



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
Email: info@rameliusresources.com.au

ASX RELEASE

For Immediate Release

31 July 2006

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

Dear Sir/Madam,

QUARTERLY REPORT ENDING 30 JUNE 2006

HIGHLIGHTS

MINING IN PROGRESS AT WATTLE DAM

- 25,000 tonnes at 6.9g/t gold mined during quarter
- Grade Control Drilling continues to return high gold grades.

CUSTOM MILLING IN PROGRESS

- Trial Low-Grade parcel of 5,400 tonnes produced 690 oz gold at a head grade of 4.5g/t gold, a substantial grade overcall compared to the 1.4g/t gold indicated by grade control drilling.
- ~30,000 tonne RoM milling campaign in progress. Preliminary figures indicate a 45% grade overcall compared to the 6.9g/t gold indicated by grade control drilling.

FINANCIAL IMPLICATIONS

- The preliminary metallurgical accounting and bullion outturns for the first twelve days of this (~30 day) campaign indicate a return of 3,500 ounces of gold (at 90% recovery). If this performance is extrapolated for the whole of the 30,000 tonne campaign, a total of 8,700 ounces of gold could be expected.
- At the current gold price of A\$ 830/ounce, this would equate to \$7.2 million gross for this first campaign alone.
- This is in addition to the A\$570,000 from the low-grade test parcel treated in May 2006.

EXTENSIVE EXPLORATION PROGRAM COMMENCES

- Auger sampling conducted on priority targets identified within Spargoville project area.
- Anomalous nickel geochemistry at Hilditch along strike from nickel sulphide mineralisation
- Resource Definition drilling at Black Cat Gold Project.

WATTLE DAM GOLD MINE

Mining

To 30th June 2006, 25,000 tonnes of Ore with an estimated grade of 6.9 g/t gold (based on un-cut grades from the grade control drilling) has been mined from the first six fitches (15 metres depth) of the open pit. This is approximately 30% of the total ore that was expected to be mined from the pit. Additionally, 13,597 tonnes of low-grade material has been mined of which 5,348 tonnes has since been processed.

A total of 288,000 BCM of waste has been mined to the end of June 2006. This is approximately 55% of the total waste expected to be mined from the pit.

Grade Control Drilling has now been completed for the sixth and seventh fitches which returned expected grades and widths.

Haulage of Run of Mine Ore from the mine to the processing plant continues.

Gold Treatment

Two milling campaigns (a trial low-grade parcel and a 30,000 tonne ROM parcel) have been undertaken.

Low-Grade Trial

A 5,400 tonne trial parcel that had been designated as Low-Grade Ore was processed at the Higginsville Greenfields Plant in May.

This low-grade material was mined incidental to the Run of Mine Ore and was stockpiled for use as a Flushing Medium to clean any residual gold from the plant after the routine Ore Milling Campaigns. Whilst the un-cut grade of this material determined from the grade control drilling was only 1.4 g/t gold, a significant overcall was expected due to a coarse gold component (nuggets) recovered by the company from metal detecting on the low grade stockpile. Therefore the opportunity was taken to process this material as a separate parcel and to confirm the metallurgical performance of the Wattle Dam Ore before a major Ore Milling Campaign began.

This Trial Parcel returned 160 ounces of gold from the gravity circuit and 530 ounces recovered via the CIL circuit for a total of 690 fine ounces (21.5 Kilograms Fine Gold). This represents a Reconciled Head Grade of 4.5 g/t gold with 89% recovery from the 5400 tonne parcel.

Clearly there was a substantial overcall in the grade of this material which was mainly derived from the upper most fitches of the open pit.

First Run Of Mine Treatment Campaign

The first high grade ore milling campaign for the Wattle Dam project commenced on the 29th of June 2006. To 7.00 am on the 11th of July 12,278 tonnes of ore had been processed through the Greenfields Mill in Coolgardie.

Preliminary metallurgical accounting for the first twelve days of production indicates the daily gold head grade has ranged between 7 and 14 g/t (averaging 10g/t) with gold recoveries typically greater than 90%. This result, although preliminary, indicates a substantial overcall in the grade of this Run of Mine Ore when compared to the 6.9 g/t average head grade predicted by grade control drilling.

