

# **RAMELIUS RESOURCES LIMITED**



## **SPARGOVILLE UPDATE**

### **WATTLE DAM GOLD MINE**



### **Mining Commenced March 2006**

Ramelius commenced mining at the Wattle Dam Gold Mine 20 months after drilling its first hole into the deposit. The open cut mine is expected to produce around 13,500 ounces of gold over 4-5 months for gross revenue of approximately A\$10 million based on a gold price of A\$750 per ounce.

High grade ore has been exposed in the pit and will be stockpiled on site for campaigning through a gold treatment plant in Coolgardie in 30,000 tonne parcels.

## SPARGOVILLE GOLD

Gold has been mined in the Spargoville Region for over 70 years and yet despite its close proximity and ease of access to the major gold mining centres of Coolgardie, Kalgoorlie and Kambalda, it remains one of the under explored belts in the Western Australian Goldfields. Much of the historical exploration has been fragmented and quite cursory.

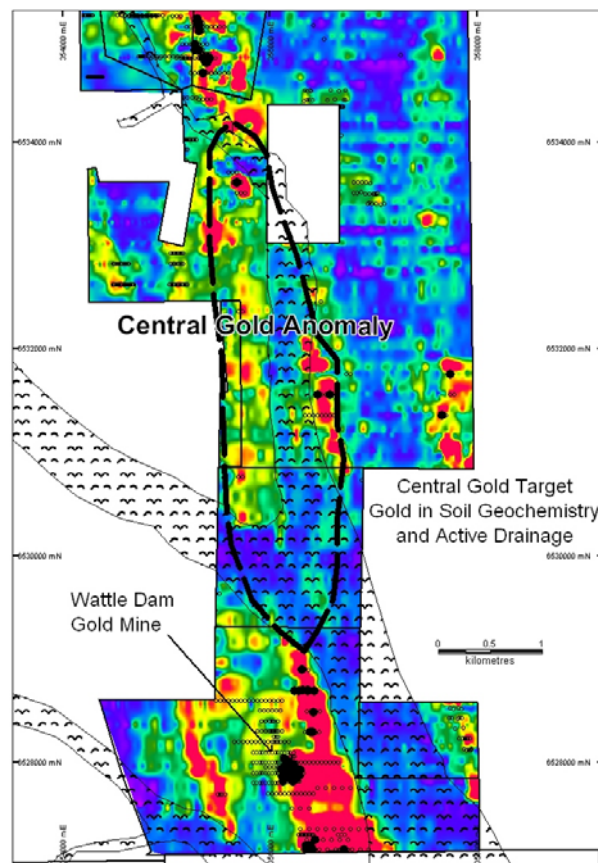
### The Wattle Dam Story

At Wattle Dam, for example, gold mineralisation was recognised in 1990 from soil sampling and it appears that the gold values in the subsequent drilling were deemed by the explorer not to be sufficient to warrant further work. In 1996 and 1997 a second company drilled the area and obtained very encouraging results but also decided not to pursue further work. Ramelius commenced drilling at Wattle Dam in June 2004 and went on to delineate the resource that is currently being mined.

### Exploration

Ramelius controls the gold rights to some 280km<sup>2</sup> along more than 30km strike length covering the Kunanalling and Spargos Reward shears. Twenty target areas have currently been identified. In targeting for gold, emphasis is placed on soil geochemistry in areas of residual soils and outcrop while in those areas concealed by transported overburden RAB drilling is used. These targets are generated using a combination of geological, regolith and structural interpretation coupled with the detailed aeromagnetic data, all from the Company's data base.

This integrated approach is evident at the Central Area to the immediate north of Wattle Dam. At first glance it appears that the soil geochemistry of this area is just a couple of fragmented anomalies. However combining the drainage and recent transported cover to the picture shows a large, 6–7 km long zone of dissected anomalism with the geographic centre of the anomaly lying under the drainage. The target here has the potential to be big and the initial RAB drilling will be on lines 400m apart. A total of 700 holes for 12,000m of drilling are planned.

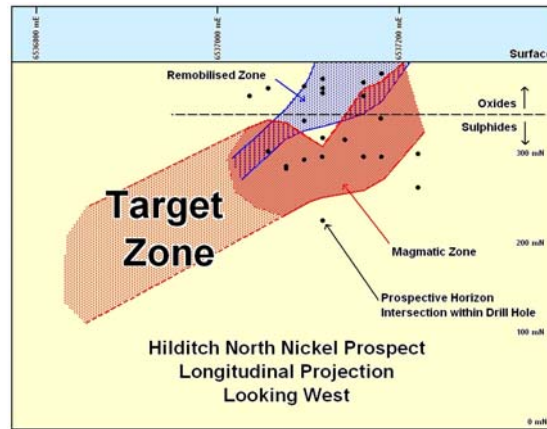


## HILDITCH NICKEL

Ramelius intersected Nickel sulphides at Hilditch in December 2004 following the drilling of nickel gossans located using detailed ironstone sampling that was popular 30 years ago in the “Nickel Boom” and applying modern geochemistry.

