



Ramelius Resources Limited

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For Immediate Release

29 July 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 JUNE 2004

QUARTERLY HIGHLIGHTS

EXPLORATION

- **BLACK CAT (Gold)** – RC Drilling adjacent to the Black Cat North open pit confirms potentially economic gold mineralisation with a resource estimate of **35,000 tonnes at 2.7g/t gold** (approximately 3,000 oz of gold) comprising 21,000 tonnes at 3.2g/t gold “Indicated” and 14,000 tonnes at 2.0g/t “Inferred.” This resource lies within a depth of 35m of the surface and is adjacent to the Black Cat South Deposit of **250,000 tonnes at 2.7g/t gold** (Inferred and Indicated) for a global resource of **290,000 tonnes at 2.7 g/t gold** (Inferred and Indicated)
- **HILDITCH (Nickel)** - Completed a program of RC drilling which confirmed the easterly dip of the ultramafic towards the “C3” EM conductor in the south western sector.

The discovery of a Nickel Gossan containing primary sulphides just a few hundred metres north of the Hilditch tenements highlights the fertility for nickel sulphide mineralisation of the eastern ultramafic contact which extends the length of the Hilditch tenements.

- **WATTLE DAM (Gold)** – Completed a program of resource definition drilling at Wattle Dam (inferred resource of **150,000 tonnes at 4.6g/t gold** (cut)) that returned some spectacular grades along with many robust gold intersections at shallow depths. Better grades from the RC program included 1 metre @ 130 grams per tonne gold (g/t) from 7 metres depth, 2 metres @ 47 g/t from 17 metres and 9 metres at 8.3 g/t from 12 metres.

OUTLOOK

- **BLACK CAT (Gold)** - Additional resource estimate for Black Cat North is **35,000 tonnes at 2.7g/t gold** (approximately 3,000 oz of gold) comprising 21,000 tonnes at 3.2g/t gold “Indicated” and 14,000 tonnes at 2.0g/t gold “Inferred”. This resource’s lower strip ratio and easy access is expected to favourably impact on its viability and also that of the adjacent Black Cat South Resource.

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

- **HILDITCH (Nickel)** – Drill testing of two nickel sulphide targets is scheduled for the forthcoming quarter.
- **WATTLE DAM (Gold)** – Further drilling is currently underway with results expected to be announced during August followed by a resource estimate. The Company is fast tracking this exciting development and is confident in being able to establish an early mining operation.
- **GNARLBINE (Gold)** – A RAB drilling programme of 1680m in 28 holes is scheduled to be undertaken at the Triton Anomaly during the next quarter.

1. EXPLORATION

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

During the quarter Ramelius completed one Air-Core and two RC drilling programs totalling 53 holes for a total of 2720m at its Black Cat Project 35 kilometres north west of Coolgardie. The results of these programs were released to the market during the quarter.

This drilling was targeted to test:

- The area immediately north of the Black Cat Open Pit where gold mineralisation was known to extend north from the pit into the north-eastern wall.
- The up-dip portion of the Black Cat South Resource.
- The along strike extent of the Black Cat mineralised trend to the grid east of the Black Cat South Resource and to the grid west of the Black Cat Open Pit. The Black Cat mineralisation is mainly associated with the lower contact of a southerly dipping granodiorite against mafic rocks.

The most significant result from this drilling is the identification of gold mineralisation in potentially economic grades and widths adjacent to and grid north of the Black Cat open pit. A resource estimate at this location has been undertaken.

Black Cat North Resource Estimate

A total resource of **35,000 tonnes at 2.7 g/t gold** (approximately 3,000 oz of gold) has been estimated of which 21,000 tonnes at 3.2 g/t gold have been assigned an indicated resource category and 14,000 tonnes at 2.0 g/t gold an inferred resource category. This resource lies within a depth of 35m of the surface and is above the base of the adjacent open pit. Within this total resource, approximately 24,000 tonnes at 3.2 g/t gold is estimated to occur in the central portion of the deposit. Of this resource, approximately 20,000 tonnes at 3.2g/t gold has been assigned indicated resource status and the balance, 4,000 tonnes at 3.4 g/t gold, assigned an inferred resource status.

The Black Cat North Resource is associated with secondary gold mineralisation at the base of the mottled zone clays in a horizon containing laterite nodules above saprolite. This horizon lies at approximately 35m depth and is termed the “Main Zone”. The bulk of the resource lies within the central portion of the main zone.

Overlying the main zone, at a depth of approximately 20m the drilling has identified the presence of a more minor horizon containing enhanced and potentially economic gold values. This has been termed the “Hanging Wall (H/W) zone”.

