



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 or (08) 8373 5588
Facsimile (08) 8373 5917

ASX RELEASE

For Immediate Release

29 October 2004

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 2004

QUARTERLY HIGHLIGHTS

EXPLORATION

- **WATTLE DAM (Gold)** –Resource Definition drilling at the Company’s 7800N prospect has identified shallow high grade gold intersections and wide, lower grade envelopes from which an indicated and inferred resource of **155,000 tonnes at 3.3 g/t gold** has been estimated.

Along the eastern side of the prospect a number of high grade gold intersections, including 1 metre at 130 g/t at a depth of 7 to 8 metres and 2 metres at 47g/t at a depth of 17 to 19 metres occur within a zone with a total indicated and inferred resource estimated at 53,000 tonnes at 4.3 g/t gold (cut to 20g/t gold) from the surface to a depth of approximately 50 metres.

Outlook – The Company is currently carrying out Pit Optimisation and Metallurgical Studies and expects to announce a decision to mine shortly.

- **HILDITCH (Nickel)** - Nickel Sulphide Gossans have been identified at a number of scree and sub-outcrop locations over a distance of 300 metres in the north eastern section of the Hilditch tenements. These samples were confirmed as sulphide bearing nickel gossans from Petrological and Geochemical analysis.

The geology and geochemistry in the vicinity of a TEM conductor on the western side of the tenements has been assessed by shallow drilling, the results of which are to be used to target a deep drill test of the conductor.

Outlook – RC drilling of these Nickel Sulphide targets commenced in late September 2004, with results returned late October 2004 and currently being evaluated. It is expected that the TEM conductor will be drilled during the December 2004 quarter.

1. EXPLORATION

1.1 WATTLE DAM (100% PL's 15/3767; 3873; 4479; 3632; 3637; 3638; EL 15/718) (ML's 15/1263; 1264; 1323; 1338; 1101.) Gold

Wattle Dam 7800N prospect.

Ramelius has completed the second of two reverse circulation drilling programs consisting of 1702m in 23 holes for a total of 3602m in 48 holes at its 7800N prospect at Wattle Dam Project at Spargoville, approximately 50 kilometres south east of Coolgardie.

These drilling programmes were to evaluate and better define the resource that had been previously estimated at the 7800N prospect. The drilling was conducted on lines spaced 20m apart with drill hole collars generally spaced at 20m intervals along the drill lines. All the holes were inclined at 60° to the east.

This work has defined a lensoid shaped gold mineralised system that extends 200m along strike and is up to 80m wide that contains wide zones of gold mineralisation within which potentially economic gold intercepts were returned. Of particular interest is the shallow high grade intersections obtained in several adjacent holes located along the eastern side of the mineralised area within a zone of 100m strike length and to a depth of approximately 50m.

Some of the intercepts from the second drill programme are tabulated below.

COLLAR DETAILS (AMG)						RESULTS			
Hole No	North	East	Az	Dip	Depth m	From	To	Length m	Gold g/t
WDRC027	6527700	356100	90	-60	70	29	32	3	9.2*
					includes	29	30	1	28.2
WDRC029	6527700	356060	90	-60	80	50	54	4	1.5
WDRC030	6527700	356040	90	-60	70	58	60	2	2.3
WDRC034	6527680	356080	90	-60	70	63	65	2	9.1
WDRC039	6527860	356020	90	-60	70	38	52	14	1.9
					includes	38	40	2	4.7
					includes	50	52	2	5.4
WDRC048	6527760	356100	90	-60	50	34	39	5	2.9

* gold values greater than 20g/t cut to 20g/t

The 7800N prospect is hosted by ultramafic rocks that have been variably weathered to a depth of 60 metres. All the drill cuttings were geologically logged, and somewhat surprisingly, there is a noticeable lack of variation in the geology throughout the prospect. It is thought that the mineralisation is associated with shear zones however these are not reliably recognisable within the powdery drill cuttings. In addition, zones of quartz are rare as is the presence of sulphides, both of which commonly associate with gold. Accordingly the geological relationships at this prospect are not, yet, well understood which reflects on the confidence with which the numerous gold intercepts may be related to each other.

