



Ramelius Resources Limited

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ASX RELEASE

For Immediate Release

12 October 2005

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 30 SEPTEMBER 2005

QUARTERLY HIGHLIGHTS

EXPLORATION

HIGHLIGHTS

SIGNIFICANT RESOURCE UPGRADE FOR WATTLE DAM

- The resource at Ramelius' Wattle Dam 7800N deposit has been up-graded to a total indicated and inferred resource of **180,000 tonnes at 3.6 g/t gold for approximately 21,100 ounces** from the September 2004 estimate of 155,000 tonnes at 3.3 g/t gold for 16,500 ounces gold. This resource is **from surface to a depth of approximately 60 metres**.
- Significantly the high grade Eastern zone resource has **increased to 76,000 tonnes at 5.9 g/t gold** from the previous estimate of 53,000 tonnes at 4.3 g/t gold, **an increase of approximately 7000 ounces of gold**.
- Financial Evaluation of various Optimisation models indicates a possible **operating profit between \$2.8M and \$4M**.
- Significant RC drill intercepts have been returned from the southern end of the eastern zone which is open down plunge.
- Development options are currently being assessed.

WATTLE DAM PROJECT (Gold)

(100% Gold Rights; PL's 15/3767; 3873; 4479; EL 15/718; ML's 15/1263; 1264; 1101; MLA's 15/1323; 1338.)

Wattle Dam 7800N Deposit

Drilling

During the quarter 10 new RC holes were drilled and two earlier drill holes extended for a total of 996 metres. This drilling was to test for gold mineralisation below and to the north and south of the deposit. The collar details are tabulated below.

Hole ID	North_Grid GDA_94	East_Grid GDA_94	Azi_Grid GDA_94	Inclination	Depth m	Location
WDRC055	6527898	356210	90	-60	128	Below Centre
WDRC056	6527888	356220	90	-60	92	Below Centre
WDRC057	6527868	356228	90	-60	86	Southern
WDRC058	6527858	356245	90	-60	44	Southern
WDRC059	6527858	356230	90	-60	86	Southern
WDRC029	6527858	356200	90	-60	128	Below Southern
WDRC060	6527958	356190	90	-60	104	Below Northern
WDRC061	6527938	356197	90	-60	116	Below Centre
WDRC014	6527918	356190	90	-60	122	Below Centre
WDRC062	6527980	356194	90	-60	104	Northern
WDRC063	6527968	356210	90	-60	92	Northern
WDRC064	6527848	356243	90	-60	44	Southern

Significant intercepts were returned mainly from the drilling at the southern end where the eastern zone is open down plunge.

Hole ID	From m	To m	Length m	Gold g/t
WDRC057	57	65	8	6.8
and	71	75	4	4.4
WDRC058	27	32	5	2.7
and	35	39	4	2.6
WDRC059	60	64	4	2.8
WDRC060	38	47	9	1.6
WDRC062	33	43	10	2.1

The drilling was undertaken using the RC drilling method. The drill cuttings were collected over one metre intervals via a cyclone and a 2 to 3 kg sample was riffle split for gold analysis. The samples were submitted to Genalysis Laboratory Services Pty Ltd where they were dried and pulverised prior to a sub-sample of 200 grams being taken for

Leachwell analysis for gold. Routine duplicate sampling and check analysis is yet to be undertaken.

All the holes were geologically logged.

Down Hole Density Logging

During the quarter down hole density logging was performed on seven holes to determine the density to be applied in undertaking the resource estimates. The densities vary from 2.6 g/cc near the surface decreasing to 2.0 g/cc at 20 metres depth and then increasing to 3.2 g/cc at 40 metres depth in sap rock. Bed rock densities are expected to be in the order of 3.4 g/cc.

Drill Hole Direction Surveys

Drill hole direction logging has been completed on fourteen holes. As foreshadowed in the June 2005 quarterly report some of the drill holes are steeper at 65° than the planned 60° dip. This had been anticipated and incorporated into the current geological model, which is yet to be updated with the actual results.