Recovery of Nuggets and Specimen Gold

The company, being aware that there is a considerable coarse gold component to the mineralisation at Wattle Dam instigated a procedure to metal detect the floor of the open pit after each flitch is mined, the ROM and Low grade stockpiles and the feed conveyor at the Greenfield plant.

An estimated 10 kilograms of gold in nuggets and specimen stone has been collected. These are yet to be catalogued whereafter it is proposed to sell this material as specimen material thereby attracting a substantial margin to the value of the physical gold.

Production Statistics (Excluding nuggets and specimen stone)

Wattle Dam Gold Mine Production Statistics – Quarter Ending June 2006			
		<u>Mined</u>	<u>Processed</u>
	<i>Unit</i>		
ORE MINED - HIGH GRADE	tonnes	25,000	0
Predicted Grade (Grade Control - uncut)	g/t Gold	6.9	
Tonnes Treated (to11 July)	tonnes		12,278
Reconciled Head Grade (to11 July)	g/t Gold		Approx 10
Total Recovery (to11 July)	%		90
Total Gold Production (to11 July)	oz		Est. 3,500
Total Gold Production (to11 July)	kg		Est. 108

ORE MINED - LOW GRADE	tonnes	13,597	5348
Predicted Grade (Grade Control - uncut)	g/t Gold	1.4	
Reconciled Head Grade			4.5
Total Recovery	%		89
Total Gold Production	oz		690
Total Gold Production	kg		21.5

Waste Removed	bcm	288,000	
Vertical Advance	metres	15	

EXPLORATION

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

Ramelius controls the gold rights to some 280 km² along more than 30 kilometres strike length covering the Kunanalling and Spargos Reward shears. This regional project contains four project areas, Wattle Dam (100% gold and tantalum rights), Hilditch (90% gold and all minerals), Logan's/Larkinville (75% gold and tantalum rights) and North Widgie (100% gold rights).

**WATTLE DAM PROJECT (Gold and Tantalum)
(100% Gold Rights; PL's 15/3767; 3873; 4479; 4651 - 4653; EL 15/718; ML's 15/1263; 1264;
1101; MLA's 15/1323; 1338; M15/1769 - 1776:)**

Lefroy Tantalum

An infill auger sampling program of 313 samples was conducted in the Lefroy area to follow up anomalous Tantalum/Niobium values that were returned in an earlier regional auger sampling program. Two lines of this follow up auger program were located with the Hilditch tenements adjacent to their northern boundary with E 15/718.

The sampling was on lines spaced 100 metres apart at a 20 metre interval along the lines. Analytical results were returned subsequent to the end of the quarter.

Enhanced and anomalous Tantalum and Niobium values occur at three locations

- In the north western corner of the Hilditch tenements and extending northwards 400 metres into E15/718. The two peak values returned were 81ppm Ta/100ppm Nb and 20ppm Ta/156 ppm Nb whereas background is in the order of 0.4ppm Ta and 1.0ppm Nb. This location is yet to be field checked.
- Associated with an outcropping pegmatite at 6538500N 354900E.
- On a 200 metre long linear trend centered at 6539000N 355100E.

Rock chip sampling and if appropriate RAB drilling is to be undertaken to advance these prospects.

**LOGAN'S LARKINVILLE PROJECT (Gold and Tantalum)
(75% Gold Rights; PL's 15/4464; 4213 & 4214; EL15/689; EL15/742; MLA 15/1449)**

Logan's Larkinville

Three trends of anomalous and enhanced gold in soil have been identified using the historical soil sampling data and the analytical results of the auger sampling program part of which was reported last quarter.

Two of these trends, Groper North and Mistletoe South are located along mafic rocks and have strike lengths of 3.5 and 6.5 kilometres respectively with peak values of 40 to 70 ppb gold within a background of 2 to 5 ppb gold.