The deposit has been interpreted to contain an Eastern zone, a Western zone that is further subdivided into a South Western portion and a Central zone that links between the other two zones. For the most part the mineralised zones appear to be vertical to sub-vertical. These relationships are shown on the attached stylised plan and cross sections (Fig.1).

A resource estimate based on the recent Ramelius drilling and using the previous drilling where applicable, has been undertaken. This estimate used a cut off of 2 gram-metres gold with a minimum down hole length of 2 metres and a maximum of 2 metres down hole for included dilution. It assumed a density of 1.9gm/cc near surface increasing to 2.5 gm/cc in bedrock.

This resource is tabulated below.

Zone	INDICATED		INFERRED		TOTAL	
	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold
Eastern	44,000	4.3	9,000	3.9	53,000	4.3
South Western			13,000	2.7	13,000	2.7
Western	31,000	2.1	20,000	2.5	51,000	2.3
Central	5,000	5.9	24,000	3.6	29,000	4.0
Other			9,000	1.9	9,000	1.9
TOTAL	80,000	3.6	75,000	3.0	155,000	3.3

It is anticipated that with some further drilling targeted at resolving the geological relationships, the majority of this resource will be assigned to at least the Indicated category.

Mining and metallurgical studies have commenced on the 7800N prospect. Ramelius' metallurgical consultants have indicated that overall, the initial test work suggests that the ores are free milling, low reagent consumers and offer significant gravity recovery potential. Potential recoveries of 83 to 96 % are indicated at a coarse grind size, P₈₀ 150µm.

Wattle Dam 7000N & 8500N prospects

In the vicinity of the 7800N prospect are several locations where drilling by previous companies to test gold in soil geochemistry had identified potentially economic gold intersections that have not yet been addressed by Ramelius. Drill hole PNR08 with intercepts 3m at 4.0g/t gold and 5m at 3.1 g/t gold, is located 800m south of the 7800N prospect while 700m to the north, wide spaced drilling returned a number of intercepts of 1 to 4 metres with grades of 1.0 to 3.5 g/t gold. These locations termed 7000N and 8500N prospects respectively will become the focus for RAB drilling during the December 2004 quarter and are shown on the attached gold in soil geochemical plan (Fig.2).

1.2 HILDITCH - (90% P15/4127 – 4130 & MLA 15/1448) Gold, Nickel and Base Metals

Gossan Sampling

Following the reported discovery last quarter, of a "Nickel Sulphide" gossan several hundred metres to the north of the tenement, the Company requested Mr. Trent Stehn, who holds a 10% interest in the Hilditch tenements and discovered this gossan, to undertake a similar first pass gossan search on the Hilditch tenements. This located several gossan occurrences in the north

eastern sector of the tenements. The analytical results of these gossans and those of a subsequent ironstone (gossan) sampling programme undertaken by Ramelius totalling 166 samples, demonstrate a geochemical signature that is indicative of their derivation from a nickel sulphide source. The geochemistry of these gossans is summarised as follows;

Element	Range
Nickel	2,200 to 16,700 ppm
Copper	800 to 7,000 ppm
Combined Platinum Palladium	140 to 753 ppb
Zinc	11 to 450 ppm

These results are consistent with the Petrological Report prepared on a sulphide bearing gossan sample from this occurrence, which concluded that the gossan was probably after a pyrrhotite rich ultramafic rock containing nickel and copper sulphides.

These gossans extend along a strike length of 300m within ultramafic rocks approximately 50m to the east of belt of similar ultramafics that had been extensively costeained during the 1970 nickel era. Further gossans have now been located 150m to the north west and 300m to the south.

RC drilling of these Nickel Sulphide targets commenced in late September 2004, with initial results returned late October 2004 and currently being evaluated.

