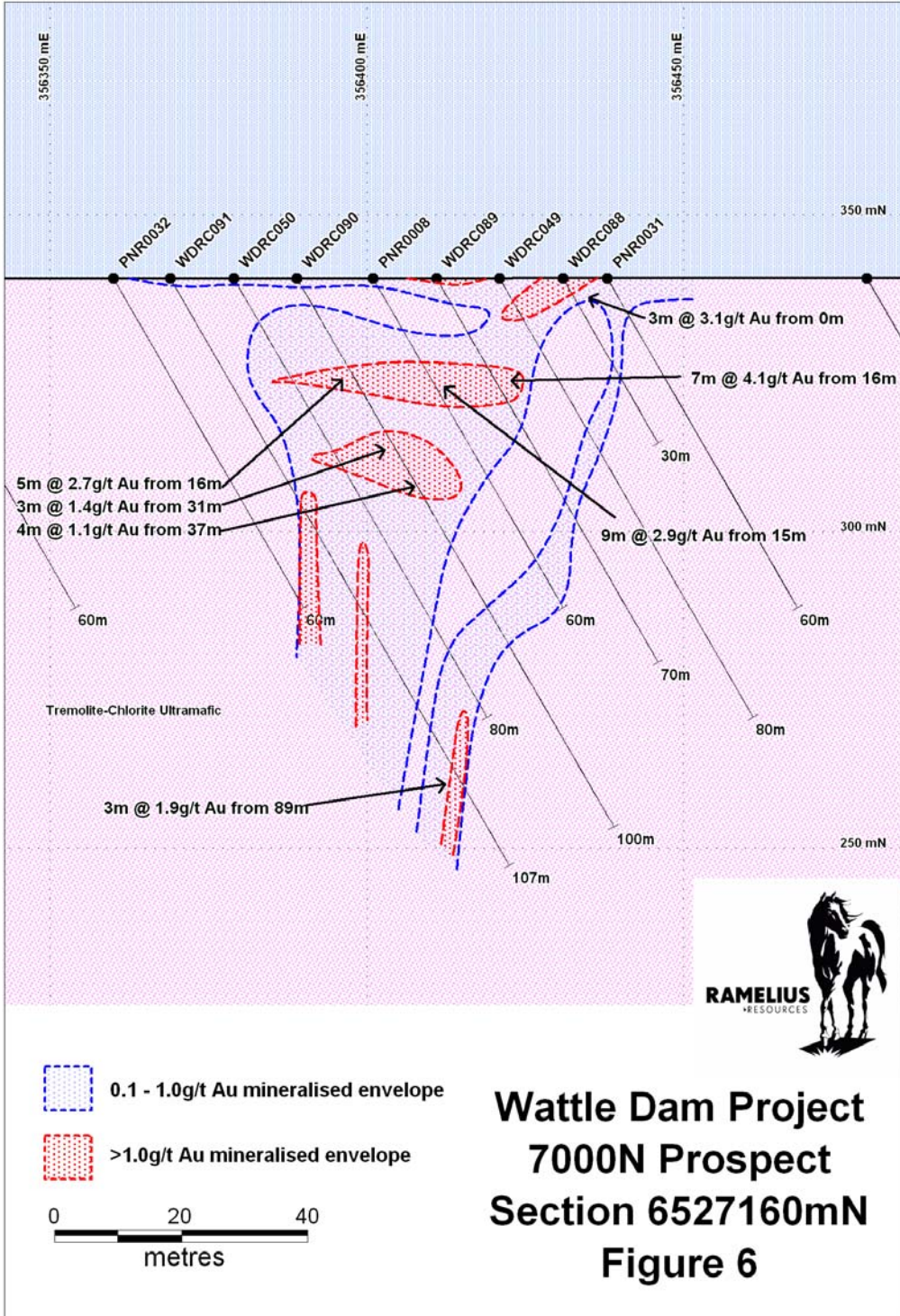


Wattle Dam Shear Southern Extension

Twelve of these drill holes for 1,011 metres were completed to evaluate the area to the south of the Wattle Dam Gold Mine, along the projected extension of the Wattle Dam shear system. Previous drilling within the area intersected wide zones of anomalous gold mineralisation with discrete one metre intervals of higher grades values such as WDRC050 that intersected a total of 70 metres @ 0.4g/t Au from 7 metres including single metre intercepts of 5.3g/t Au, 1.2g/t Au and 1.5g/t Au.

