



## Resources Ramelius Limited

ACN 001 717 540

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30<sup>th</sup> July 2003

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<sup>th</sup> JUNE 2003**

#### **QUARTERLY HIGHLIGHTS**

##### **1. CORPORATE**

The Company successfully completed its public offering, raising the minimum capital requirement of \$3.2 million, and subsequently listed on the ASX on 31<sup>st</sup> March 2003.

##### **2. EXPLORATION**

The Company commenced exploration work within one week of listing on the ASX.

- **Black Cat Project – Gold:** (Option to Acquire 90%)

The Company completed two RC drilling programmes during the quarter on its Black Cat Project which is located north of Coolgardie, W.A. and has subsequently estimated an Inferred Resources of **115,000 tonnes at 3.0 g/t gold** (approximately 11,000 oz of gold) to a depth of 60m. This resource is contained within an inferred resource of **190,000 tonnes at 2.6 g/t gold** (approximately 15,700 oz gold) estimated to a depth of about 100 metres, generally the limit of the drilling.

This resource remains open to the east, and the Company expects to recommence extensional and infill drilling within two weeks.

- **Hilditch Project – Gold and Nickel:** (90%)

The Company completed a programme of Pedogenic Carbonate Sampling over the Hilditch group of tenements which form part of the Company's Spargoville Regional Project, identifying three zones of anomalous gold. One zone returned values of 574 ppb gold and 263 ppb gold on lines 200m apart. The nickel and base metal results are still being assessed.

- **Ingebong/Rhodes – Copper/Lead/Zinc:** (90%)

The Company has commenced Geochemical Soil and Lag Sampling Programmes at Ingebong and Rhodes respectively.

- **New Acquisitions**

**Morning Star – Gold:** (80%)

The Company acquired Fox Resources Limited's interest in the Morning Star Project at Cuddingwarra (80%) where high grade gold intercepts have been obtained from earlier RC drilling, along with M20/245 at Tuckabianna (100%).

## **OPERATIONS REVIEW**

### **BLACK CAT PROJECT: (Option to Acquire 90% M16/34; M16/115.)**

### **Gold**

During the quarter the Company completed two RC drilling programmes comprising a total of 49 RC holes for 4693 metres (RAM001 to RAM050) at the Black Cat Project located near the Jaurdi Hills mining centre, north of Coolgardie, W.A. The drilling followed up significant mineralisation identified by previous explorers (Coolgardie Gold and Kinver Mining).

#### **Resource Estimate**

A resource estimate of the **Black Cat South gold deposit** has been undertaken using the results of the recent drilling programmes undertaken by Ramelius Resources. The resource has been assigned an inferred category mainly because density measurements from the deposit have not yet been made and a density of 2gm/cc<sup>2</sup> on which the tonnes are estimated, has been assumed. Additionally, as only limited check and repeat sampling of the mineralised intervals has been undertaken, the assigning of the inferred category to this resource is consistent with the status of the investigation at the present time.

The Black Cat South deposit has been outlined on four, 40m spaced lines of reverse circulation drilling and is open to the east.

The estimate used a down hole cut off of 2 gram metres gold with a minimum width of 2m and a maximum of 2m for included internal dilution. The routinely reported grades were used except where the repeat and check sampling results showed poor repeatability when the various results were averaged. No top cut was applied. The resource was estimated using cross sectional areas and applying a length of influence of 20m either side of the cross section (for a total of 40m). Tonnes were derived using a density of 2gm/cc<sup>2</sup> while the grade was determined by weighting the grade with the tonnes assigned to the various intercepts above the cut off.

An inferred resource of **115,000 tonnes at 3.0 g/t gold** (approximately 11,000 oz of gold) has been estimated to a depth of 60m. This resource is contained within an inferred resource of **190,000 tonnes at 2.6g/t gold** (approximately 15,700 oz gold) that has been estimated to a depth of about 100m, generally the limit of the drilling.

This resource remains open to the east, and the Company expects to recommence infill drilling within two weeks.

## Drilling & Sampling Techniques

The Ramelius drilling was aligned along a grid rotated approximately 30° to that previously used by Kinver and is normal to the strike direction of the geology of the Black Cat area. Ramelius used reverse circulation drilling with a 4<sup>1</sup>/<sub>2</sub> to 4<sup>3</sup>/<sub>4</sub> inch face sampling hammer and drill bit with samples being collected at 1m intervals using a cyclone, prior to riffle splitting to extract a sample of approximately 2 kg for submission to Genalysis Laboratory Services Pty Ltd. The entire sample was dried and pulverised prior to a sub sample being taken for analysis. Samples from drill holes Ram 001 to Ram026 were analysed using a 10 gram charge for Aqua Regia digestion and AAS analysis. Some repeatability problems were identified, probably due to the small “charge size” associated with that analytical method, which lead to 200gram Leachwell digestion and solvent extraction and AAS analysis being used on the samples from subsequent drilling. All drill holes were geologically logged.

