



Ramelius Resources Limited

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ASX RELEASE

For Immediate Release

22 December 2006

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

Dear Sir/Madam,

ACTIVITY UPDATE

SPARGOVILLE PROJECT WA – MINING AND EXPLORATION

HIGHLIGHTS

- **Ramelius settles the acquisition of the Burbanks 180,000tpa gold processing plant.**
- **Wattle Dam Shear Southern Extension returns encouraging drilling results from the 7000N prospect including 7 metres @ 4.1 g/t and 9 metres @ 4.4 g/t gold with mineralisation similar to that at the Wattle Dam Mine.**
- **Wattle Dam Mine cut back and underground evaluation drilling commenced.**
- **Mr. Brian Kelty appointed Operations Manager.**

BURBANKS TREATMENT PLANT

The Directors of Ramelius Resources Limited (ASX code:"RMS") are pleased to advise that the Company has settled the initial payment for the purchase the Burbanks Gold Processing Plant from Coolgardie Custom Milling Pty Ltd. The remaining payments will be finalised by March 2007 and will be funded out of cash reserves.

Key personnel have been retained for the supervision and management of the plant which is expected to be treating Wattle Dam ore by March 2007.

TREATMENT OF WATTLE DAM ORE AT GREENFIELDS

The treatment of a 30,000 tonne parcel of Wattle Dam ore is scheduled to commence at the Greenfields Custom Mill on the 22 December 2006 having been delayed several weeks. The treatment of this parcel that has an estimated grade (from grade control drilling) of 10 g/t gold, will continue through the Christmas and New Year holiday period and is expected to be completed by the middle of January 2007.

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 1.

Wattle Dam Shear Southern Extension

12 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 included in Table 1 and a cross section is attached as Figure 2.

Table 1 – Significant (≥ 4 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 in the New Year.

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 included in Table 2.

Table 2 – 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 (WDRC085)
2. Lateral dispersion at the upper and lower saprolite boundary including 5 metres @ 1.6g/t Au from 40 metres (WDRC084)
3. Interpreted primary zone with a steep apparent dip to the west, including 4 metres @ 4.7g/t Au from 49 metres (WDRC086).

From the drilling completed to date 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.

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 3 and in cross section in Figure 4.

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

GUEST LEASES

A total of 61 RC drill holes for 2,055 metres were completed in order to evaluate previously identified auger 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 5.

Table 3 Drill hole locations of all completed drilling

Traverse	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°.

Further drilling is required to test extensions of this anomalism along strike and at depth.

Table 4 Significant Gold Intersections ($\geq 1.0\text{g/t Au}$)

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

Appointment of Operations Manager.

Mr. Brian Kelty, currently the Project/Mine Manager for the Wattle Dam Gold Project, has now been appointed Operations Manager over the Company's Eastern Goldfields operations.

The Information in this report that relates to Exploration Results is based on information compiled by Gordon Dunbar who is a Fellow of the Australasian Institute of Mining and Metallurgy. Gordon Dunbar 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 of Exploration Results, Mineral Resources and Ore Reserves. 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.

The Information in this report that relates to Exploration Results is based on information compiled by Matthew Svensson who is a Member of the Australian Institute of Geoscientists. Matthew Svensson 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. 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.

**Mr. Joe Houldsworth
Managing Director
Ramelius Resources Limited
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Figure 1