It is expected that the TEM conductor on the western side of the tenements will be drilled during the December 2004 quarter.

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

No field work was undertaken during the quarter at this project where the following resources had previously been reported.

Deposit	INDICATED		INFERRED		TOTAL	
	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold
Black Cat North	21,000	3.2	14,000	2.0	35,000	2.7
Black Cat South	205,000	2.7	50,000	2.6	255,000	2.7
TOTAL	225,000*	2.7	65,000*	2.5	290,000	2.7

* rounded for reporting purposes

The Company is currently negotiating with parties interested in jointly developing these resources and treating the ore.

1.4 GNARLBINE (100% PL's 15/4507-4508; Earning 75% E15/762) Gold

An Aircore drilling programme of 1500m in 28 vertical holes was completed in September 2004 across the Titan anomaly. No significant or anomalous gold values were returned.

Future exploration on this project will be directed towards testing the “Canyon Anomaly” where anomalous gold along the interface of oxidised and partially oxidised bedrock below transported overburden was identified by previous explorers in the area.

2.0 ROYALTY INTERESTS

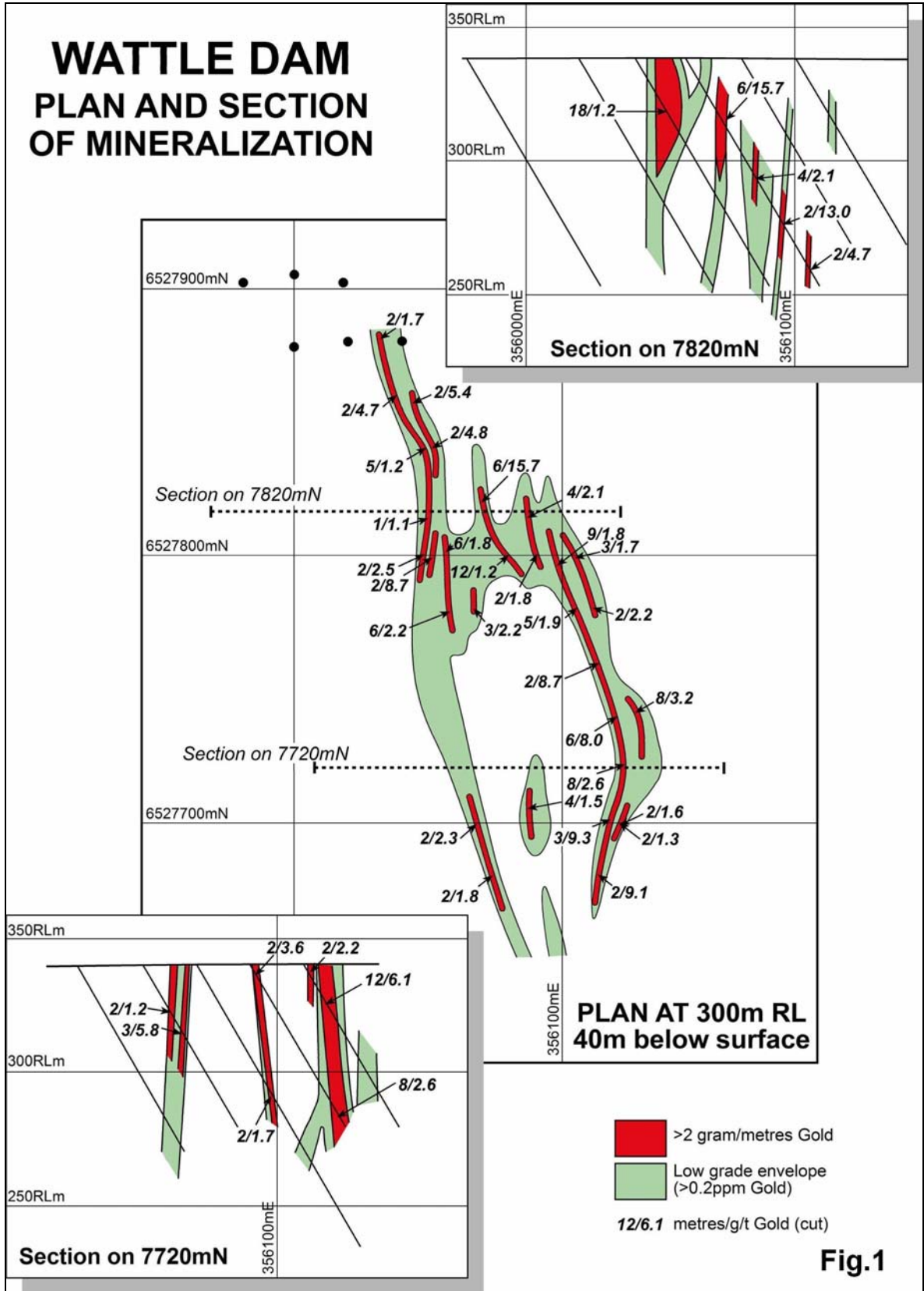
The Current status of the Company’s Royalty Interests is as follows.