The resource estimate is based only on the results of the Ramelius drilling while the previous Kinver drilling results were used to support the geological interpretation.

## Summary of Significant Results

At Black Cat, 49 holes for 4693 metres were completed during the quarter, and the results tabulated in the table below are based generally on **2 gram metre gold cut off** (e.g. 2m @ +1g/t Au, or 1m @ +2 g/t Au). There are a number of intercepts of 0.8-2 gram metres which have not been included in the table.

Hole No	Northing	Easting	Az	Dip	Depth from m	Length m	Grade g/t Au
RAM 01	2070	5080	360	60	59	2	1.2
					77	2	5.6
					90	1	2.0
RAM 04	2080	5040	360	60	41	2	4.1
					75	5	1.0
					86	6	1.2
RAM 05	2030	5040	360	60	100	3	1.2
RAM 07	2050	5000	360	60	86	1	2.8
					95	3	1.0
RAM 09	2020	4960	360	60	107	1	3.9
RAM 12	1970	4920	360	60	65	1	9.2
RAM 14	1980	4840	360	60	47	2	1.0
RAM 16	1990	4800	360	60	43	3	1.0
RAM 24	1790	4800	360	60	74	3	4.3
RAM 25	1820	4800	360	60	80	2	1.2
					94	2	1.1
RAM 28	2160	5080	360	-60	25	2	2.62
RAM 29	2130	5080	360	-60	47	1	1.45
					51	8	2.13
RAM 30	2100	5080	360	-60	68	1	2.49
					75	2	2.36
					86	1	11.94
RAM 31	2170	5040	360	-60	23	1	18.43
RAM 32	2140	5040	360	-60	34	13	1.37
					59	1	2.80
RAM 33	2110	5040	360	-60	31	5	1.45
					64	6	2.60
RAM 34	2170	5000	360	-60	17	1	6.32
					31	4	5.71
				Including	34	1	19.96

RAM 35	2140	5000	360	-60	45	5	2.66
					59	2	2.14
RAM 36	2110	5000	360	-60	53	14	3.16
				Including	53	2	10.17
				and	65	1	10.84
RAM 37	2080	5000	360	-60	40	1	2.55
					75	5	1.34
					85	3	2.10
RAM 39	2110	4960	360	-60	36	1	3.78
RAM 40	2080	4960	360	-60	74	2	1.53
RAM 41	2050	4960	360	-60	38	2	1.40
					81	2	1.07
RAM 43	2052	4927	360	-60	46	1	1.98
					89	3	1.20
RAM 44	1870	4840	360	-60	62	2	1.35
					96	1	3.40
RAM 48	1870	4760	360	-60	2	1	3.90
					96	2 (EOH)	1.76
RAM 49	1820	4760	360	-60	87	1	2.41

#### **BONNIEVALE PROJECT: (100% M15/70; M15/220.) Gold**

The Bonnievale Project is located approximately 10 kilometres north of Coolgardie in the Coolgardie Mineral Field of WA, and comprises two granted mining leases covering historical workings.

The drilling was carried out below the laterite profile on a 300 metre gold lode system previously worked by small scale underground and open pit mining. The programme tested the main line of lode at 40 metre intervals intersecting the mineralised lode at an approximate depth of 50 metres on 11 drill traverses. During the quarter, 19 holes for 1630 metres were completed.

Tabulated below is a summary of the analytical results based on a 2 gram metre gold cut off. These results are from the central and eastern portion of the project area.

Hole No	Northing	Easting	Az	Dip	Depth from m	Length m	Grade g/t Au
BRC 65	10205	5320	180	60	41	2	1.3
BRC 66	10160	5300	180	60	5	1	2.6
					54	1	3.5
BRC 67	10160	5280	180	60	63	2	5.7
BRC 75	10140	5280	180	-60	40	5	3.67
BRC 81	10140	5400	180	-60	30	3	3.57

The drilling results have been compiled and are currently being incorporated into the geological model of the Bonnievale mineralized system.

**SPARGOVILLE AREA:****Gold; Nickel and Base Metals.****Hilditch Project: (90% P15/4127 – 4128.)**

In June 2003, the Company completed a programme of Pedogenic Auger Soil Sampling over the Hilditch group of tenements. These tenements which form part of the Company's Spargoville Regional Project are located approximately 50 kilometres south east of Coolgardie within the Coolgardie Mineral Field and cover some historical gold workings.

This pedogenic carbonate soil sampling programme, carried out on 200m by 40m centres, identified three zones of anomalous gold. One zone is associated with the known gold mineralisation of the Hilditch gold workings, while the other zones, which are adjacent to each other, are approximately 500m and 700m to the south east. They have strike lengths as defined by the 50ppb gold contour in excess of 400m and 200m respectively. The later zone returned values of 574 ppb gold and 263 ppb gold on lines 200m apart.

The nickel and base metal results are still being assessed.