The distribution of the resource into the various zones is:-

Zone	INDICATED		INFERRED		TOTAL	
	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold	Tonnes	Grade g/t gold
Main	21,000	3.2	11,000	1.3	32,000	2.6
H/W			3,000	4.0	3,000	4.0
TOTAL	21,000	3.2	14,000	2.0	35,000	2.7
Central Main Zone	20,000	3.2	4,000	3.4	24,000	3.2

Resource Estimate Method

The resource estimate is based on geological and assay cross sections and drill plans.

The estimate used a cut off of 2 gram metres gold with a minimum vertical width of 2m and a maximum of 2m (vertical) for included internal dilution. The routinely reported grades were used except where individual intervals that returned analytical results in excess of 20g/t were cut to 20g/t.

The resource was estimated by two methods:

- Deriving a rectangular, cross sectional area around each intersection and applying a length of influence being midway to the adjacent cross section being 10m either side of the cross section (for a total of 20m) to determine volume. Tonnes were derived using an assumed density of 1.5gm/cc while the overall grade was determined by weighting the grade with the tonnes assigned to the various intercepts above the cut off for the total resource estimate of 34,500 tonnes at 2.7 g/t gold
- Deriving a polygonal area of influence in plan view around each intersection and applying the vertical width of the intersection to determine volume. Tonnes were derived using an assumed density of 1.5gm/cc while the overall grade was determined by weighting the grade with the tonnes assigned to the various intercepts above the cut off for the total resource estimate of 36,000 tonnes at 2.7 g/t gold

The resource has been assigned, for the most part, an indicated category mainly because density measurements from the deposit have not yet been made and a density of 1.5 gm/cc on which the tonnes are estimated, has been assumed. An inferred category has been assigned to mineralised intersections above the cut off that are based on the historical drill data to reflect the lack of confidence in the quality control on that data. The inferred category has also been assigned to intersections where correlation is uncertain.

Total Black Cat Resource

Following the delineation of the Black Cat South resource the total resources for the Black Cat project are tabulated below.

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	226,000	2.7	64,000	2.5	290,000	2.7

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

Summary

Nickel exploration continued on two fronts.

- An RC drilling program that followed the earlier RAB drilling has provided an assessment of the geology and geochemistry in the vicinity of the C1, C2 and C3 EM conductors identified in the south western corner of the Hilditch tenements.
- A successful gossan search located a gossan containing remnant nickel sulphides a few hundred metres north of the tenements. This sequence strikes into and extends for the three kilometre length of the tenements.

Gold exploration was limited to two RC drill holes one of which returned anomalous gold over 20m with values up to 0.5 g/t gold.

RC Drilling

This second round of drilling has confirmed the easterly dip of the tremolitic ultramafic on line 6536000N towards the C3 modelled conductor along with the identification of sediments above the location of the C2 and C3 modelled conductors. It also suggests that the dip of the main ultramafic contact along the eastern side of the area drilled is probably 80 to the west, also towards the modelled position of the conductor.

Sedimentary rocks associated with mafic and ultramafic volcanics in greenstones often contain sulphide bearing units within black shale and cherts. These are frequently conductive and give anomalous responses to EM surveys. Accordingly the sediments intersected in the drilling may be the source of the conductors however modelled depths of 176m and 115m for conductors C2 and C3 respectively are not consistent with the observed near surface depths of 10m for the sediments and the preservation of sulphides from 30m depth, the interface of fresh rock.

Accordingly there is no clear or single interpretation that appears to satisfy the observed geology and EM features.

The data has been reviewed by the Company's Geophysical Consultants whose advice has confirmed the Company's intention to proceed with deep drill testing of the conductors.

Gossan Discovery

A "Gossan" was recently identified a few hundred metres north of the Company's Hilditch tenement boundary. This Gossan contains massive sulphides and has since been confirmed to be a Fe-Ni-Cu sulphide "Nickel Gossan" with Pyrrhotite Pentlandite Pseudomorphs identified from a polished section.

This demonstrates that this ultramafic sequence (most of which is covered by Ramelius' Hilditch tenements) is fertile for nickel sulphide mineralisation. The company had previously identified anomalous nickel and copper geochemistry in auger sampling along this ultramafic sequence within the tenements and will expedite exploration at this locality.

Ramelius expects to be able to utilise the services of a deep capability RC drill rig that will be mobilising to the area shortly.

Geochemical Gold Anomaly

Two RC holes were drilled on 6535400N to follow up the previous RAB drilling that returned up to 4m at 1g/t gold. That drilling failed to penetrate beyond a depth of 7m in the centre of the pedogenic carbonate anomaly.

A subsequent RC drill hole returned 20m of anomalous gold to 0.5g/t. The hole terminated in anomalous gold. This gold bearing zone probably dips to the west, sub-parallel to the drilling.