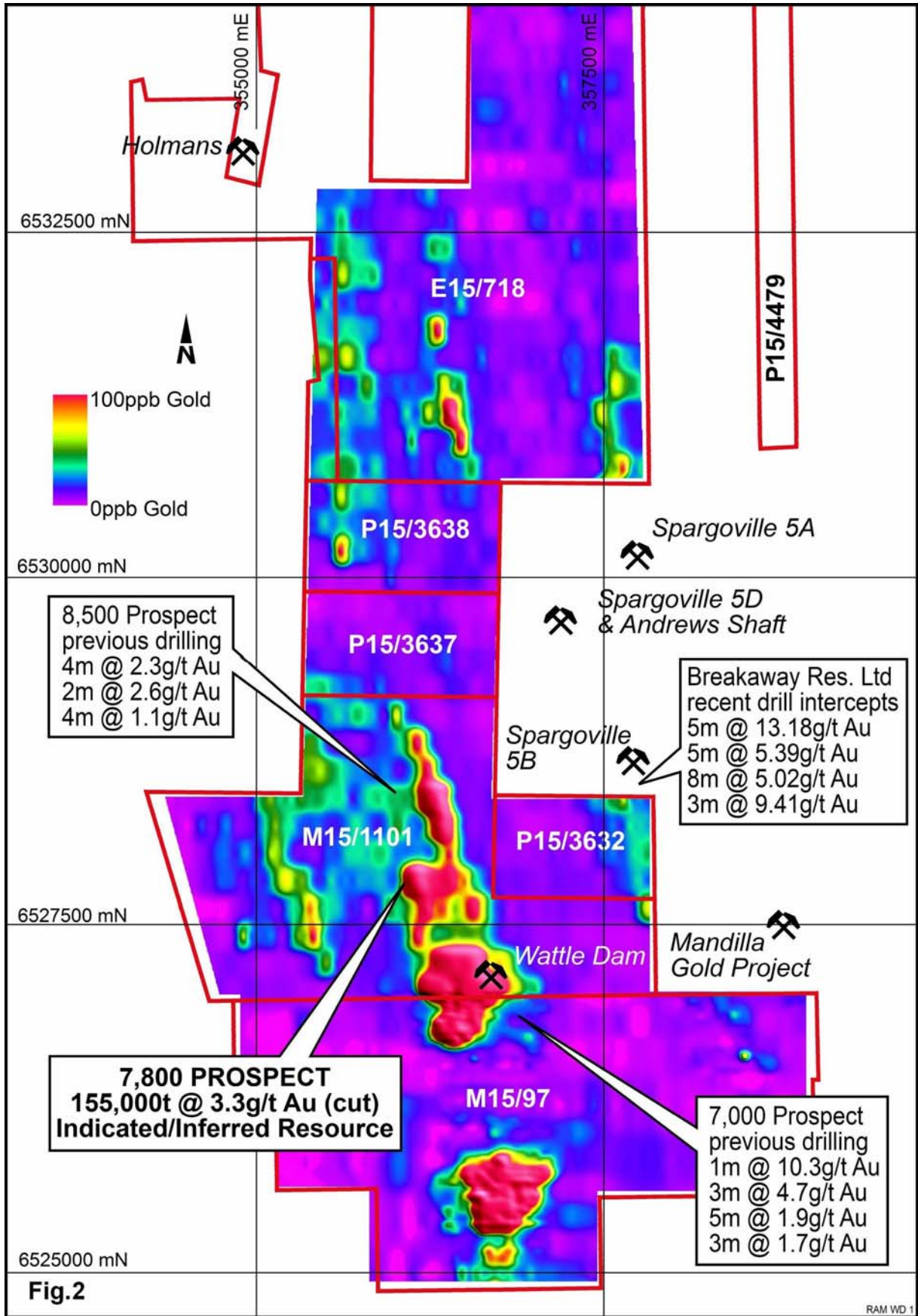
<u>PROJECT NAME</u>	<u>CURRENT HOLDER</u>	<u>NATURE OF ROYALTY</u>	<u>COMMENTS</u>
SANDSTONE – Gold	Troy Resources NL	Production based Royalty Capped at \$300,000	Recently purchased by Troy from Herald Resources Ltd
BULONG - Gold	Yilgarn Gold Ltd	Production based Royalty Capped at \$300,000	No Current Activity
SPARGOS REWARD – Gold	Breakaway Resources Ltd	3% Gross Gold Royalty	No Current Activity
SIBERIA – Gold/Nickel	Siberia Mining Corp Ltd	Nickel and Gold Royalty Collectively capped at \$100,000	Currently mining the adjacent Missouri Pit and exploring the royalty tenement.
EDJUDINA – Gold	Sons Of Gwalia Ltd	Production based Royalty Capped at \$500,000	Sons of Gwalia now in Administration. Future indeterminable at this stage.
EUCALYPTUS – Nickel	GME Resources Ltd	Option to purchase on commencement of mining Nickel Laterites at \$0.10/tonne of Proven Ore.	Currently drilling the laterite resource to upgrade its status.

