

# RAMELIUS RESOURCES LIMITED

## ASX: RMS

Presentation | February 2010

Ian Gordon CEO



## **FORWARD LOOKING STATEMENTS**

This presentation contains certain forward looking statements with respect to Ramelius' financial position, results of operations and other matters that are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in or implied by those forward looking statements. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that are beyond the control of Ramelius that may cause actual results to differ materially from those expressed in the forward looking statements contained herein.

Ramelius Resources Limited gives no warranties in relation to the information and statements within this presentation.

# Corporate Structure

<b>DIRECTORS:</b>	Bob Kennedy	Chairman
	Reg Nelson	Non-Executive Director
	Kevin Lines	Non-Executive Director
	Joe Houldsworth	Non Executive Director
	Ian Gordon	Executive Director CEO

## ISSUED CAPITAL\*

- 291 million fully paid ordinary shares.
- 18.4 million options RMSOC (\$1.50) Expire 30 June 10

## TOP SHAREHOLDERS:

- Sprott Asset Management ~14%
- Beach Petroleum ~7%
- Directors ~6%

\*As at 15 February 2010

# Strategy

- Build a profitable gold company
- Maximise cash flow from Wattle Dam
- Significant drilling to extend Wattle Dam mine life
- Explore in well endowed gold belts in politically stable countries
- Look for quality acquisitions to grow the Company's production base
- Focus on increasing long term shareholder value



# Results Summary

- Net Profit after tax of A\$4.97m in 2008/09
- Production of 16,283 ounces of gold in 2008/09
- Completion of a successful open cut in April 2009
- Commenced underground production December 2009
- Record production in December of > 20,000 ounces
- Excellent grade to date of 41 g/t
- Expected pre-tax profit of ~A\$15m for Dec 2010 half year



## 3 Year Summary

- ✓ Consistent Production
- ✓ Three Years of Net Profit
- ✓ Record production in Dec 09 half



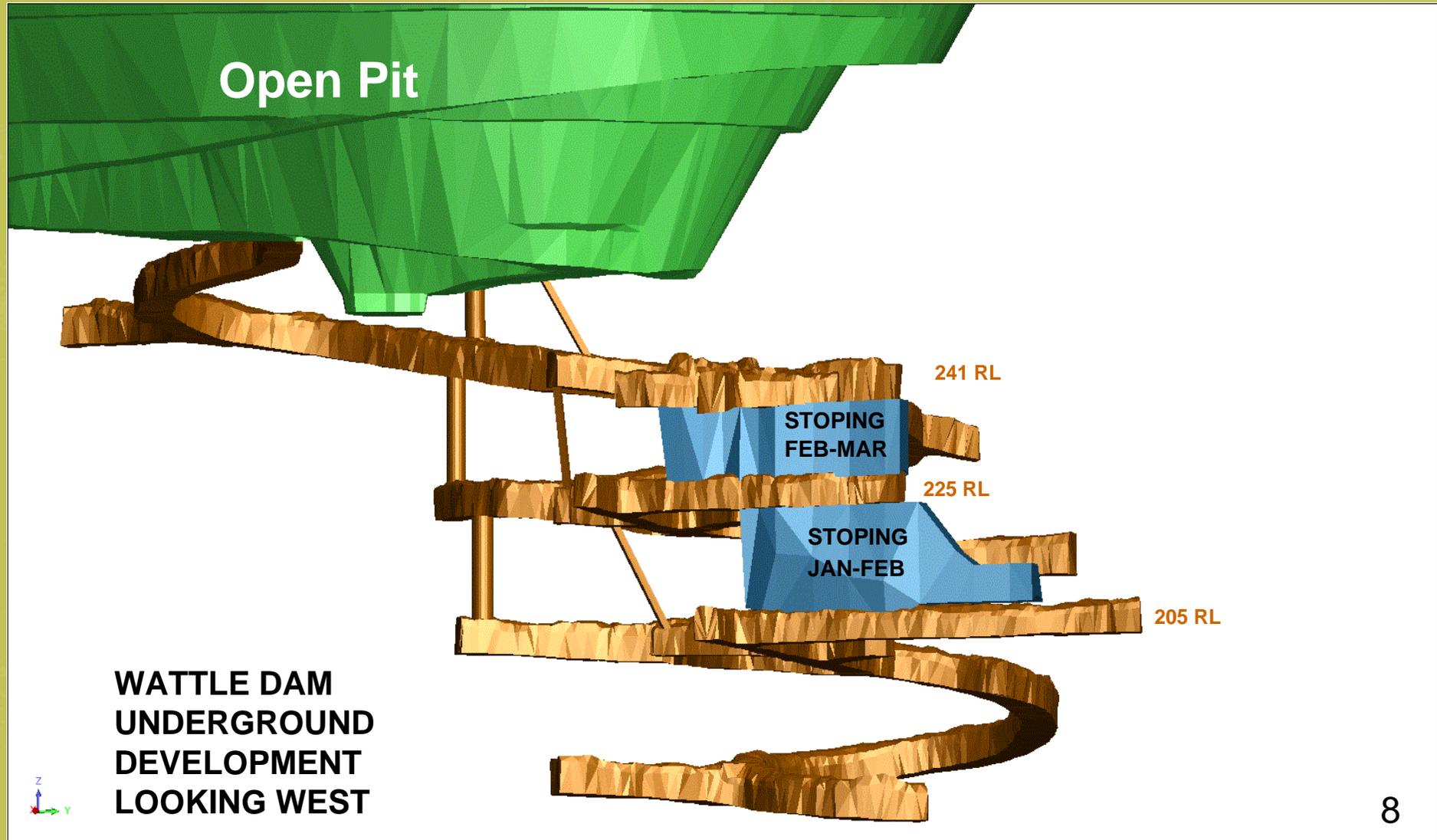
<u>Financial Year</u>	<u>2006-7</u>	<u>2007-8</u>	<u>2008-9</u>
Ore Processed (tonnes)	66,221	96,910	151,697
Grade (g/t gold)	8.36	5.25	3.59
Recovery (%)	95	96	96
Production (Ounces)	16,963	16,154	16,283
Gold Sales (A\$M)	14	14.8	19.8
NPAT (A\$M)	6.88	0.61	4.97