Resource Estimate

The resource at the 7800N deposit has been re-estimated to a total indicated and inferred resource of 180,000 tonnes at 3.6 g/t gold for approximately 21,100 ounces from the September 2004 estimate of 155,000 tonnes at 3.3 g/t gold for 16,500 ounces gold. This resource is to a depth of approximately 60 metres. Significantly the high grade Eastern zone resource has increased to 76,000 tonnes at 5.9 g/t gold from the previous estimate of 53,000 tonnes at 4.3 g/t gold, an increase of approximately 7,000 ounces of gold.

This estimate is based on all the drilling at the 7800N deposit, in particular the resource definition drilling of 3312m in 109 Aircore holes undertaken over the past year that has increased the drilling density to a nominal 10 metres along strike and 15 metres in the dip direction to a depth of approximately 60 metres particularly along the high grade eastern side of the deposit. All of this drilling is located within the internal limits of the resource.

The resource estimation, rounded to significant figures is

CUT	INDICATED		INFERRED		TOTAL	
	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold
50 and 12	120,000	4.0	60,000	2.9	180,000	3.6

The resource estimates for the Zones are presented.

ZONE	INDICATED		INFERRED		TOTAL	
	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold
Eastern	57,000	6.1	19,000	5.2	76,000	5.9
North Western	7,000	2.8	1,000	1.8	8,000	2.7
Northern	16,000	2.0	12,000	2.2	28,000	2.1
Western	31,000	2.0	28,000	1.7	59,000	1.8
Surface	9,000	1.9			9,000	1.9
These values are subject to minor rounding adjustments						

The 7800N deposit is contained within a lens shaped gold mineralised system that extends 200 metres north-south along strike and is up to 80 metres wide within ultramafic rocks that have been variably weathered to a depth of 50 to 60 metres. There are four mineralised zones, the main one being the high grade Eastern zone, while the North Western zone, the Northern zone and the Western zone that includes the former South Western portion and Central zone contain lower grade gold mineralisation. For the most part the mineralised zones appear to be associated with shear zones and are vertical to sub-vertical.

The Eastern zone is a composite of four main “lenses” that hosts a number of high grade intercepts along a strike length of 100 metres and to a depth of 50 to 60 metres. Embedded within many of these intersections are spectacular one to two metre intercepts with grades in excess of 50 g/t and up to 950 g/t gold. The frequency of occurrence of these high grade intercepts indicates that they may be a characteristic of this mineralised zone. At its northern end the strike changes from north to north-west and it becomes the North Western zone. The Eastern, North Western and Northern zones are considered to be the key zones of the deposit. An area of near surface gold enrichment overlies the Eastern zone.

Resource Estimate Method

The resource is based on all the drilling undertaken at the 7800N prospect area using a 4 gram metre cut off with a minimum down hole length of 4 metres and maximum down hole length of 2 metres for included dilution. The gold grades used in the estimate were the initial reported grade for each interval which includes the average of the original and the check analyses undertaken by the laboratory and reported with the original analytical results. All the analyses of the Ramelius drilling were undertaken by Genalysis Laboratory Services Pty Ltd, using in the main, the Leachwell analytical method. In respect of cutting the values of high grade gold intercepts, the statistical and physical distribution of these values were examined and it is considered that within the Eastern zone a “cut” should only be applied to values greater than 50 g/t while in the remainder of the deposit a cut to 12 g/t is applicable.

Density has been derived from down hole density logging undertaken on seven holes along the eastern side of the deposit. Densities are 2.5 g/cc near the surface decreasing to 2.0 g/cc at 20 metres depth and then increasing to 3.2 g/cc at 40 metres depth.

The resource was estimated by the cross section method where a cross sectional area is derived around each intersection and a length of influence being midway to the adjacent cross section or data point, as appropriate, is applied to derive volume. Tonnes were determined by applying the density to the derived volume.

Optimisation Study

An open pit optimisation study based on this resource estimate has been undertaken. Several ore treatment scenarios were examined, from an on site heap leach, to trucking the ore to a local mill for toll treatment and finally trucking the high grade ore to a dedicated plant. For all scenarios the low grade ore was to be stored on site for independent sale or subsequent treatment. A gold price range of \$540 to \$640 per ounce was used. As anticipated, the high grade eastern zone provided the bulk of the return from the optimisation.

