



Ramelius Resources Limited

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Dear Fellow Shareholder/Rights Entitlement holder,

Rights Issue: \$2.5 million now Underwritten

On 24 December 2003, Ramelius announced a one for one renounceable rights issue ("Rights Issue") to raise up to \$3,991,790 through the issue of up to 36,289,002 shares at 11 cents per share.

I am pleased to advise that your directors have successfully negotiated for **Pitt Capital Partners Limited ("Pitt Capital") to underwrite \$2.5 million of the issue.** The Rights Issue will bolster working capital and provide funds which enable Ramelius to:

- more aggressively pursue its strategy of getting into production during 2004 from resources already outlined at Black Cat and Wattle Dam in the Coolgardie district of Western Australia, through contract mining and toll treating at nearby plants;
- accelerate exploration on other promising gold and nickel targets in Western Australia with initial focus on prospects close to toll treatment facilities; and
- maintain a more opportunistic approach to carefully considered acquisitions.

Since listing in March 2003, we have made solid progress, including:

- identifying an inferred and indicated resource of 250,000 tonnes at 2.7 g/t gold (~22,000 oz) at Black Cat and the subsequent acquisition of additional ground with resource potential that increased the project area four fold;
- successfully negotiating a Native Title Agreement and obtaining the grant of an Exploration Licence at Wattle Dam. Another agreement was negotiated in respect of several Mining Leases at Wattle Dam [inferred resource of 150,000 tonnes at 4.6 g/t gold (~22,000 oz)] with grant of titles imminent;
- obtaining the grant of the key tenement at Gnarlbine which will allow access to drill the promising Triton gold geochemical anomaly;
- the outlining of a significant stream sediment gold anomaly in the previously unrecognised Proterozoic gold province in the Earraheedy Basin; and
- conducting an electromagnetic geophysical survey at Hilditch (completed in January 2004) to detect conductors that may be due to accumulations of nickel bearing sulphides with preliminary results that are most encouraging. A genuine bedrock conductor was identified near the contact of an ultramafic rock suite within a belt known for its nickel deposits.

The Board is confident that we can continue to build on our successful achievements to date, particularly given the extra funding assurance provided by the underwriting.

Pursuant to the underwriting, Ramelius will pay Pitt Capital an underwriting commission of \$162,500 representing 6.5% of the underwritten amount and a management commission of 3% on the amount raised above the underwritten amount. Pitt Capital will also receive a flat fee of \$20,000 plus reimbursement of out of pocket expenses.

An Offer Information Statement, Entitlement & Acceptance Form and a covering letter were sent to all eligible shareholders on 14 January 2004. A copy of my letter dated 14 January 2004 and other information on our projects can be found on our website at www.rameliusresources.com.au.

The timetable has been extended in light of the underwriting and the last day for Rights trading, being the last day for selling your Rights, is now 27 February 2004 and the **Closing day for Rights Acceptances is now 5 March 2004.**

All your directors intend to participate in the Rights Issue and encourage you to do likewise by completing your Entitlement and Acceptance Form which accompanied the Offer Information Statement. Please contact the Share Registrar, Computershare Investor Services Pty Ltd on 1300 556 161 if you require a replacement Offer Information Statement and Entitlement & Acceptance Form. I recommend that you read the Offer Information Statement carefully and, together with my fellow directors, look forward to your participation in the Rights Issue.

Yours sincerely

R M Kennedy
Chairman