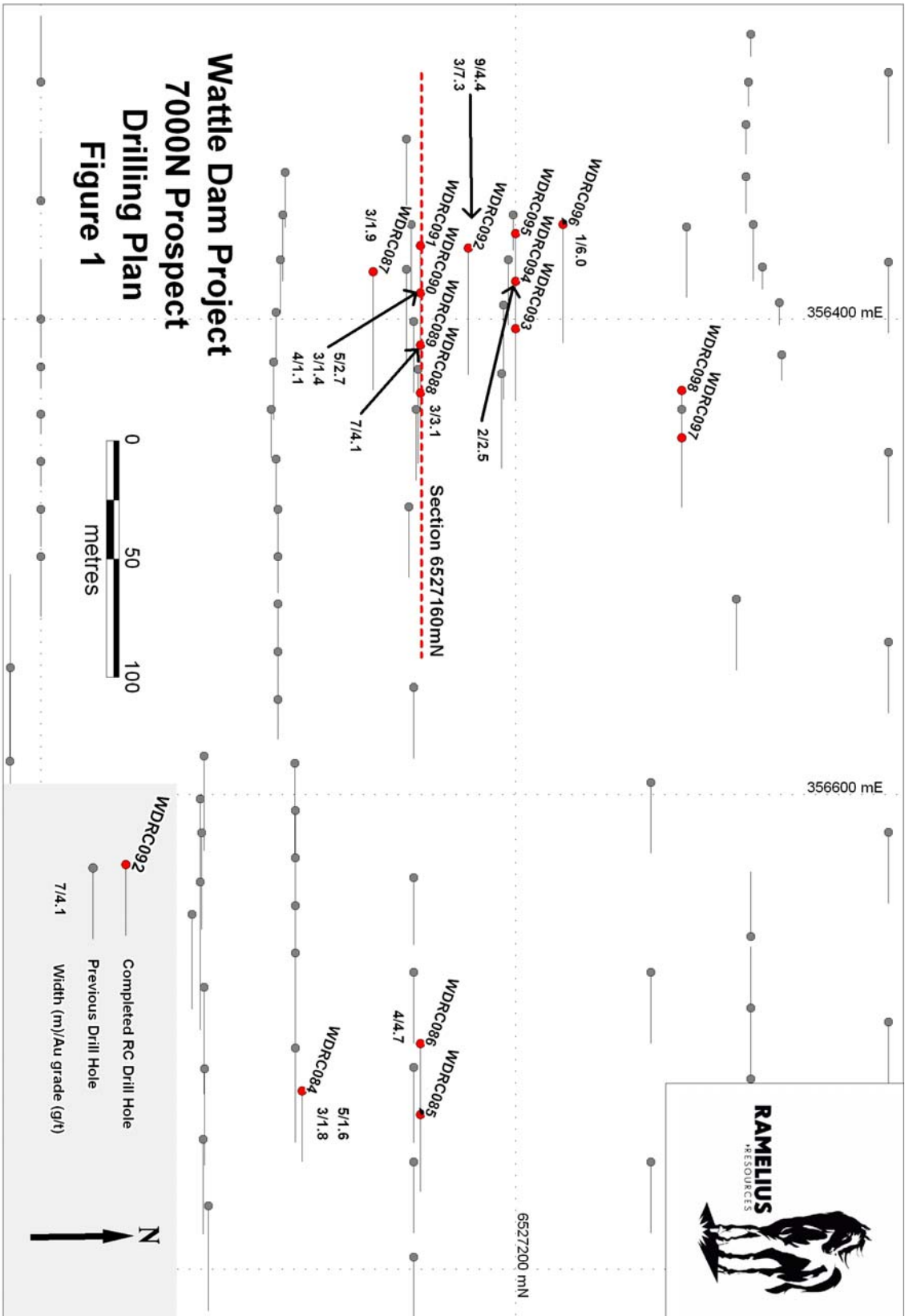


Figure 2

