
NEWS

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RAMELIUS TO ACCELERATE AND EXPAND W.A. EXPLORATION PROGRAM

Ramelius Resources Limited has announced plans to accelerate and expand its minerals exploration program in Western Australia.

"The prospects for Ramelius Resources both short and longer term are looking very positive and exploration is now ready to surge ahead following our recent capital raising," the Company's Chairman, Mr Robert Kennedy, said today.

Mr Kennedy highlighted three areas where drilling is either underway or about to begin.

Spargoville Project Area

"Our immediate plans are to accelerate drilling in our Spargoville Regional Project, approximately 50 kilometres south east of Coolgardie," Mr Kennedy said.

❖ *Hilditch Nickel Project (90% P15/4127 – 4130 & MLA 15/1448) Gold, nickel and base metals*

On this project, he said Ramelius had recently completed geochemical and geophysical surveys, followed by bedrock definition drilling.

"We are particularly excited because our geophysical consultants have advised that one of the electromagnetic conductors (the C3 conductor) identified in a recent survey has a modelled conductance in the range expected from a high quality massive sulphide," he said.

"Bedrock definition drilling has indicated that the zone lies within a discrete ultramafic rock that we consider to be a favorable host for nickel deposits."

The Hilditch Nickel Project is on trend and about 10 kilometres from Titan Resources' current Armstrong Nickel Mine. Titan Resources began mining operations at Armstrong in April this year and has announced (as part of its Pre-Feasibility Study) a resource of 465,000 tonnes ore at 2.12% nickel that its Board expects may deliver net project cash flows of approximately \$30 million, based on current nickel prices.

Mr Kennedy said: - Between Hilditch and the Armstrong Nickel Mine, there are several other nickel projects, including Titan Resources' McEwen and Zabel deposits, where Titan has indicated it will be concentrating its exploration efforts this year."

"Deeper RC drilling of the Hilditch C3 conductor will start early this month," he said.

❖ *Wattle Dam Project Gold Resource Definition(100% PLs 15/3767; 3873; 4479; 3632; 3637; 3638; EL 15/718) (MLs 15/1263; 1264; 1323; 1338; 1101) Gold only*

"It is also very pleasing to note that we have completed Heritage Surveys on the recently granted Mining Lease 15/1101 at Wattle Dam, approximately 5 kilometres southeast of Hilditch," Mr Kennedy said.

"This will allow Ramelius to carry out evaluation drilling of its 7800N Prospect where previous exploration has identified several zones of high grade gold mineralisation within an auriferous envelope that was only previously subjected to widely spaced RC drilling," he said.

"Based on this previous work, a preliminary tonnage of 150,000 tonnes has been inferred within this zone by our Consulting Geologist. The grade has been estimated at 7.2 g/t gold for uncut gold values or 4.6 g/t gold where values above 20 g/t gold are cut to this value.

"We are confident that RC drilling – expected to start this month, with results by early in June – may result in an increased tonnage estimate.

"Ramelius will also begin investigating numerous other gold targets identified from previous first pass drilling of geochemical anomalies."

Wattle Dam is considered to be the most advanced project in the company's Spargoville Regional Project.

Coolgardie Project Area

❖ *Black Cat Resource Definition Project (90% M16/34; M16/115)*

Mr Kennedy said Ramelius had expanded its drilling program around known mineralisation and a gold resource identified at Black Cat, approximately 40 km northwest of Coolgardie.

“Our previous drilling culminated in the identification of an indicated and inferred resource of approximately 22,000 oz of gold (250,000 tonnes at 2.7 g/t gold, the bulk of which is in the indicated category),” he said.

“We expect the results of RC drilling already in progress to be available towards the end of this month (May 2004).”

Mr Kennedy said the Company's objective was to outline additional resources along the Black Cat trend, both in close proximity to the old open pit and following gold mineralisation indications from previous widely spaced drilling that suggest possible extensions up to 200 metres west of the Black Cat Open Pit.

“While it might have been feasible to develop an open pit mine based on the resource already outlined, our goal is to optimise development and extraction of gold within the Black Cat area,” he said.

“We believe that we're well on the way to achieving this.”

❖ *Bonnievale Project (100% M15/70; 85% M15/220)*

At Bonnievale, approximately 10 kilometres north of Coolgardie, in the Coolgardie Mineral Field, Mr Kennedy said recent aircore drilling program to test the extent and potential of a zone of supergene gold mineralisation had been completed with results expected later in May 2004.

All of the above mentioned projects increase the potential to provide early revenue for the Company.

Earaheedy Basin (Blue Hills – 80% E69/1657 Gold; West Rhodes – 80% E69/1924 Gold & base metals)

"However, Ramelius Resources is looking beyond an early revenue stream and has high hopes of establishing a new Proterozoic gold province in the Earraheedy Basin, approximately 180 kilometres northeast of Wiluna," Mr Kennedy said.

"This style of Proterozoic basin is host to a number of gold deposits elsewhere, including Telfer, Mount Olympus, Xanadu and the Ashburton Province of Western Australia," he said.

"We initially regarded our tenements in this region as being prospective for base metals.

"However, we were very pleasantly surprised to encounter a large zone of anomalous and enhanced gold in stream sediments when we carried out orientation soil sampling along a 10km zone along strike of the Frere Formation.

"We have reviewed aeromagnetic data that indicates the underlying basement rocks have a complex geological structure.

"Naturally, much more work is required. We'll begin this in early May, with a more detailed soil sampling program coupled with geological mapping and rock chip sampling.

"A good indication of our regard for this new region is that we've recently applied for a new Exploration Licence at West Rhodes, between our existing Ingebong and Rhodes tenements."

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