During the next quarter it is proposed to geologically map and sample the two anomalous gold zones ahead of a RAB drilling programme.

**Wattle Dam Project:****(100% PL's 15/3767; 3873; 4479; 3632; 3637; 3638; EL 15/718)  
(ML's 15/1263; 1264; 1323; 1338; 1101.)**

The Company is receiving mediation assistance from the Native Title Tribunal in negotiations with two Native Title Claimant Groups in respect of Mining Lease Applications M15/1101; 1263 and 1264.

The Company has also applied to expedite the granting of Exploration Licence 15/718.

**GNARLBINE PROJECT:****(100%PL's 15/4507 and 4508: Earning 75% EL 15/762.)**

The Company has applied to expedite the granting of the abovementioned licences.

**INGEBONG/RHODES: (90% E69/1549; E69/1653.)****Copper/Lead/Zinc**

The Ingebong Hills Licence is the Company's key project in the Earraheedy Basin, located approximately 180 kilometres north east of Wiluna in Western Australia. The Company also holds the adjacent Blue Hills and Rhodes Projects which are associated with GSWA regional base metal geochemical anomalies.

At Ingebong, previous lag geochemistry outlined a 6 x 3 kilometre Copper/Zinc anomaly while soil sampling returned enhanced Copper/Zinc values along a 12 kilometre zone trending north west from the lag anomaly.

During the quarter, Southern Geoscience Consultants were commissioned to carry out an Aeromagnetic Interpretation of the Ingebong Hills licence. They identified a number of targets within the area of interest.

A soil sampling programme has commenced and is comprised of approximately 60 line kilometres with sample intervals at 50 metres on line spacings of 400 metres.

At Rhodes, a Lag Sampling Programme will be carried out at the conclusion of the Ingebong programme, and will comprise of sampling at intervals of 500 x 1000 metres over an area of approximately 35 square kilometres.

Results of the soil sampling at Ingebong Hills and the lag sampling at Rhodes, are expected to be returned during the next quarter.

**Morning Star Project: (80% M20/79) Gold**  
**Jasper Queen Project: (100% M20/245) Gold**

The Company acquired Fox Resources Limited's interest in the Morning Star Project ML 20/79 at Cuddingwarra (80%) and ML 20/245 at Tuckabianna (100%).

Morning Star Project is situated on a granted mining lease close to Cue in the Murchison Mineral Field of W.A. and fits the Company's strategy of acquiring low risk, low cost, advanced projects, well situated with respect to infrastructure that have potential to generate an early revenue stream.

Ramelius has issued Fox Resources Limited 1,500,000 ordinary fully paid 20cent shares and 750,000 options exercisable at 20cents, as consideration pursuant to the agreement.

An RC drilling programme is planned for August for the Morning Star Project to follow up on previously identified high grade drill intercepts.

(CDAC 230; 13m @13.7 g/t from 31 to 44m: MSRC 09; 8m @34g/t from 49 to 57m.)

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 2003**

### 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 – (capitalised)	(274)	(301)
(b) development	-	-
(c) production	-	-
(d) administration	(65)	(73)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	19	37
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material) – GST, Prepaid insurance, Listing fee, Security Deposit	(94)	(101)
<b>Net Operating Cash Flows</b>	<b>(414)</b>	<b>(438)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects		(209)
(b) equity investments		
(c) other fixed assets	(10)	(10)
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)	-	-
<b>Net investing cash flows</b>	<b>(10)</b>	<b>(219)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(424)</b>	<b>(657)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(424)	(657)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	3	3,366
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(619)	(619)
1.18	Dividends paid	-	-
1.19	Other (provide details if material) - Payments relating to IPO capital raising	(535)	(740)
	<b>Net financing cash flows</b>	(1,151)	2,007
	<b>Net increase (decrease) in cash held</b>	(1,575)	1,350
1.20	Cash at beginning of quarter/year to date	3,133	208
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,558	1,558

**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	48
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 salary, labour hire paid to an entity of which a director is a director and professional fees paid to an accounting firm of which a director is a partner.

**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	-	-

+ See chapter 19 for defined terms.

3.2 Credit standby arrangements	-	-
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**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	150
4.2	Development	-
<b>Total</b>		<b>150</b>

**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	24	3,133
5.2 Deposits at call	1,534	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	1,558	3,133

**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	M20/79	Beneficial interest - acquired	-	80%
	M20/245	Beneficial interest - acquired	-	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 <b>Preference securities</b> <i>(description)</i>	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	34,784,002	16,834,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	17,500	17,500	20	20
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>	22,140,750	8,390,750	<i>Exercise price</i> 20	<i>Expiry date</i> 31/12/2007
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	17,500	17,500	20	31/12/2007
7.10 Expired during quarter	-	-	-	-
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		
7.12 <b>Unsecured notes</b> <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.

Sign here: .....  
(~~Director~~/Company secretary)

Date: 30/7/2003

Print name: Dom Francese

## 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.