



19 April 2013  
For Immediate Release

## Quarterly Report for the Period Ending 31 March 2013

### HIGHLIGHTS – OPERATIONS & DEVELOPMENT

- Group quarterly production of 20,514 fine ounces of gold at a cash cost of A\$1,076 per ounce
- Mt Magnet production in WA increased to 14,553 fine ounces of gold at a cash cost of A\$1,396 per ounce. Record production of 5,831 ounces in the month of March.
- Milling of Wattle Dam and remnant ore at Burbanks produced 5,961 fine ounces of gold at a cash cost of A\$296 per ounce
- Group cash flow from operations after all operating and mine development costs (including mine stripping costs) was \$4.6M
- Mining commenced at the high grade Western Queen project in WA with first ore to be delivered to Mt Magnet in the September quarter 2013
- A Mining Proposal for the high grade Coogee deposit in WA was lodged with the DMP during the quarter after securing all other relevant licences
- Completed a Resource estimate for the Water Tank Hill project and a Scoping Study for the Saturn Deeps project at Mt Magnet
- Continued working with Gold Fields to complete the Vivien acquisition in WA

### HIGHLIGHTS – EXPLORATION

- Further high grade gold intersections at Mt Magnet (Water Tank Hill) including 4m at 11.7 g/t Au from 284m in GXRC1324; and 7m at 11.4 g/t Au from 228m in GXRC1326;
- Drilling of the exciting Kookaburra target in QLD to commence in April 2013

### HIGHLIGHTS – CORPORATE

- Quarterly gold sales of \$31.2M at an average price of A\$1,575 / oz
- Cash and gold on hand of A\$48M at the end of the quarter

19 April 2013

#### ISSUED CAPITAL

Ordinary Shares: 338M

#### DIRECTORS

**Chairman:**  
Robert Kennedy  
**Non-Executive Directors:**  
Kevin Lines  
Michael Bohm  
**Managing Director:**  
Ian Gordon

[www.rameliusresources.com.au](http://www.rameliusresources.com.au)  
[info@rameliusresources.com.au](mailto:info@rameliusresources.com.au)

RAMELIUS RESOURCES LIMITED

#### Registered Office

Suite 4, 148 Greenhill Road  
Parkside, Adelaide  
South Australia 5063  
Tel +61 8 8271 1999  
Fax +61 8 8271 1988

#### Operations Office

Level 1, 130 Royal Street  
East Perth WA 6004  
Tel 08 9202 1127  
Fax 08 9202 1138

## **PRODUCTION SUMMARY**

**Table 1: Gold Production**

March 2013 Quarter	Mine Production (t)	Milled Tonnes (t)	Head Grade (g/t Au)	Gold Recovery (%)	Production (recovered ounces)	Fine Gold Production (ounces)	Cash Cost (A\$ /ounce)
<b>Mt Magnet</b>	542,248	438,743	1.16	91	14,890	14,553	1,396
<b>Burbanks/WD</b>	0	47,061	3.95	96	5,737	5,961	296
<b>Total</b>	<b>542,248</b>	<b>485,804</b>	<b>1.43</b>	<b>91</b>	<b>20,627</b>	<b>20,514</b>	<b>1,076</b>

### **MT MAGNET GOLD MINE (WA)**

Production at Mt Magnet increased marginally compared to the December quarter. In March higher throughput and higher head grade allowed for the recovery of a monthly record 5,831 ounces of gold.

Total operating cash costs for the quarter including waste stripping were \$24.8M down from (Dec: \$26.8M) with \$4.5M of the total being deferred to development (Dec \$9.8M).

Mined ore production (+.7g/t) from the Galaxy area (Saturn, Mars and Titan pits) for the quarter was 395,396 tonnes.

Milled tonnes for the quarter were 438,743 tonnes at a head grade of 1.16 g/t Au. Milled gold production for the quarter increased to 14,890 ounces from 14,742 ounces in the December quarter.

Mining in January and February was affected by numerous rain events, which affected ore production. This flowed through to milling where low grade tonnes were required to be added to the mill feed in January and February.