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 1999 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.

WATTLE DAM PLAN AND SECTION OF MINERALIZATION





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 2004

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 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	(367)	(367)
(b) development		
(c) production		
(d) administration	(110)	(110)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	19	19
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material))		
GST	(5)	(5)
Prepaid insurance etc	(12)	(12)
Listing fee	(8)	(8)
Other	(6)	(6)
Net Operating Cash Flows	(489)	(489)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(2)	(2)
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	(2)	(2)
1.13 Total operating and investing cash flows (carried forward)	(491)	(491)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(491)	(491)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
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)		
	Net financing cash flows	0	0
	Net increase (decrease) in cash held	(491)	(491)
1.20	Cash at beginning of quarter/year to date	2,034	2,034
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,543	1,543

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	87
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	208
4.2 Development	
Total	208

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	224	480
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) – Term Deposits	1,319	1,554
Total: cash at end of quarter (item 1.22)	1,543	2,034

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	Compulsory Partial Surrender from 34 blocks to 17 blocks on 21 August 2004	80%	80%
	E69/1653	Compulsory Partial Surrender from 22 blocks to 11 blocks on 21 August 2004	80%	80%
	P15/3632	Expired 24 August 2004 on the grant of M15/1264	90%	0%
	P15/3637	Expired 24 August 2004 on the grant of M15/1263	90%	0%
	P15/3638	Expired 24 August 2004 on the grant of M15/1263	90%	0%
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	59,016,275	44,739,123		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	23,185,750	12,897,175	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 31/12/2007
7.8 Issued during quarter				
7.9 Exercised during quarter				
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:29/10/2004.....
(~~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.