# Wattle Dam Underground Mine

- HWE Mining appointed as underground contractor April 09
- Portal and decline commenced in May 2009
- First ore block development completed end of November 2009
- First development ore processing completed December 2009
- Stoping commenced January 2010



# Stoping Blocks January to March 2010 ~10,000t per month



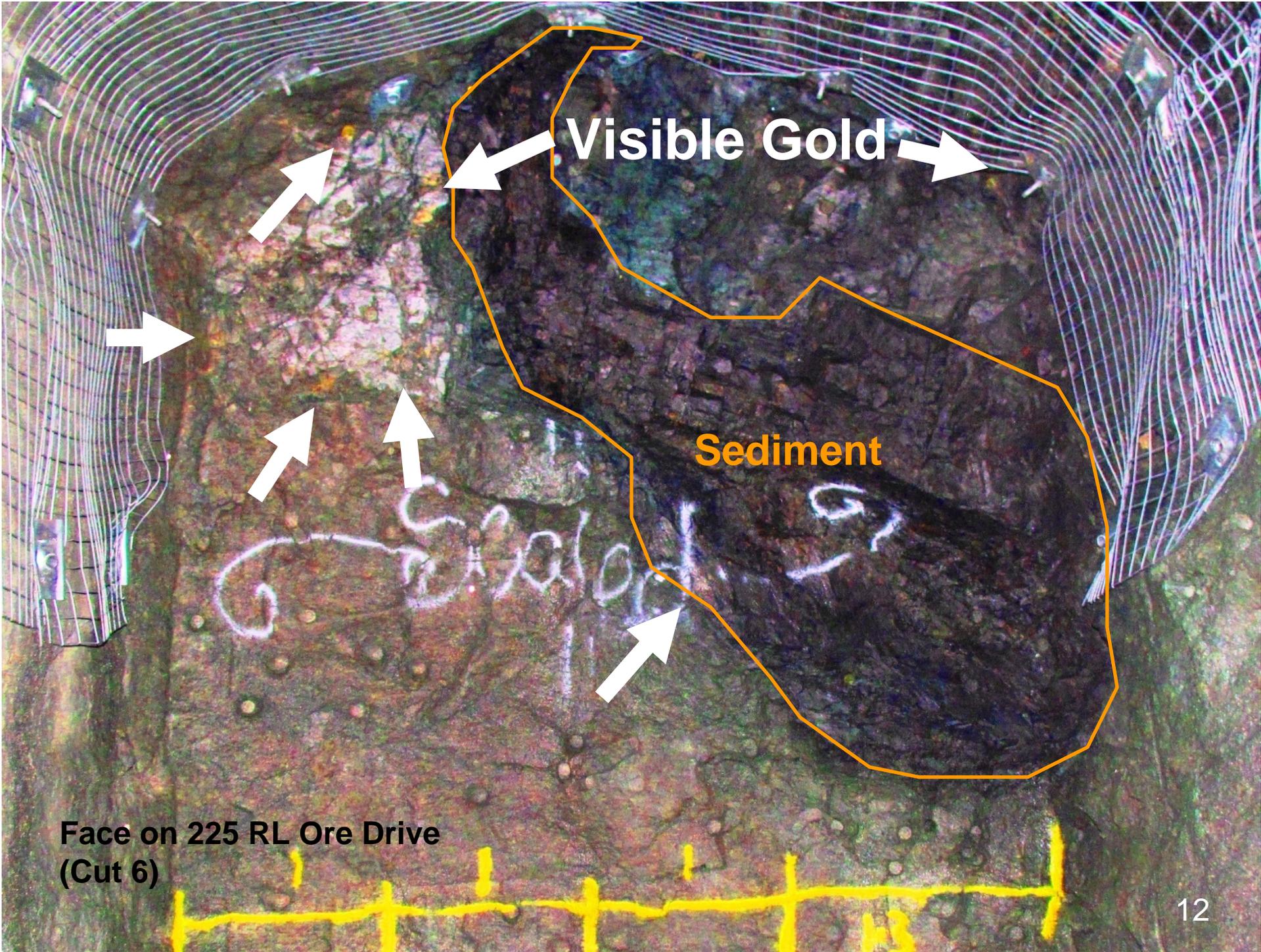


# Wattle Dam milled grades

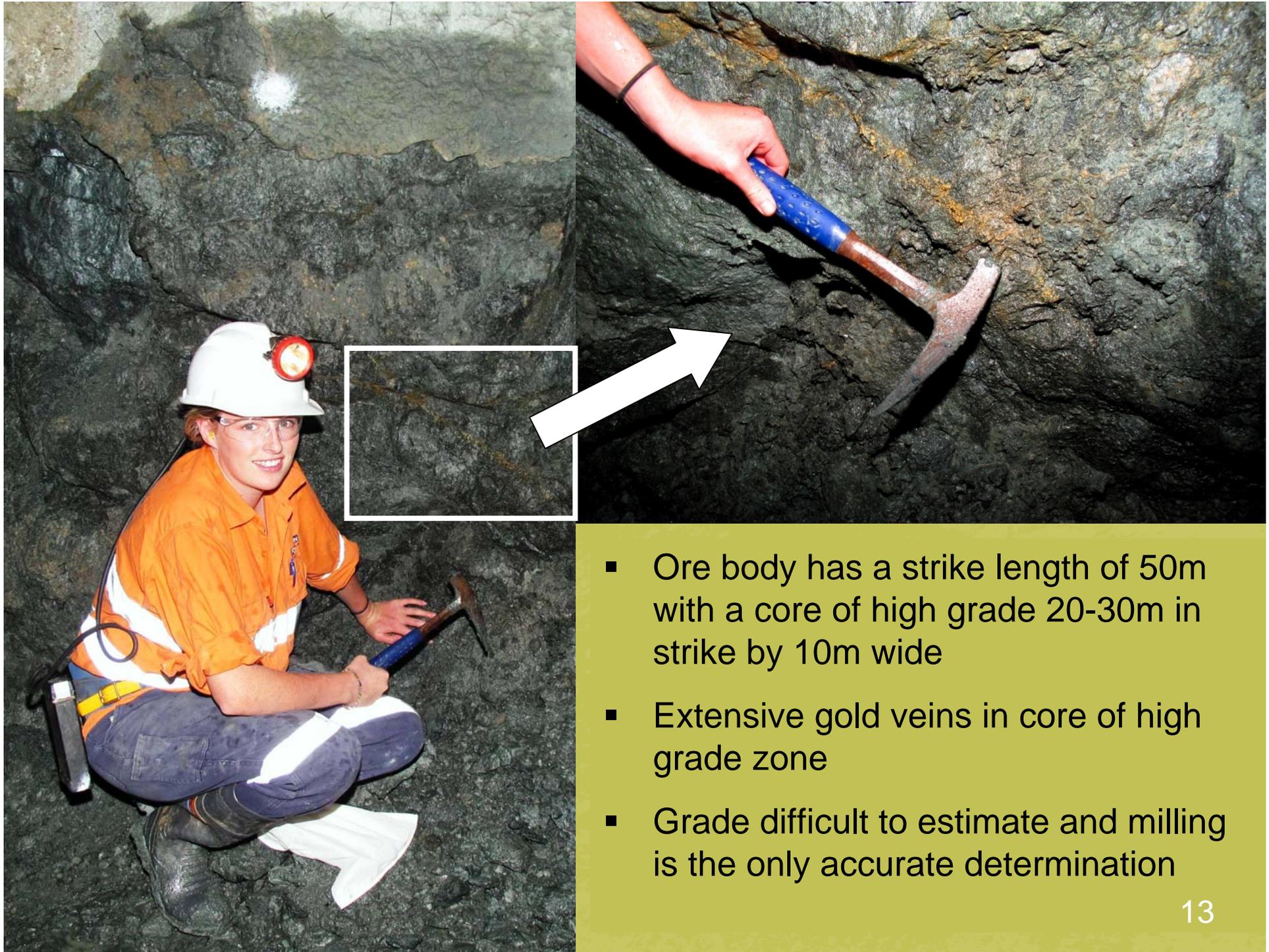
- 15,632 tonnes of high grade development ore milled for over 20,000 ounces of gold in December quarter 2009
- Expected grade was 12.5 g/t from model and sampling
- Actual recovered grade was 41 g/t (3.2 x overcall)
- Currently treating Wattle Dam stoping ore
- Expect significant overcall in grade and gold production
- Higher grade equals lower costs and more cash flow
- Ramelius believes there is significant scope to increase the current mine tonnes