An unplanned 4 day shutdown of the mill to replace a ball mill trunnion sleeve in February significantly reduced throughput for that month.

As discussed last quarter, a modified grade control system was implemented from February. This method uses conditional simulation and enhances the separation of high and low grade ore categories. Increased mined and milled grades were seen during the second half of the quarter and March saw the best grades for the project to date. Work on improving blast practices is continuing and a trial of electronic blast movement monitors has commenced to accurately measure blast displacement.

Table 2: Production by Quarter

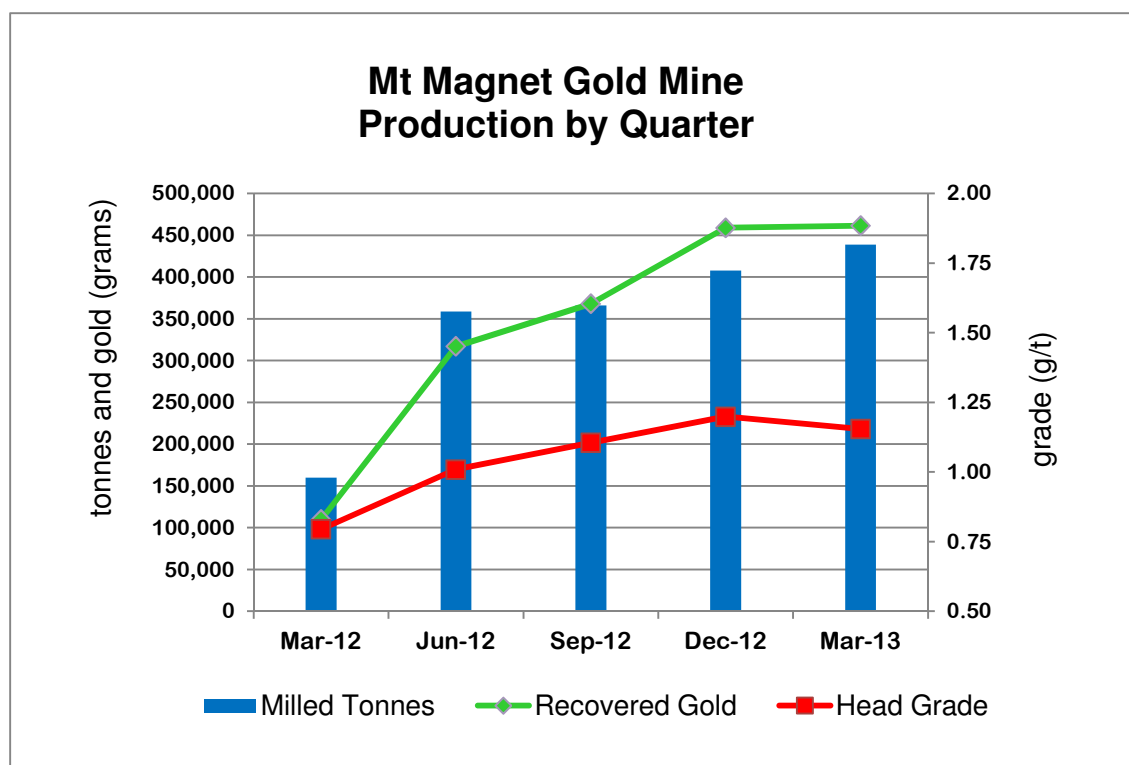


Figure 1: Galaxy cutback – Saturn Pit



## ***WESTERN QUEEN SOUTH PIT (WA)***

Significant progress was made during the quarter with mining project approval received in January. Rapid progress was made on-site with construction and operational start-up of the WQS camp, offices and magazine by early March. Clearing for the waste landform, pit-dewatering and commencement of mining also occurred in March. Mining activity will ramp up to full rates early in the June quarter. Ore production is scheduled to commence in the third quarter of 2013.

Expenditure at Western Queen for the quarter was \$1.5M.