The third trend, termed Larkinville West is located in the eastern portion of the southern sector of E15/689 partially within and adjacent, to the east, of P15/4214. The anomaly with values to 50 ppb gold within a background of 2 to 5 ppb gold is in two parts. The northern portion extends over a north-south strike length of 1 kilometre while the southern portion lies 1 kilometre to the south and has a 600 metres north-south strike length. This anomalous trend has a very strong association with arsenic which forms a co-incident geochemical anomaly. The anomalous zone lies within sedimentary units in proximity to the contact with a mapped ultramafic unit. Reconnaissance across part of this anomalous trend showed the area to be residual soils.

Enhanced gold values over 800 metres strike length were returned from a zone 1.5 kilometres north east of the Groper North trend.

A program of infill auger sampling totaling 907 samples to better define these anomalous and enhanced trends were undertaken subsequent to the end of the quarter. Results are expected to be reported in August 2006.

It is anticipated that a RAB or RC drilling program will be undertaken later in the September 2006 quarter to test these trends.

Guest Leases

The area known as the "Guest Leases" is located within the northern portion of E15/742 approximately 5 kilometres to the west of Widgiemooltha. Historical gold workings are present within the licence.

An auger sampling program of 530 samples was conducted late in the quarter on line spaced 100 metres apart with a sampling interval along the lines of 20 metres. Analytical results are yet to be received.

HILDITCH PROJECT (Nickel and Gold) (90% PL's 15/4127 – 4130; MLA 15/1448)

During the quarter a detailed auger sampling program of 153 samples was undertaken on lines spaced 50 metres apart with a sample interval of 10 metres along the line. This covered 700 metres of the strike extension immediately south from the zone of known nickel sulphides.

A 160 metres long zone with strongly anomalous Nickel, Copper and Platinum/Palladium values was identified within ultramafic rocks that are 300 metres along strike from the ultramafic unit associated with the nickel sulphides that were first drilled in December 2004. This anomaly is a priority target and is to be RC drilled early in the September quarter.

Similarly anomalous values were returned from several sites, mainly to the west along a sedimentary unit which along strike to the north, appears to be associated with the mafic rocks and sediments that are adjacent to massive nickel sulphides in drill hole HRC025. Selected zones are to be RC drill tested in conjunction with above drilling

The results of the RC drilling may impact on the targeting of the initial three diamond holes, to be drilled to the south, down plunge, from the various massive and disseminated sulphide intersections obtained in late 2004 and early 2005. Accordingly the diamond drilling will be undertaken after the results of the RC drilling have been assessed.

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

Ground Lark Area

This target area, located in the southern portion of the North Widgie project area is named after the historical Ground Lark gold mine that lies in the approximate centre of the target area.

This area was identified as a target due to

- East-west thrusting associated with the Widgiemooltha Dome inferred from the company's aeromagnetic data base.
- Subtle east west trending gold anomalism in the regional geochemistry conducted on east west lines
- The presence of gold workings along the trend of the possible thrusts.

A total of 1165 auger holes were drilled on north-south lines spaced 200 metres apart at a sample interval of 40 metres along the lines. Analytical results have been returned for approximately 50% of the samples. Preliminary assessment of these results shows an east-west alignment of enhanced and anomalous gold along the inferred thrusts.

Ground Lark Acquisition

With effect from the 30 June 2006, Ramelius acquired the mining lease, M15/1290 that covers the Ground Lark gold mine from Rand Exploration NL for a royalty consideration. This lease is 3.26ha

in area. Gold mineralisation is located within an east-west trending quartz vein shear zone between granite to the north and mafic rocks to the south. In a regional sense the lease is located at the junction of the north-south trending shear system that passes through the Wattle Dam Gold Deposit and an east-west trending thrust. Historical gold production is reported as 3,200oz.

Hidden Valley

This area is located 2kms to the north east of the historical Ground Lark mine.

Two lines of reconnaissance auger sampling across a structural target inferred from the company's aeromagnetic data base and four lines of closed spaced (50 metres by 20 metres) auger over an isolated anomalous gold value recorded in the company's geochemical data base were undertaken shortly after the end of the quarter. Analytical results are yet to be returned.

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

In view of the increase in the gold price and that the optimisation study commissioned last year on both Black Cat North and Black Cat South resources (290,000 tonnes @ 2.7g/t gold indicated and inferred) shows a positive return even at the A\$550 gold price, an evaluation RC drilling program to advance the confidence in the resources commenced late in the quarter. It is being conducted in two stages with the initial 50 priority holes for a total advance of 1977 metres being completed subsequent to the end of the quarter. Analytical results along with a geological assessment of the results will be reported in the September quarter.