TREATMENT OPTION	GOLD PRICE		
	\$540/Oz	\$600/Oz	\$640/Oz
HEAP LEACH @ 70% recovery			
Mining Reserve* tonnes @ gold g/t	86,600 @ 4.7	95,200 @ 4.4	98,500 @ 4.4
Operating Cash Cost per Oz	\$302	\$311	\$319
Operating Profit \$M	\$2.19M	\$2.75M	\$3.13M
DEDICATED MILL (HIGH GRADE) @ 96% recovery			
Mining Reserve* tonnes @ gold g/t	38,900 @ 8.1	48,300 @ 7.2	54,600 @ 6.7
Operating Cash Cost per Oz	\$327	\$351	\$366
Operating Profit \$M	\$2.06M**	\$2.66M**	\$3.09M**
TOLL MILL @ 96% recovery			
Mining Reserve* tonnes @ gold g/t	63,300 @ 6.0	70,000 @ 5.7	73,200 @ 5.6
Operating Cash Cost per Oz	\$303	\$316	\$324
Operating Profit \$M	\$2.78M	\$3.49M	\$3.98M

* This mining reserve has been derived from the above resource estimate for the purpose of determining an optimised value for the deposit. It is based on the Indicated Resources from this estimate and includes some minor gold mineralisation that at the time that the estimate was made was assigned the inferred resource category that, with the results of the recent additional drilling, will be assigned the indicated category when the resource model is next updated.

** The value of the low grade material that would be stock piled on site has not been incorporated into these estimates.

SPARGOVILLE REGIONAL PROJECT AREA (Gold, Nickel and Tantalum)

During the quarter a number of field visits were made to various portions of the Spargoville project area to commence a project wide assessment of the previous exploration results in view of the regolith, geology and the effectiveness of previous exploration methods. This will become a continuing program.

EAST SPARGOVILLE (Gold) (PL 15/4479)

This tenement is approximately 5 kilometres long, north-south and 280m wide. The results of auger sampling along 27 lines spaced 200 metres apart with an average of seven samples collected at 40 metre intervals along east-west lines for 166 samples have been compiled. No anomalous gold results were returned.

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

No field work was undertaken during the quarter with work being directed to compilation and assessment of the results of the nickel sulphide drilling programs undertaken during this calendar year.

Emphasis has been placed on identifying which of the nickel sulphide intersections are likely to be re-mobilised sulphides and which are in their original (magmatic) location. The geology and geochemistry of the host rocks and structural data is being compiled for these intersections to establish a data base that may be used to vector further drilling towards favourable locations for nickel sulphide mineralisation.

RITCHIE'S FIND (Gold)
(PL's 15/4435-4440)

The results of auger sampling along eleven lines spaced 200 metres apart with samples collected at 40 metres intervals along the lines for 258 samples have been compiled.

Weakly anomalous (>20ppb) and enhanced (>10ppb) gold values were returned along the eastern side of the tenements, P15/4438 and P15/4440. The maximum gold value was an isolated 116ppb.

The results of the 1995 auger sampling undertaken by Dreadnought Mining to the immediate west of this area have been incorporated into these results. However field checking is required, as the geochemical results returned do not indicate the Ritchie's Find area to be a priority target.

BONNIEVALE (Gold)
(M15/70 & M15/220)

Ground inspection of the pedogenic carbonate gold geochemical anomaly identified during the previous quarter showed the area to be underlain by transported lateritic material and follow up work has been deferred.