Within the recent drilling several high grade intervals (such as **7 metres @ 4.1 g/t** and **9 metres @ 4.4 g/t gold**) embedded within wide zones of anomalous gold (44 metres @ 0.9g/t Au from 4 metres in WDRC090) were intersected. These wide anomalous zones are thought to trend north-west and dip steeply to the south west and appear to be similar to the mineralised zones within the Wattle Dam 7800N deposit. The north-west orientation of these zones within a northerly trending shear may indicate a favorable structural orientation conducive to gold mineralisation similar to that at the Wattle Dam deposit. All significant (≥ 4 grams per metre Au) intercepts returned from recent drilling are tabulated below and a plan and cross section are attached as Figures 5 and 6.





Significant ($\geq 4\text{gxm Au}$) result – Wattle Dam Shear Southern Extension

Hole ID	Northing (GDA)	Easting (GDA)	RL (m)	Dip	Az	Total Depth (m)	From (m)	To (m)	Width (m)	Grade (g/t Au)
WDRC088	6527160	356431	340	-60	90	30	0	3	3	3.1
WDRC089	6527160	356411	340	-60	90	70	16	23	7	4.1
WDRC090	6527160	356389	340	-60	90	100	16	21	5	2.7
							31	34	3	1.4
							37	41	4	1.1
WDRC091	6527160	356369	340	-60	90	107	89	92	3	1.9
WDRC092	6527180	356370	340	-60	90	107 including	5	14	9	4.4
							8	10	2	11.0
							101	104	3	7.3
WDRC094	6527200	356384	340	-60	90	101	31	33	2	2.5
WDRC096	6527220	356360	340	-60	90	100	43	44	1	6.0

Three styles of gold mineralisation have been interpreted from the completed drilling. The later two form part of the north-west trending wide anomalous zone.

1. Lateral surficial dispersion including **3 metres @ 3.1g/t Au** from 0 metres (WDRC088)
2. Lateral dispersion within upper saprolite including **7 metres @ 4.1 g/t Au** from 16 metres (WDRC089)
3. Primary zones of mineralisation with an interpreted steep dip to the south west and trending northwest including **3 metres @ 7.3g/t Au** from 101 metres.

RC Drilling to bring the drilling density to a minimum spacing of 10 metres x 20 metres is expected to be undertaken during the next quarter.

Felsic/Ultramafic Contact (300 metres to the East)

A total of three holes (WDRC084 – WDRC086) for 232 metres were completed to evaluate anomalous gold intercepts within ultramafic rocks along an interpreted felsic intrusive contact 300 metres to the east of the above target. Historical intercepts returned from the area comprise 3 metres @ 4.0g/t Au from 49 metres (WID3235) and 8 metres @ 1.5g/t Au from 40 metres (PNR0004).

All significant ($\geq 4\text{gxm Au}$) results returned from the recent drilling of the felsic/ultramafic contact are tabulated below.

Significant ($\geq 4\text{gxm Au}$) result – Felsic/Ultramafic Contact

Hole ID	Northing (GDA)	Easting (GDA)	RL (m)	Dip	Az	Total Depth (m)	From (m)	To (m)	Width (m)	Grade (g/t Au)
WDRC084	6527110	356725	340	-60	90	60	40	45	5	1.6
							51	54	3	1.8
WDRC086	6527160	356705	340	-60	90	107	49	53	4	4.7

The recent drilling intersected several zones of gold mineralisation,

1. Lateral surficial dispersion including 2 metres @ 0.5g/t from 0 metres (WDR085)
2. Lateral dispersion at the upper and lower saprolite boundary including 5 metres @ 1.6g/t Au from 40 metres (WDR084)
3. Interpreted primary zone with a steep apparent dip to the west, including 4 metres @ 4.7g/t Au from 49 metres (WDR086).

Based on the drilling completed within the area it is apparent that a depletion zone to a depth of approximately 35 metres overlies the significant lateral dispersion zone associated with the upper and lower saprolite boundary.

The mineralisation associated with the contact can be traced along strike for at least 60 metres within the drilling from where it remains open to the north and south.

Further RAB and RC drilling is planned for the northern and southern strike extensions and at depth below the existing intersections.

LOGAN'S LARKINVILLE PROJECT (Gold, Tantalum, Nickel) (Pioneer Nickel 100%, Ramelius earning 75% Gold and Tantalum, earning 80% Nickel Rights; PLs 15/4464; 4213 & 4214; EL15/689; EL15/742; MLA 15/1449)

Logan's

Preparations for RAB drilling the gold geochemical anomalies at Larkinville West have been completed and the drilling is expected to commence during the March quarter.

