



## Ramelius Resources Limited

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### ASX RELEASE

#### For Immediate Release

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

Dear Sir/Madam,

### POSITIVE OPTIMISATION STUDY FOR WATTLE DAM

The Directors of Ramelius Resources Limited (ASX code: "RMS") are pleased to release the results of an Optimisation Study based on the Wattle Dam 7800N Resource Estimate.

#### Highlights

- Financial Evaluation of various optimisation models indicates a possible operating profit **between \$2.8M and \$4M.**
- Potential for significant grade overcall.
- Development options are currently being assessed.
- Significant RC drill intercepts have been returned from the southern end of the eastern zone which is open down plunge.
- The potential to further grow the current resource lies down plunge of the southern end of the Eastern Zone while repeats of the ore body may occur at depth below the western zone.

## Summary

### Optimisation Study

An open pit optimisation study based on the recently upgraded resource estimate of **180,000 tonnes at 3.6 g/t gold for approximately 21,100 ounces** 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
<b>HEAP LEACH @ 70% recovery</b>			
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
<b>DEDICATED MILL (HIGH GRADE) @ 96% recovery</b>			
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**
<b>TOLL MILL @ 96% recovery</b>			
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 optimum 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 stockpiled on site has not been incorporated into these estimates.

### Potential for overcall

The Directors consider that as there are eighteen individual intercepts within the Eastern Zone of the deposit in excess of the cut value of 50 g/t gold, eleven of which are greater than 100 g/t gold, accordingly there is potential for a significant grade overcall. The extent of and probability that a grade overcall will be obtained will be determined on mining.

### **Additional significant RC drill Intercepts**

Significant RC drill intercepts have been returned from recently completed drilling at the southern end of the Eastern Zone which remains open down plunge. These results have not been included in this Optimisation Study.

### **Drilling Results**

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.

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

<b>Hole ID</b>	<b>North_Grid GDA_94</b>	<b>East_Grid GDA_94</b>	<b>Azi_Grid GDA_94</b>	<b>Inclination</b>	<b>From m</b>	<b>To m</b>	<b>Length m</b>	<b>Gold g/t</b>
WDRC057	6527868	356228	90	-60	57	65	<b>8</b>	<b>6.8</b>
				and	71	75	<b>4</b>	<b>4.4</b>
WDRC058	6527858	356245	90	-60	27	32	<b>5</b>	<b>2.7</b>
				and	35	39	<b>4</b>	<b>2.6</b>
WDRC059	6527858	356230	90	-60	60	64	<b>4</b>	<b>2.8</b>
WDRC060	6527958	356190	90	-60	38	47	<b>9</b>	<b>1.6</b>
WDRC062	6527980	356194	90	-60	33	43	<b>10</b>	<b>2.1</b>

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.

### **Strategy**

Ramelius is currently assessing the various development options available and is negotiating with several parties in respect of toll treatment of the ore.

Statutory Approvals for a mining operation are expected to be completed shortly.

Exploration will be ongoing targeting the down plunge extension of the southern end of the high grade eastern zone and the potential at depth below the western zone.

**Joe Houldsworth**  
**Managing Director**

The Information in this report that relates to Exploration Results is based on information compiled by Gordon Dunbar who is a Fellow of the Institute of Mining and Metallurgy. Gordon Dunbar is employed by Rangewest Pty Ltd, trading as Dunbar Resource Management. Gordon Dunbar has a 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.

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.