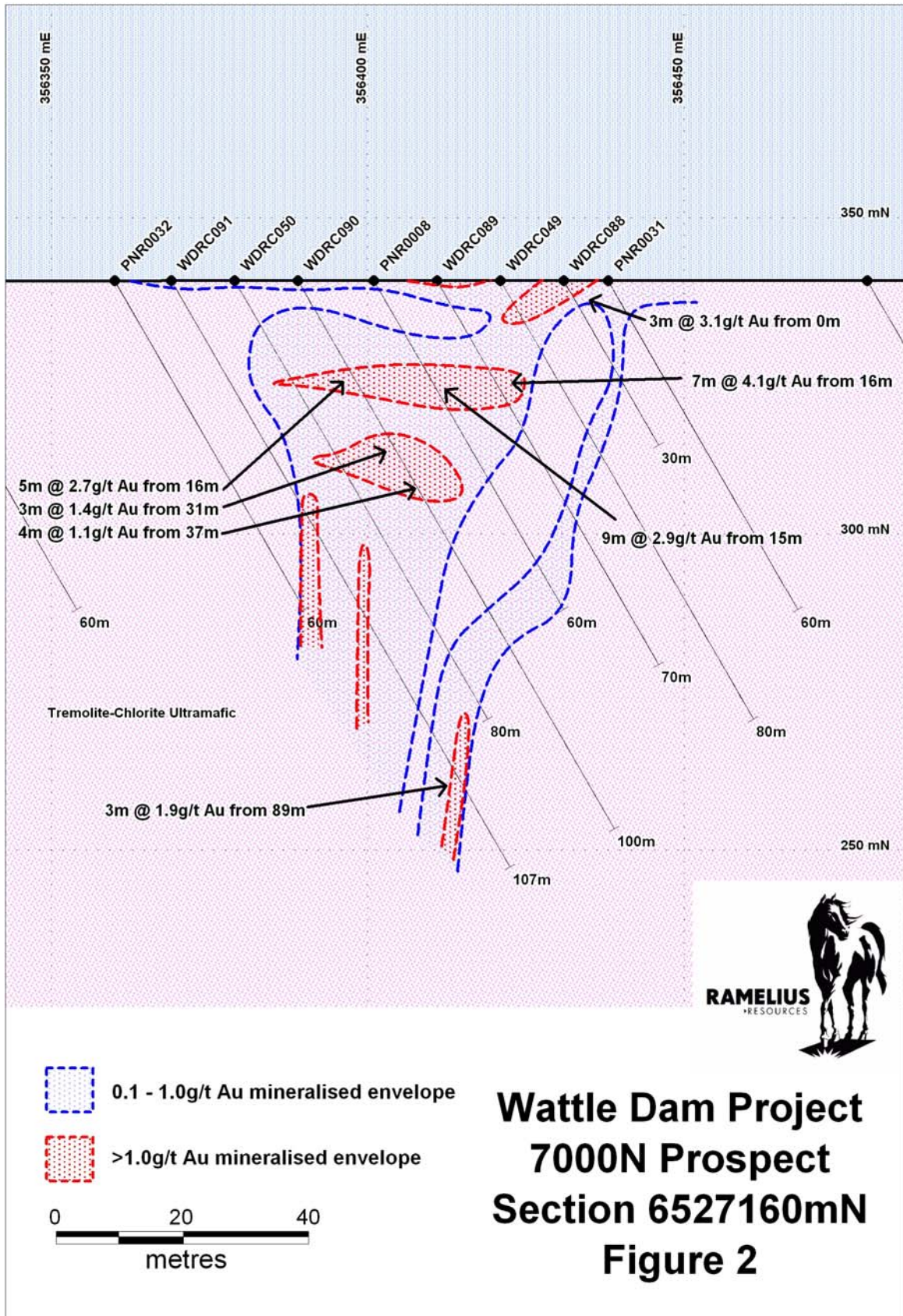


Figure 3

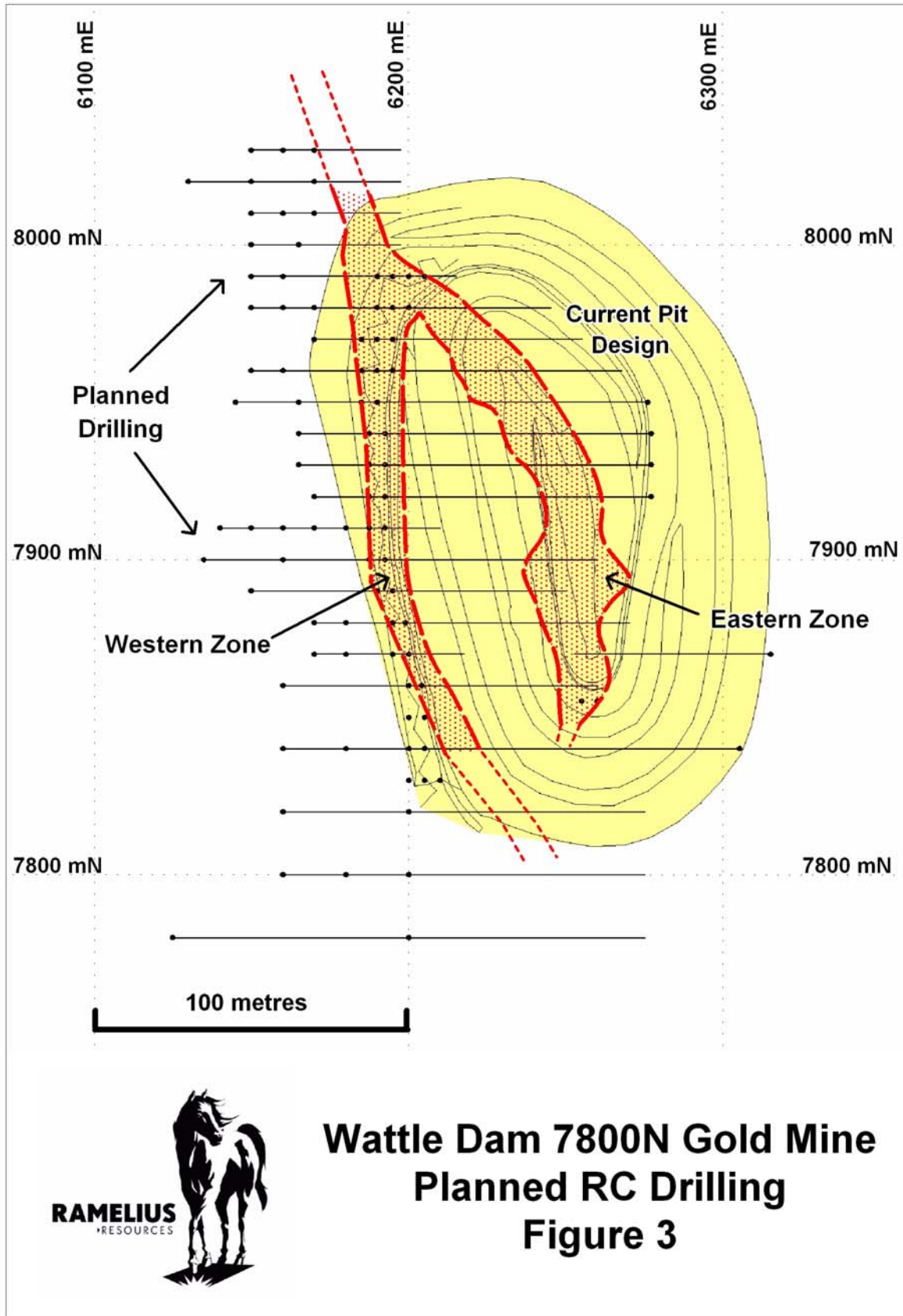