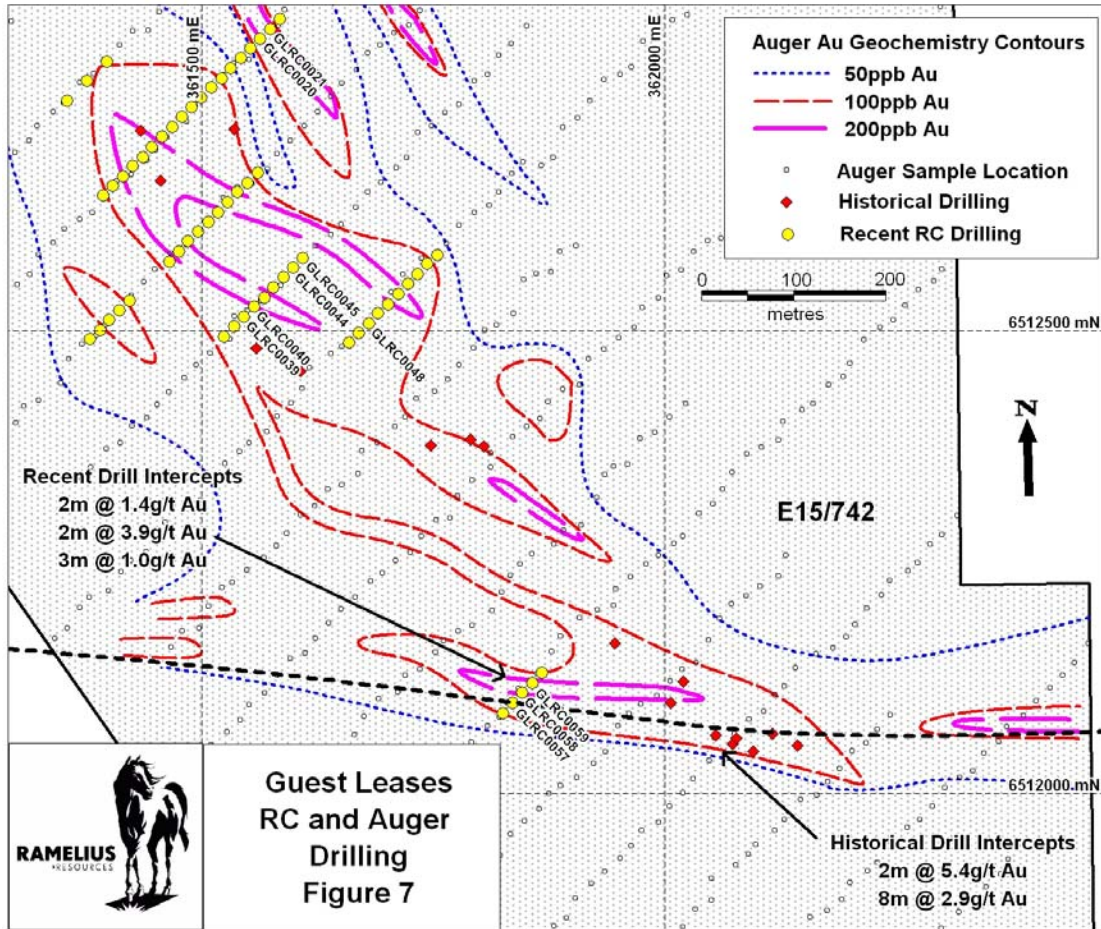
Guest Leases

The area known as the "Guest Leases" is located approximately 5 kilometres to the west of Widgiemooltha. Minor historical gold workings are located within the licence.

An auger sampling program conducted earlier in the year returned strong gold anomalism to 800ppb gold over one kilometre along strike and up to 500 metres wide within mafic lithologies.

RC Drilling

A total of 61 RC drill holes for 2,055 metres were completed in order to evaluate this gold anomalism. The majority of the drilling was completed on a 15 metres by 100 metres drill spacing and all holes were drilled towards the south west (225°) angled at -60°. Refer to Figure 7.