**Figure 2: Mining Commencement at Western Queen**

## ***BURBANKS MILL (WA)***

Milling of stockpiled ore continued throughout the quarter. Wattle Dam ore formed the majority of ore feed during the quarter with a smaller amount of Woodline ore also added. The Woodline ore was purchased by Ramelius in 2010.

Total operating cash costs for the quarter were \$1.5M.

Mill grades were generally above those predicted resulting in good production above guidance. Mill production for the quarter was 47,061 tonnes at a head grade of 3.95 g/t Au.

Ramelius is continuing to work towards options to replace Wattle Dam gold production from the second half of 2013, including the Coogee project. A toll milling assignment is expected to keep the mill occupied until the Coogee project commences.

## **DEVELOPMENT**

### **Water Tank Hill / St George**

A new resource of 63,000oz was generated for the Water Tank Hill deposit during the quarter.

**Table 3: Water Tank Hill Resource\***

Category	Tonnes	Grade	Ounces Au
Indicated	229,000	6.6 g/t	49,000
Inferred	89,000	4.9 g/t	14,000
<b>Total</b>	<b>318,000</b>	<b>6.1 g/t</b>	<b>63,000</b>

*\*Refer to RMS ASX release 'Water Tank Hill / St George Underground Potential', 11/03/2013 for additional detail*

A mining study has commenced on the new Water Tank Hill resource model and existing St George resource model. The deposits sit in close proximity, with the Water Tank Hill deposit only around 260m north-west of the St George decline mined during 2005 to 2007.

### **Mt Magnet Resource Drilling**

A significant drilling programme was carried out at Mt Magnet, designed to infill and improve confidence on three deposits. Drilling was conducted in and around the O'Meara, Golden Stream and Morning Star pits with a total of 75 holes for 6,988 metres completed during the quarter.

Numerous economic intercepts were received and these generally confirm the existing resource interpretations. Work is being undertaken to incorporate this data into revised resource models for the areas. After this the resources will be re-evaluated for reserve potential and mine planning purposes.

### **Coogee Project (WA)**

Important progress was made with the granting of the miscellaneous licence for road access to the Coogee gold deposit following consultations with a number of stakeholders. A mining proposal was submitted to the DMP at the end of the quarter. Ramelius aims to commence the project in the 2<sup>nd</sup> half of 2013.

## **EXPLORATION SUMMARY**

Exploration during the quarter was conducted at Mt Magnet and at the Mt Windsor joint venture project in north Queensland.

Total exploration and resource development expenditure for the quarter was \$2.4M, of which \$1.9M was expended at Mt Magnet and the balance at other projects.

## MT MAGNET GOLD PROJECT (WA) (Ramelius 100%)

### ***Water Tank Hill***

Ramelius completed 10 RC drill holes for an aggregate 3,062m at Mt Magnet during the quarter. The drilling was focused on the plunge projection of the high grade shoot below the Water Tank Hill pit, ahead of finalizing the underground resource estimate. A summary of drilling completed is tabled below.

**Table 4: Mt Magnet Exploration RC Drilling**

<i>Hole Id</i>	<i>GDA E</i>	<i>GDA N</i>	<i>Depth (m)</i>	<i>Az/Dip</i>	<i>Comments</i>
GXRC1317	581350.46	6895302.38	314	070/-65	Water Tank Hill – Southern Shoot
GXRC1318	581347.12	6895299.69	414	070/-76	Water Tank Hill – Southern Shoot
GXRC1319	581380.96	6895303.56	270	070/-67	Water Tank Hill – Southern Shoot
GXRC1320	581328.12	6895315.38	294	070/-63	Water Tank Hill – Southern Shoot
GXRC1321	581319.50	6895264.70	438	070/-72	Water Tank Hill – Southern Shoot
GXRC1322	581295.14	6895292.90	330	070/-61	Water Tank Hill – Southern Shoot
GXRC1323	581341.81	6895251.65	366	070/-69	Water Tank Hill – Southern Shoot
GXRC1324	581326.30	6895277.71	330	070/-63	Water Tank Hill – Southern Shoot
GXRC1325	581270.01	6895315.62	36 Abn	070/-65	Water Tank Hill – Southern Shoot
GXRC1326	581393.15	6895222.29	270	070/-68	Water Tank Hill – Southern Shoot

Significant results (>0.5 g/t Au) received from the RC drilling are presented in Appendix 1.