Figure 4

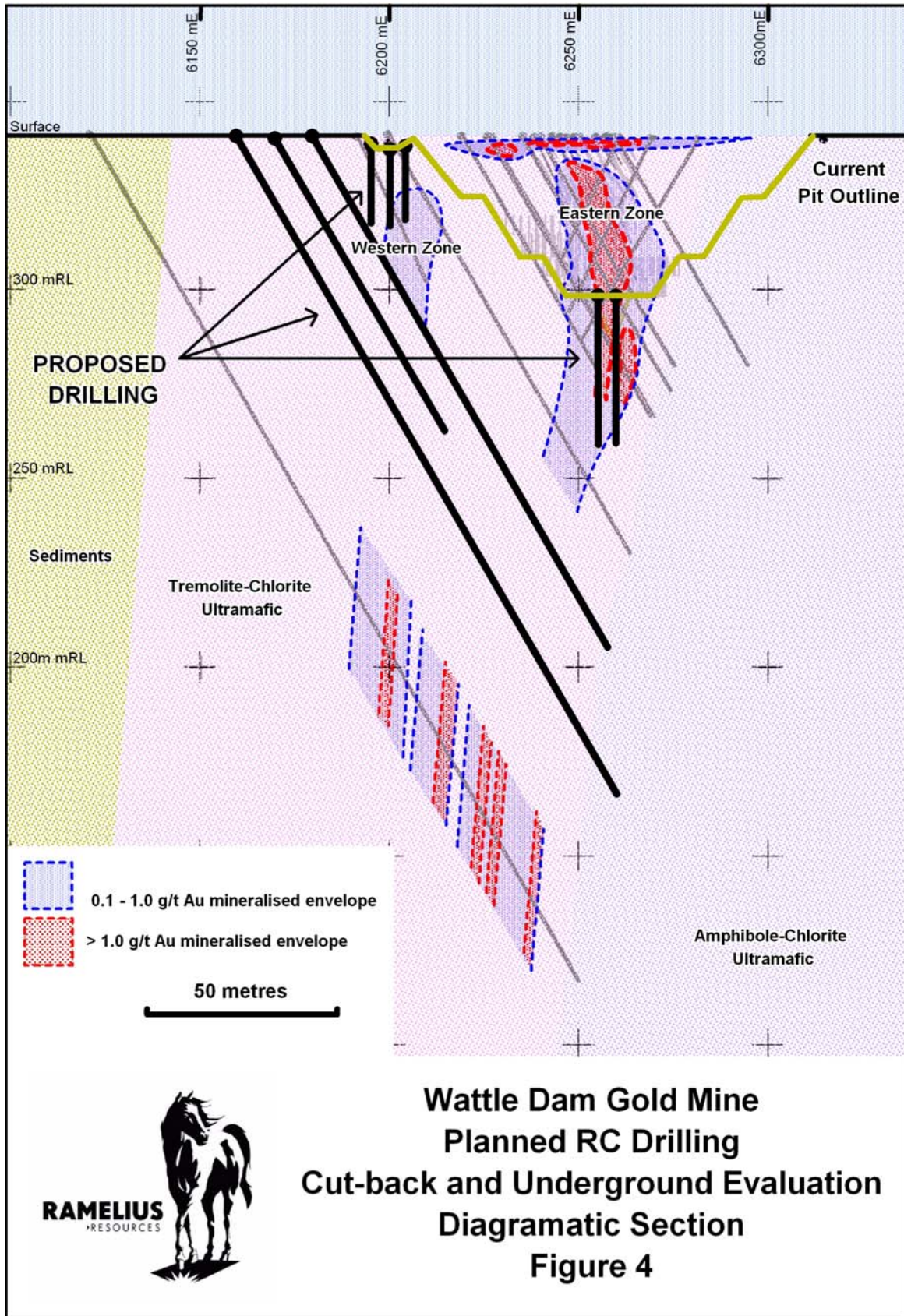


Figure 5