ROYALTY INTERESTS

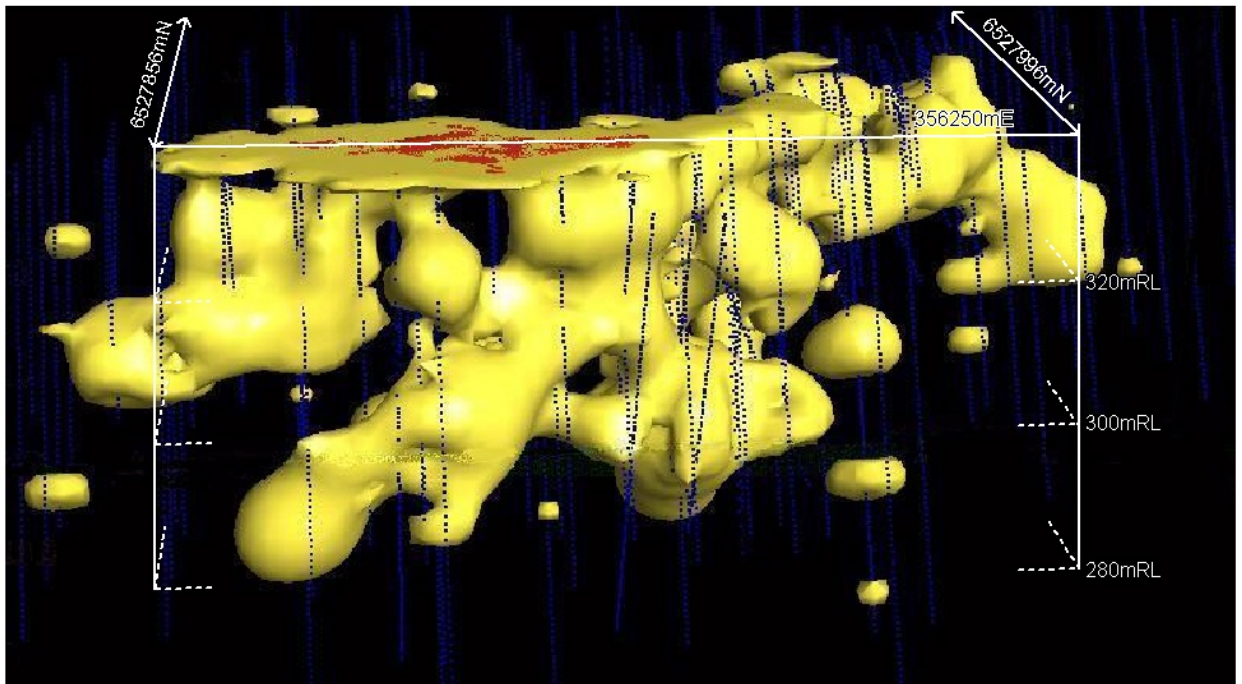
The Current status of the Company's Royalty Interests is as follows.

<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

**Joe Houldsworth
Managing Director**

The information in this report that relates to Mineral Resources or Ore Reserves 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 2004 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 the Pit Optimisation Studies was compiled by Gary McCrae of Minecomp Pty Ltd which is a corporate member of the Australian Institute of Mining and Metallurgy. Gary McCrae is a qualified mining engineer 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 2004 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves”. Gary McCrae consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.



WATTLE DAM 7800N OREBODY

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 September 2005

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(320)	(320)
(b) development		
(c) production		
(d) administration	(119)	(119)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	6	6
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material))		
GST	(4)	(4)
Prepaid insurance etc	(13)	(13)
Listing fee	(16)	(16)
Other	(11)	(11)
Net Operating Cash Flows	(477)	(477)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(1)	(1)
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	(1)	(1)
1.13 Total operating and investing cash flows (carried forward)	(478)	(478)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(478)	(478)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,301	1,301
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	(78)	(78)
	Net financing cash flows	1,223	1,223
	Net increase (decrease) in cash held	745	745
1.20	Cash at beginning of quarter/year to date	442	442
1.21	Exchange rate adjustments to item 1.20		
		1,187	1,187
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	80
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) and casual labour & vehicle/trailer hire 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

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	140
4.2 Development	
Total	140

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	21	46
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) – Term Deposits	1,166	396
Total: cash at end of quarter (item 1.22)	1,187	442

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			
6.2	Interests in mining tenements acquired or increased			

+ 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	67,687,941	67,687,941		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	8,666,666 5,000	8,666,666 5,000	\$0.15 \$0.18687	\$0.15 \$0.18687
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>	24,680,750	23,180,750	<i>Exercise price</i> \$0.18687	<i>Expiry date</i> 31/12/2007
7.8 Issued during quarter				
7.9 Exercised during quarter	5,000	5,000	\$0.18687	
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:12/10/2005.....
(~~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.