Better intersections include **11m at 4.17 g/t Au** from 268m in GXRC1317, **13m at 3.68 g/t Au** from 324m in GXRC1323, **4m at 11.7 g/t Au** from 284m in GXRC1324 and **7m at 11.4 g/t Au** from 228m in GXRC1326. These intersections are incorporated in the Water Tank Hill resource, reported above.

## MT WINDSOR GOLD PROJECT (QLD) (Ramelius earning 60%)

Exploration focused on the Kookaburra prospect area during the quarter.

### ***Kookaburra/Greenback***

A total of 351 surface soil samples on a 50 x 25m grid were collected over the western extension of the Kookaburra prospect during the quarter along with 35 rock chip samples. A key drill target area on the western extension is now defined by a 350 x 200m plus 20ppb gold in soil anomaly, along with plus 500ppm copper in soils overlapping the gold anomaly and extending a further 500m north. Peak copper in soil response was 0.39% copper. Mapped hydrothermal breccia and intense potassic alteration proximal to the contact of the intrusive granitoid with the Molly-Darling granite country-rock is associated with the anomalous gold in soil geochemistry. Subcropping porphyritic granodiorite near the peak copper in soil response returned grab assays up to 0.9% copper.

This western extension is now referred to as Greenback. Reverse circulation drilling into the anomaly will commence in late April/early May once the seasonal rains have cleared.

Mapping during the quarter has clearly defined the western and southern margins of the porphyry suite at Greenback. The mapping has revealed narrow (up to 5m wide) occurrences of Permo-Carboniferous

porphyry intruding the regional Molly-Darling granite. These porphyry occurrences are interpreted as finger dykes or a style of intrusive stockwork extending beyond the main altered intrusive drill target. Preliminary results from rock-chip sampling in this area has returned anomalous gold values up to 0.8 g/t Au, within potassic-altered porphyry and ferruginous quartz veining.

### **SPARGOVILLE GOLD PROJECT (WA) (Ramelius 100%)**

Ramelius has engaged PCF Capital Group to manage its divestment of the Spargoville gold project, including divesting the Wattle Dam underground gold mine.

### **NEVADA GOLD PROJECTS (USA)**

#### ***Angel Wing JV Nevada (USA) (Ramelius and Marmota earning 70%)***

Winter snowfalls prohibited field access to the Angel Wing JV project during the quarter. Progress continued on preparing a program of operations for submission to the Nevada State Bureau of Land Management.

### **CORPORATE & FINANCE**

Gold sales for the March 2013 quarter were \$31.2M at an average price of A\$1,575 / ounce.

Ramelius currently holds put options over 6,000 ounces per month at a strike price of A\$1,350 / oz to the end of August 2013.

At 31 March, 2013 the Company held \$48M of cash and gold and has a 5.3% interest in gold developer Doray Minerals Limited valued at \$4.6M (ASX: DRM).