Significant  
visible gold in  
underground  
ore drives





Face on 225 RL Ore Drive  
(Cut 6)

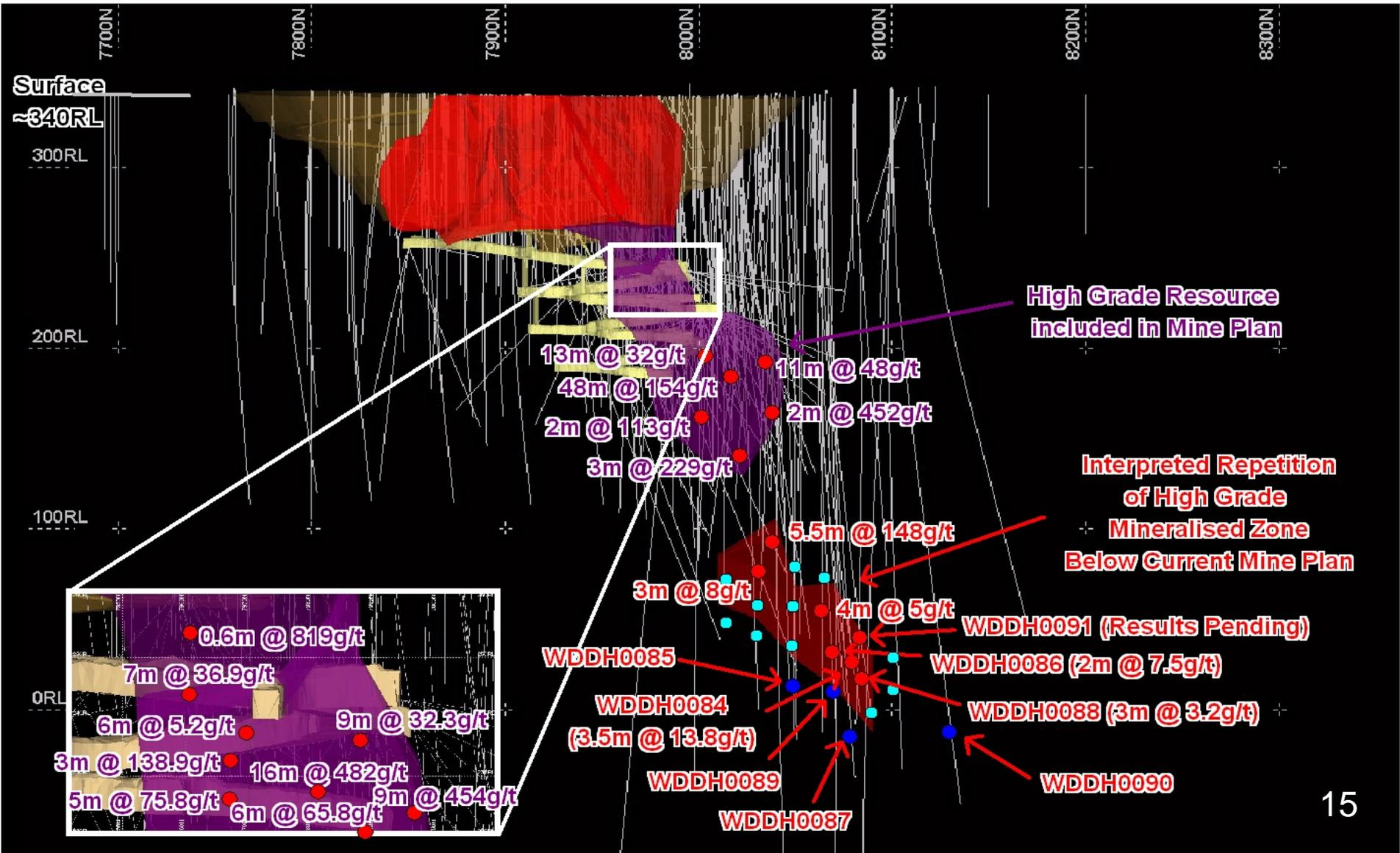


- Ore body has a strike length of 50m with a core of high grade 20-30m in strike by 10m wide
- Extensive gold veins in core of high grade zone
- Grade difficult to estimate and milling is the only accurate determination

# Wattle Dam Deep Drilling

- Deep diamond drilling completed in 2009
- This drilling has defined gold mineralisation and the “**mine geology**” to a depth of 350m below surface
- Target has a small strike extent and requires high density drill pattern due to high nugget gold
- Significant results received including:
  - 5.5m @ 148 g/t Au,
  - 3.5m @ 13.8 g/t Au,
  - 3m @ 8 g/t Au
  - 4m @ 5 g/t Au
- Future infill drilling will be undertaken from underground to test economic potential