Tabulation of Drill hole locations

Line	Northing From (GDA)	Easting From (GDA)	Northing To (GDA)	Easting To (GDA)	No of Holes	Average Depth (m)	Hole Spacing (m)
1	6512749	361354	6512791	361397	3	79	40
2	6512646	361393	6512837	361584	19	31	15
3	6512491	361379	6512533	361422	5	31	15
3	6512575	361465	6512660	361549	10	27	15
4	6512494	361524	6512579	361609	9	33	15
5	6512487	361659	6512582	361754	10	33	15
6	6512087	361825	6512130	361867	5	38	15

The drilling intersected predominantly mafic lithologies with minor tremolite-chlorite ultramafics in the south. A poorly developed weathering profile is evident with many holes hitting competent saprock/fresh rock within the first 5 – 10 metres.

A zone of gold depletion between 5 – 20 metres depth and elevated Au values near surface was identified from sectional interpretations and plotting average gold grades versus drill depth. Three larger zones of low level gold anomalism interpreted to have true widths of approximately 20 metres warrant further drilling to test strike and depth extensions.

The southern most drill traverse, identified anomalism closely associated with mafic lithologies in contact with tremolite-chlorite ultramafics with an apparent dip to the north east around 45° (holes GLRC0057, 0058 and 0059). Recently completed additional auger sampling, as detailed below, has indicated the geochemical expression of this zone to have an east west orientation over 900 metres, with core values in excess of 200ppb Au. Also associated with this zone are the historical drill holes GGR04 and GGR06, reported to have returned 2 metres @ 5.4 g/t Au and 8 metres @ 2.9 g/t (refer to figure 7) Further drilling is required along this anomalous zone.

Significant Gold Intersections (≥1.0g/t Au)

Hole No.	Northing (GDA)	Easting (GDA)	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)
GLRC0020	6512816	361563	-60	225	32	18	19	1	1.5
						21	22	1	1.5
GLRC0021	6512826	361574	-60	225	30	27	28	1	1.4
GLRC0039	6512515	361545	-65	225	44	14	15	1	3.1
GLRC0040	6512526	361556	-65	225	32	22	26	4	1.2
GLRC0044	6512568	361598	-65	225	30	17	18	1	1.4
GLRC0045	6512579	361609	-65	225	30	12	14	2	1.3
GLRC0048	6512508	361680	-65	225	38	30	32	2	2.8
GLRC0057	6512098	361835	-60	225	40	14	16	2	1.4
GLRC0058	6512109	361846	-60	225	34	23	25	2	3.9
GLRC0059	6512119	361857	-60	225	47	43	46	3	1.0

AUGER SAMPLING

Additional auger sampling totaling 245 holes were completed at grid spacings of 20 metres x 100 metres and 20 metres x 200 metres to extend the previously completed auger drilling to ensure coverage over the entire tenement. The majority of the auger holes returned results ≤50ppb Au with four holes returning ≥100ppb Au, (maximum of 205ppb Au).

**NORTH WIDGIEMOOLTHA BLOCKS (100% Gold Rights)
(MLs 15/97; 15/99; 15/100; 15/101; 15/102; 15/653; MLA 15/1271; PL15/3666)**

**Ground Lark Area including Ground Lark (Gold, Tantalum, Nickel)
(100% M15/1290)**

Assessment of the analytical results of the auger sampling across this area as reported last quarter showed an east–west alignment of enhanced values along interpreted thrusts with anomalous gold associated with the intersection of north-south trends and the thrusts to the immediate north of Ground Lark and at the “Hidden Valley” location 5km to the south east.

A total of 432 Auger holes were completed to infill the two anomalous areas

At Ground Lark a total of 162 Auger holes were completed at a grid spacing of 20 metres x 100 metres on east-west lines to evaluate the area within and to the north of M15/1290 (Ground Lark). Two anomalous trends were identified.

1. The more pronounced anomalous trend (≥ 100 ppb Au) is within the Ground Lark tenement (M15/1290). It extends east west for approximately 200 metres and is, in part, in close proximity to a mafic - felsic intrusive contact along which historical gold workings are located. The eastern portion of the anomalism is within an area of dry-blowing within the felsic intrusive.

2. To the north of Ground Lark, a north-north west orientated ≥ 50 ppb Au anomalous zone extends for approximately 500 metres along (adjacent to) an interpreted mafic - felsic intrusive contact. The zone has an average width of around 50 metres. Along the contact maximum values of 215ppb and 138ppb Au have been returned from material logged as upper saprolite and lower saprolite respectively on two adjacent lines.

RAB drilling has been proposed to assess these anomalies.

At Hidden Valley a total of 270 auger holes were drilled at a grid spacing of 20 metres x 200 metres on east west lines to further evaluate the anomalous area. Two subtle areas of anomalism interpreted to be associated with the Ground Lark structure/thrust and adjacent to an interpreted north south trending felsic intrusive/ultramafic contact were identified.