**Appendix 1: Significant (>0.50 g/t Au) 1m RC and diamond drilling results for the Mt Magnet Gold Project (WA)**

Hole Id	Easting	Northing	Az/Dip	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au
GXDD0039**	581397	6895365	070/-76	315.6  Incl. +	202.0	206.0	4.00	1.52
					230.0	235.0	5.00	0.61
					<b>238.0</b>	<b>253.0</b>	<b>15.0</b>	<b>4.56</b>
					<b>240.0</b>	<b>241.0</b>	<b>1.00</b>	<b>15.0</b>
					<b>245.0</b>	<b>252.0</b>	<b>7.00</b>	<b>5.46</b>
					266.6	270.6	4.00	1.70
					292.6	293.6	1.00	1.24
					307.0	308.0	1.00	1.17
GXRC1309**	581639	6895336	250/-50	342 Incl.  Incl. Incl.	<b>194</b>	<b>213</b>	<b>19</b>	<b>6.53</b>
					<b>196</b>	<b>201</b>	<b>5</b>	<b>17.80</b>
					<b>237</b>	<b>240</b>	<b>3</b>	<b>6.12</b>
					<b>239</b>	<b>240</b>	<b>1</b>	<b>10.1</b>
					<b>289</b>	<b>313</b>	<b>24</b>	<b>13.62</b>
GXRC1317	581350	6895302	070/-65	314     Incl.	149	150	1	2.28
					156	157	1	2.89
					193	200	7	1.88
					208	209	1	2.53
					<b>222</b>	<b>229</b>	<b>7</b>	<b>4.80</b>
					260	264	4	2.79
					<b>268</b>	<b>279</b>	<b>11</b>	<b>4.17</b>
					<b>270</b>	<b>273</b>	<b>3</b>	<b>12.0</b>
GXRC1318	581347	6895299	070/-76	414	217	224	7	1.20
					237	239	2	0.91
					243	244	1	6.02
					254	258	4	1.85
					270	271	1	3.55
					332	341	9	1.94
GXRC1319	581381	6895303	070/-67	270	80	81	1	2.55
					90	93	3	2.56
					137	138	1	1.48
					145	149	4	2.83
					155	156	1	1.44
					162	163	1	1.14
					206	210	4	1.37
					232	240	8	0.76
					249	259	10	1.20
GXRC1320	581328	6895315	070/-63	294	171	173	2	4.51
					184	188	4	2.27
					223	229	6	0.63
					240	242	2	1.04
					247	251	4	2.49
					268	270	2	3.85
GXRC1321	581319	6895265	070/-72	438				NSR
GXRC1322	581295	6895293	070/-61	330	219	223	4	0.81
					230	232	2	0.96
					261	262	1	1.12
					272	273	1	8.48
					278	280	2	1.49
					287	288	1	3.93
					291	293	2	1.12
					299	302	3	4.56
GXRC1323	581342	6895252	070/-69	366 Incl.	271	274	3	4.29
					<b>324</b>	<b>337</b>	<b>13</b>	<b>3.68</b>
GXRC1324	581326	6895278	070/-63	330    Incl.	<b>332</b>	<b>334</b>	<b>2</b>	<b>16.2</b>
					194	198	4	2.49
					206	210	4	1.38
					217	219	2	3.64
					239	240	1	1.18
					243	257	14	2.32
					<b>247</b>	<b>248</b>	<b>1</b>	<b>17.8</b>
					260	263	3	1.63
					270	275	5	2.01



				Incl.	278 284	297 288	19 4	3.83 11.7
GXRC1325	581270	6895316	070/-65	36			Hole	Abandoned
GXRC1326	581393	6895222	070/-68	270 Incl.	228 228	235 231	7 3	11.4 23.5

Reported significant gold assay intersections (using a 0.5 g/t Au lower cut) are calculated over a minimum down hole interval of 1m at plus 0.5 g/t gold and may contain up to 2m of internal dilution. Gold determination was by Fire Assay using a 50 gram charge and AAS finish, with a lower limit of detection of 0.01 g/t Au. NSR denotes no anomalous assays above 0.50 g/t Au. BLD denotes below analytical detection. True widths are estimated to represent 66% of the reported down hole intersections for all holes except GXRC1309 where true widths are estimated at 50%. Holes were abandoned because of excessive deviation off target.

\* Denotes RC precollar depth only; awaiting diamond tail.

\*\* Denotes incomplete drill hole data was reported Dec Quarter 2012.

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

Kevin Seymour is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the styles of mineralisation and type of deposits 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Kevin Seymour 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 mineral resources, ore reserves and estimated mine grade is based on information compiled by Rob Hutchison.

Rob Hutchison is a Member of the Australasian 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 as defined in the 2004 Edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. 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.