BONNIEVALE (M15/70; M15/220)

The historical gold mining and treatment activities, particularly on what is now M15/70 has resulted in an estimated 10,000 tonnes of tailings being retained on the lease. Approximately half of the tailings are now contained within a vat having been partially leached, probably 20 years ago; the remainder are in 1.5 metres high mounds. As these tailing may be a useful flushing medium for use at the treatment plant after each campaign of Wattle Dam ore, a 13 hole auger sampling and a 12 sample bulk surface sampling program was undertaken.

The auger samples were analysed for gold using an aqua-regia digestion. From this work it is estimated that 4,500 tonnes at 0.7g/t gold is within the vat and 5500 tonnes at 1.3g/t gold remains un-retained in mounds. The bulk sampling was analysed using a cyanide leach (leachwell) method. It returned similar grades to the auger sampling for the tailings in the mounds however the grades within the vat averaged 0.4g/t gold.

A Notice of Intent to remove the tailings and rehabilitate the site has been lodged with the Dept of Industry and Resources.

The tonnes were estimated using the reported depth of the auger holes, the area of the tailing around the holes and applying a density of 1.5 g/cc. The grade of the hole was allocated to the tonnes assigned to the hole. It is considered that in terms of the JORC Code, the tonnes and grade estimate is an indicated resource.

ROYALTY INTERESTS

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

<u>PROJECT NAME</u>	<u>CURRENT HOLDER</u>	<u>NATURE OF RAMELIUS' ROYALTY</u>	<u>COMMENTS</u>
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	St. Barbara Mines Ltd.	Production based Royalty Capped at \$500,000	No Current Activity by Holder on the Royalty Tenements
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

CORPORATE ACTIVITY

Bonus Option Issue

On 14 July 2006, the Company issued Bonus Options on a one for two basis to holders of Shares who were registered as at the close of business on 30 June 2006. The Bonus Options were issued free to Shareholders.

Option holders are now entitled on payment of \$0.175 per share (the "Exercise Price") to be allotted one ordinary fully paid share in the Company for each Option exercised.