7000N to Skylark Area

The 7000N to Skylark area comprises five target areas which were defined during a review of the anomalous mafic/ultramafic belt to the south of the Wattle Dam 7800N Gold Mine, within the North Widgiemooltha Project. During the review several datasets were utilised including geological/regolith mapping, aerial photography, landsat, surface geochemistry, previous drilling and aeromagnetics.

A total of 131 RAB/Aircore drill holes were completed for 5797 metres over the five target areas. All significant (≥ 0.1 g/t Au) results are listed in Table below.

Hole Number	Northing (GDA)	Easting (GDA)	Az	Dip	Total Depth (m)	RL est (m)	From (m)	To (m)	Length (m)	Gold (g/t)	Target
LRAB031	6525480	356800	270	-60	42	400	0	4	4	0.55	Lindsays Reward
LRAB041	6525280	356800	270	-60	43	400	32	40	8	0.70	Lindsays Reward
							incl	32	36	4	1.04
NWAC0002	6526900	356760	270	-60	57	400	44	48	4	0.52	Regional
NWAC0007	6526700	356800	270	-60	41	400	36	41	5	0.68	Regional
NWAC0020	6526600	356820	270	-60	42	400	36	42	6	0.64	Regional
							incl	40	42	2	1.68
NWAC0025	6526600	356680	270	-60	26	400	24	26	2	2.68	Regional
NWAC0028	6526200	357020	270	-60	59	400	36	40	4	0.51	Regional
NWAC0034	6526200	356780	270	-60	64	400	32	36	4	0.63	Regional
NWAC0054	6523200	357480	270	-60	66	400	36	40	4	3.10	Regional

**HILDITCH PROJECT (Nickel, Gold and Tantalum)
(90% PLs 15/4127 – 4130; MLA 15/1448)**

No exploration activities were conducted during the quarter.

**BLACK CAT PROJECT (GOLD)
(90% M16/34, M16/115)**

Resource estimates have been completed for the three Black Cat deposits, Black Cat North, Black Cat South and Black Cat South East. These estimates are based on reverse circulation drilling undertaken by Ramelius, the latest drilling being that undertaken in July 2006 to infill the central portions of the deposits to 10 metres centres. This drilling was reported last quarter. Black Cat North is located immediately to the north of the existing open pit; Black Cat South is approximately 100 metres to the grid east of the pit and Black Cat South East a further 100 metres to the east.

The Black Cat North deposit is flat laying secondary gold mineralisation located at a depth of 35 metres immediately below the interface of mottled clays thought to be after lacustrine paleo-sediments and in situ saprolite clays. The Black Cat South and Black Cat South East deposits are overlain by 20 to 25 metres thickness of mottled clays similar to that at Black Cat North. The primary gold mineralisation at the Black Cat South and Black Cat South East deposits is located within shears along the footwall contact of a granodiorite intrusive and mafic volcanics (the contact Zone). There is a supergene component to the mineralisation, particularly within 50 metres of the surface. Secondary gold mineralisation occurs in saprolitic clays 5 to 10 metres below the base of mottled clays, similar to that at Black Cat North.

The estimates for Black Cat North are based on 2 gram metres gold over a minimum vertical width of 2 metres and a maximum of 2 metres (vertical) for included internal dilution. The resource was estimated using both the cross sectional method and a plan projection with polygonal blocks drawn around the intercepts. An assumed density of 1.5 gm/cc was used to derive the tonnes.

The estimates for Black Cat South and South East are based on 3 gram metres gold over a minimum down hole width of 3 metres and a maximum of 3 metres for included internal dilution. The minimum down hole widths and internal dilution widths have been increased in this estimate, as compared to previous estimates, from 2 to 3 metres to reflect the dimensions more likely to be encountered in a mining operation. The resource was estimated using the cross sectional method. A density of 2.0 gm/cc was used to derive the tonnes.

Zone	INDICATED		INFERRED		TOTAL	
	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold
Black Cat North						
	19000	3.4	13000	2.0	34000	2.9
Black Cat South						
	157000	2.1	88000	1.9	245000	2.0
Black Cat South East						
	11000	2.1	29000	1.9	40000	2.0
TOTAL	168000	2.1	117000	1.9	285000	2.0

Within this total resource approximately 102,000 tonnes at 2.8 g/t gold for approximately 9,100 oz is estimated to occur within a depth of 50 metres of the surface in the central portions of the deposits as tabulated below.

