



4 October 2011

For Immediate Release

Company Update - October 2011

Mt Magnet Gold Project

The Board of Directors of Ramelius Resources Limited is pleased to announce the commencement of mining operations at the Mt Magnet Gold Project.

Mining commenced at Mt Magnet in early September, after mobilization of the mining contractor to site. The first blast of waste material occurred on the 23rd of September, with mining now well underway.

Refurbishment works on the treatment plant are ongoing and are due for completion in November 2011. The cost of the refurbishment will increase from A\$14m to A\$15.5m due to a decision to replace the existing cyanide facility, and additional costs of refurbishment works on items that were not accessible during the original engineering assessment.

Gold production remains on track to commence in January 2012.

Wattle Dam Gold Mine

Production for the September quarter is expected to deliver 16,000 ounces of gold.

Production was lower compared to previous quarters due to a number of factors, including; a failure within the crushing circuit at the Burbanks mill and milling of lower grade development and other ore as development of Block D continues. Although a hire crusher has been sourced, production will also be impacted in the December quarter as repairs are completed.

Drilling below Block D to date has not intersected any significant results, however more recent drill holes to the north and below Block D have intersected encouraging alteration. Drilling is ongoing.

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ISSUED CAPITAL

Ordinary Shares: 291M

DIRECTORS

Chairman:
Robert Kennedy
Non Executive Directors:
Reg Nelson
Kevin Lines
Managing Director:
Ian Gordon

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Finance

Ramelius currently holds the equivalent of A\$90m in cash and gold. During the quarter, the Company also paid \$4m in corporate tax.



Photograph: First blast of waste rock at the Mt Magnet gold project on 23rd September 2011

For further information contact:

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