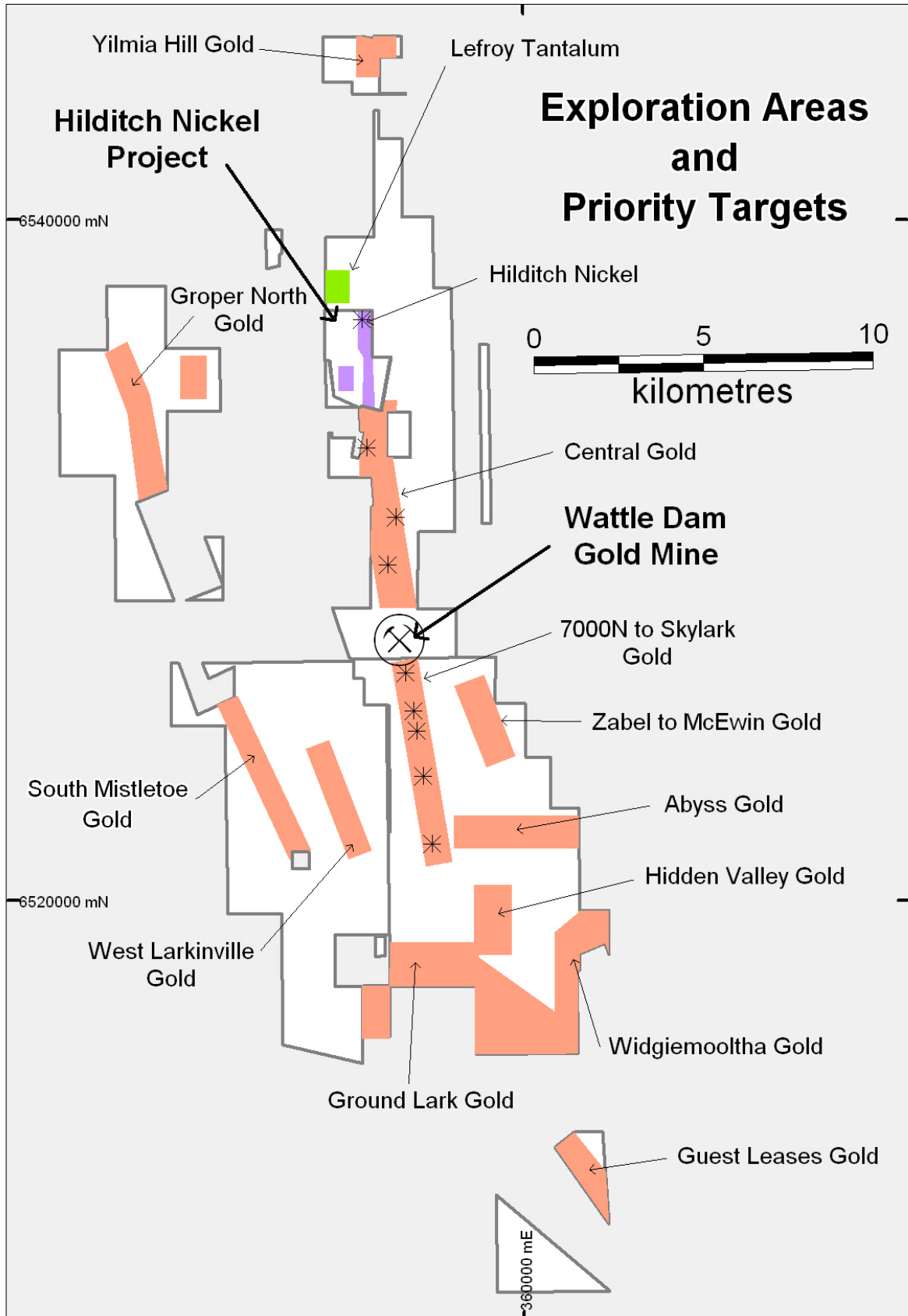
Options are exercisable in whole or in part at any time until 30th June 2007.

Joe Houldsworth

Managing Director

The Information in this report that relates to Exploration Results and Mineral Resources 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.





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 June 2006

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for	396	396
(a) exploration and evaluation	(147)	(1,052)
(b) development	(222)	(240)
(c) production	(1,149)	(1,149)
(d) administration	(163)	(547)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	19	53
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material))		
GST	(142)	(133)
Prepaid insurance etc	(28)	(51)
Listing fee	(3)	(23)
Recovered administrative costs	28	28
Other	(16)	(48)
Net Operating Cash Flows	(1,427)	(2,766)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(14)	(73)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(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	(14)	(73)
1.13 Total operating and investing cash flows (carried forward)	(1,441)	(2,839)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,441)	(2,839)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,408	3,959
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	(23)	(101)
	Net financing cash flows	2,385	3,858
	Net increase (decrease) in cash held	944	1,019
1.20	Cash at beginning of quarter/year to date	517	442
1.21	Exchange rate adjustments to item 1.20		
		1,461	1,461
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	104
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 & equipment hire 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: Cash inflows during the next quarter from realised gold production/bullion if converted to cash are estimated to be \$7.5m.

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development & Production	1,500
Total	1,900*

* 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	120	154
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) – Term Deposits	1,341	363
Total: cash at end of quarter (item 1.22)	1,461	517

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	E69/1549	Surrendered 29 May 2006	80%	0%
	E69/1653	Surrendered 29 May 2006	80%	0%
	E16/762	Withdrawal from Farm-in 23 June 2006	0%	0%
6.2 Interests in mining tenements acquired or increased	P15/4790	Applied for 19 April 2006	0%	75%
	M15/1290	Acquired 30 June 2006	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	90,529,422	90,529,422		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	20,918,405	20,918,405		
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>	30,440,521	28,440,521	<i>Exercise price</i> \$0.18687	<i>Expiry date</i> 31/12/2007
7.8 Issued during quarter				
7.9 Exercised during quarter	35,100	35,100	\$0.18687	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:31/7/2006.....
(~~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.

== == == == ==

+ See chapter 19 for defined terms.