	INDICATED		INFERRED		TOTAL	
	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold
Black Cat North						
Central Core	17000	3.5	3000	3.6	20000	3.6
Black Cat South						
Above 370RL	62000	2.6	10000	3.0	72000	2.6
Black Cat South East						
Contact Above 370RL	4000	2.9	6000	2.6	10000	2.7
TOTAL	83000	2.8	19000	3.0	102000	2.8

An optimisation study based on these resources is in progress.

BULLABULLING PROJECT (Gold) (Pioneer Nickel 100%, Ramelius earning 75% Gold and Tantalum; PLs 15/4435-4440)

A total of 666 Auger holes were completed at a grid spacing of 40 metres x 200 metres over tenements P15/4435 - 4437. Results from the auger are expected early in the March Quarter

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 Mineral Resources is based on information compiled by G.J.Dunbar of Dunbar Resource Management, who is a Fellow of the Australasian Institute of Mining and Metallurgy and who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 1999 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves”. G.J.Dunbar consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

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

Gordon Dunbar who is a Fellow of the Australian Institute of Mining and Metallurgy, is employed by Rangewest Pty Ltd, trading as Dunbar Resource Management. Gordon Dunbar 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. Gordon Dunbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

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")

31 December 2006

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	1,245	8,293
1.2 Payments for		
(a) exploration and evaluation	(555)	(1,184)
(b) development		
(c) production	(1,559)	(4,004)
(d) administration	(370)	(567)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	69	104
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material))		
GST	109	40
Prepaid insurance etc	(16)	(30)
Listing fee	(1)	(17)
Recovered administrative costs	33	56
Gold Production hedge contract	(81)	(81)
Other	(7)	(33)
Net Operating Cash Flows	(1,133)	2,577
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(1,043)	(1,111)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		2
(c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(1,043)	(1,109)
1.13 Total operating and investing cash flows (carried forward)	(2,176)	1,468

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,176)	1,468
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	202	280
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Payments relating to issue of shares	(1)	(61)
	Net financing cash flows	201	219
	Net increase (decrease) in cash held	(1,975)	1,687
1.20	Cash at beginning of quarter/year to date	5,123	1,461
1.21	Exchange rate adjustments to item 1.20		
		3,148	3,148
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	204
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), casual labour and mine security costs 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 \$5.2m.

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development & Production	700
Total	1,200*

* 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	627	1,760
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) – Term Deposits	2,521	3,363
Total: cash at end of quarter (item 1.22)	3,148	5,123

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	EL39/480	Surrendered 8/12/06	50%	0%
6.2 Interests in mining tenements acquired or increased	GPL15/10	Purchased 14/12/06	0%	100%
	GPL15/11	Purchased 14/12/06	0%	100%
	GPL15/12	Purchased 14/12/06	0%	100%
	GPL15/13	Purchased 14/12/06	0%	100%
	L15/109	Purchased 14/12/06	0%	100%
	L15/110	Purchased 14/12/06	0%	100%
	L15/189	Purchased 14/12/06	0%	100%
	L15/234	Purchased 14/12/06	0%	100%
	ML15/1273	Purchased 14/12/06	0%	100%
	ML15/1369	Purchased 14/12/06	0%	100%
	ML15/1370	Purchased 14/12/06	0%	100%
	PLA15/4855	Reversion Tenement 18/12/06	0%	100%
	PLA15/4856	Reversion Tenement 18/12/06	0%	100%
	PLA15/4857	Reversion Tenement 18/12/06	0%	100%
	PLA15/4858	Reversion Tenement 18/12/06	0%	100%
	PLA15/4859	Reversion Tenement 18/12/06	0%	100%
	PLA15/4860	Reversion Tenement 18/12/06	0%	100%
	PLA15/4861	Reversion Tenement 18/12/06	0%	100%
	PLA15/4862	Reversion Tenement 18/12/06	0%	100%
	ELA15/959	Reversion Tenement 22/12/06	0%	100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	91,666,887	91,666,887		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	798,987	798,987	(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>	44,437,203 30,665,521	44,437,203 28,415,521	<i>Exercise price</i> \$0.175 \$0.18687	<i>Expiry date</i> 30/6/2007 31/12/2007
7.8 Issued during quarter				
7.9 Exercised during quarter	523,987 275,000	523,987 25,000	\$0.175 \$0.18687	30/6/2007 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 ~~/does not*~~ (*delete one*) give a true and fair view of the matters disclosed.

Print name: Dom Francese..... Date:31/1/2007.....
(~~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.