# Wattle Dam Gold Mine

## Good Potential for Plunge Repetitions

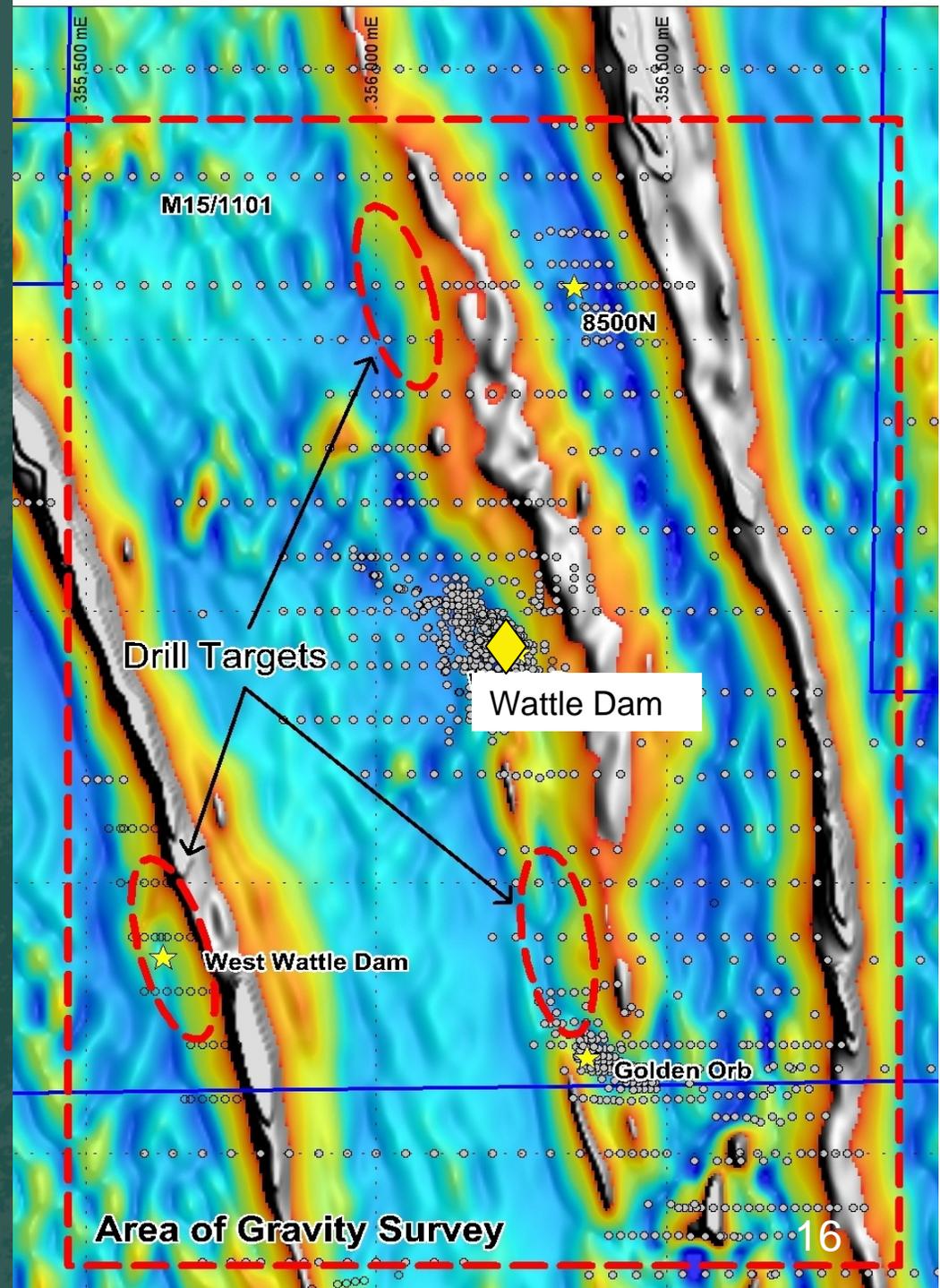
Showing Selected High Grade Drill Intersections

- Recent Diamond Drilling (Outside Mineralised Zone)
- Diamond Drill Intersection (Within Mineralised Zone)
- Proposed Infill Diamond Drill Intersection



# Exploration

- Drilling targeting contacts along strike from Wattle Dam
- Gravity survey to further define controlling structures
- Trial SAM Geophysical survey completed north of Wattle Dam pit to identify prospective sediment horizon
- Drilling underway north and south of Wattle Dam
- New gold projects in NSW and Nevada



# Burbanks Milling

- Treatment of 158,000t of ore at Burbanks during 2008-09
- Average recoveries of 96% from all ore processed during year
- Costs reduced by treatment of third party ore
- Upgrade of gravity circuit currently being installed
- Currently treating Wattle Dam stoping ore
- Milling to date confirms grade will overcall
- No significant capital required



# Where are we now ?

- Strong board with growth strategy focussed on gold
- No debt and cash of approx. \$46m (as at Dioro settlement)
- Holding in Avoca of ~4% (11m shares)
- Milling of high grade stoping ore underway
- Ramelius expects Wattle Dam to deliver high grade production well in excess of the 68,000 ounce mine plan
- High grade mineralisation below defined mine plan
- No significant capital requirements moving forward

# Looking Forward

- Expecting strong cash flows from Wattle Dam for all of 2010 and now into 2011
- Substantial drilling at Wattle Dam and on new projects
- Costs will be kept low, with year to date expenditure in line with our low cost strategy and budget
- Well positioned for growth with cash and investments of A\$67m
- Ramelius will be seeking both exploration and operating assets for company growth with two recent investments in exploration projects in NSW and Nevada



The Information in this report that relates to Exploration Results is based on information compiled by Matthew Svensson.

Matthew Svensson is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting on Exploration Results. Matthew Svensson is a full-time employee of the company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Information in this report that relates to estimated mine grade is based on information compiled by Rob Hutchison.

Rob Hutchison is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person. Rob Hutchison is a full-time employee of the company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.