Geological studies have enabled the differentiation between the remobilised and magmatic nickel sulphides targeting a zone at depth to the south of the known sulphides.

1000 metres of Diamond Drilling is planned.



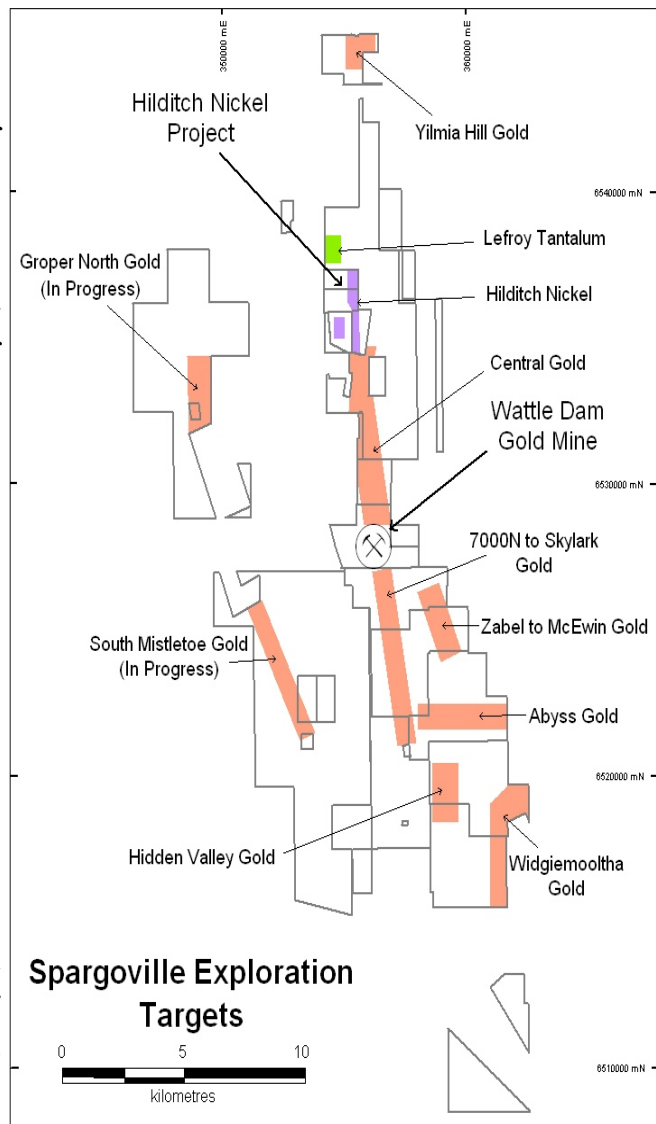
## THE EXPLORATION PROGRAM

During 2006 the exploration program is to be expanded to embrace project wide gold exploration, nickel exploration at Hilditch and tantalum.

The gold exploration will cover areas with both residual soils and transported cover using a combination of auger sampling (2,500 holes) and RAB drilling (24,000 metres) in the initial first pass. Follow up to assess the initial results is expected to use Air Core drilling (2,400 metres). Most of the targets have the size to host big gold deposits.

At Hilditch diamond drilling and down hole EM surveys are the main exploration method to be used. 1,000m of diamond drilling is planned in the north eastern sector of the tenements. The target is the southern, down plunge extension of the ultramafic units that host the magmatic sulphides.

Tantalum exploration will target an area north of Hilditch where auger sampling returned anomalous niobium and tantalum values over a strike length of 1.6 km.



# RAMELIUS RESOURCES LIMITED

ACN 001 717 540

## PRINCIPAL REGISTERED OFFICE:

140 Greenhill Road UNLEY SA 5061  
GPO Box 1373 ADELAIDE SA 5001  
Telephone: (08) 8373 5588  
Facsimile: (08) 8373 5917  
Email: [info@rameliusresources.com.au](mailto:info@rameliusresources.com.au)  
Website: [www.rameliusresources.com.au](http://www.rameliusresources.com.au)

## PERTH EXPLORATION OFFICE:

Suite 3, 14 The Avenue  
MIDLAND WA 6056  
P.O. BOX 1527 MIDLAND WA 6936  
Telephone: (08) 9250 6644  
Facsimile: (08) 9250 6699  
Email: [rameliuswa@tpg.com.au](mailto:rameliuswa@tpg.com.au)

## DIRECTORS, MANAGEMENT AND CONSULTANTS:

ROBERT KENNEDY  
Non-Executive Chairman  
JOSEPH HOULDSWORTH  
Chief Executive Officer  
Managing Director  
REGINALD NELSON  
Non-Executive Director  
DOMENICO FRANCESE  
Company Secretary  
GORDON DUNBAR  
Consultant Geologist  
BRIAN KELTY  
Mine Manager  
MATTHEW SVENSSON  
Project Geologist  
YVONNE WEISSGERBER  
Consulting Tenement Manager

## STOCK EXCHANGE CODE:

RMS: Shares  
RMSO: Options