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

Summary

- First pass resource definition drilling at 7800N prospect returned some spectacular grades along with many robust gold intersections at shallow depths.
- Auger sampling completes gold geochemical soil sample coverage of the Wattle Dam project area. Several gold in soil anomalies have been identified.

7800N Prospect

Ramelius has completed a reverse circulation drilling program of 1900m in 25 holes at its 7800N prospect at Wattle Dam Project near Spargoville. This drilling went particularly well and achieved near record daily penetration rates up to 350m per day. The ease of drilling confirms that should a mineable resource be defined here, the probability is that it would be "free-digging" possibly to a depth of 50 metres.

The drilling was to evaluate and better define the inferred resource of **150,000 tonnes at 4.6 g/t gold** (cut) that had been previously estimated at the 7800N prospect, and 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.

The 7800N prospect is hosted by ultramafics rocks that are generally weathered to a depth of approximately 50m. The mineralisation is considered to trend north south and dip vertically with the higher grade intercepts generally aligned in a zone along the eastern side of the mineralised

area. At the southern end of the prospect a second zone lies approximately 50m to the west. This zone and the eastern zone appear to converge at the northern portion of the prospect.

Significant Results

The following tabulation encompasses shallow high grade intersections along with wide intercepts of lower grade gold from across the prospect. A full list of intercepts above 2 gram metres was released to the market during the quarter.

COLLAR DETAILS (AMG)					RESULTS				
Hole No	North	East	Azimuth	Dip	Depth m	From	To	Length m	Gold g/t
WDRC004	6527780	356040	90	-60	70	18	56	38	1.3
WDRC006	6527740	356110	90	-60	60	7	8	1	130
					within	5	10	5	6.1*
						18	47	29	1.6
						45	46	1	14.7
					within	39	47	8	3.2
WDRC008	6527720	356110	90	-60	70	17	19	2	47
					within	12	24	12	6.1*
WDRC009	6527720	356090	90	-60	70	62	70	8	2.6
WDRC010	6527727	356050	90	-60	70	27	30	3	5.8
WDRC012	6527760	356110	90	-60	70	12	21	9	8.3
WDRC013	6527760	356090	90	-60	70	50	52	2	8.7
WDRC017	6527800	356080	90	-60	74	26	35	9	1.8
WDRC018	6527800	356060	90	-60	70	28	40	12	1.2
WDRC020	6527800	356020	90	-60	86	59	80	21	1.9
					includes	59	61	2	8.7
WDRC023	6527840	356040	90	-60	70	13	32	19	1.1
WDRC025	6527820	356040	90	-60	100	13	31	18	1.2

* Gold values greater than 20g/t cut to 20g/t.

Further drilling is currently in progress and results are expected during August. A resource estimate will be undertaken after the results are returned and assessed.

Auger Sampling

A program comprised of 1506 auger samples was completed on those parts of E15/718 that had no previous geochemical data. The samples were analysed for gold and returned several exciting anomalies that are to be followed up.

The samples were subsequently analysed for Tantalum, Niobium and Lithium in relation to the geochemical detection of tantalum bearing pegmatites that are known to exist in the area. Whilst this data is still being evaluated, it is apparent that several significant anomalies have been identified for follow-up work.

2. 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	Currently drilling the resource(s) with a view to mining up to eight (8) potential satellite ore bodies.
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.

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 2004

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		
(a) exploration and evaluation	(252)	(684)
(b) development		
(c) production		
(d) administration	(187)	(535)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	28	69
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material))		
GST	(12)	44
Option fee received	-	10
Prepaid insurance, capital raising costs etc	(22)	(43)
Listing fee	(3)	(13)
Other	(11)	(39)
Net Operating Cash Flows	(459)	(1191)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(575)
(b) equity investments	-	(1)
(c) other fixed assets	(4)	(7)
1.9 Proceeds from sale of:		
(a) prospects	-	40
(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	(4)	(543)
1.13 Total operating and investing cash flows (carried forward)	(463)	(1,734)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(463)	(1,734)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	2,501
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 IPO capital raising	-	(64)
	- Payments relating to Rights Issue	(20)	(227)
	Net financing cash flows	(20)	2,210
	Net increase (decrease) in cash held	(483)	476
1.20	Cash at beginning of quarter/year to date	2,517	1,558
1.21	Exchange rate adjustments to item 1.20		
		2,034	2,034
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	77
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	232
4.2	Development	
Total		232

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	480	2,477
5.2	Deposits at call		
5.3	Bank overdraft		
5.4	Other (provide details) – Term Deposits	1,554	40
Total: cash at end of quarter (item 1.22)		2,034	2,517

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			
6.2	Interests in mining tenements acquired or increased	MLA77/1085	0%	100%
		PLA77/3481	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	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 ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Print name: Dom Francese..... Date:29/7/2004.....
(~~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.

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+ See chapter 19 for defined terms.