



# Ramelius Resources Limited ASX:RMS

Investor Presentation September 2013



# Forward Looking and Competent Persons Statements:

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## Forward looking statements

This presentation contains certain forward looking statements with respect to Ramelius' financial condition, results of operations, production targets 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.

## Competent persons statement

The Information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Kevin Seymour (Exploration Results), Rob Hutchison (Mineral Resources) and Mark Zeptner (Ore Reserves), who are Competent Persons and Members of The Australasian Institute of Mining and Metallurgy. Kevin Seymour, Rob Hutchison and Mark Zeptner are full-time employees of the company.

Kevin Seymour, Rob Hutchison and Mark Zeptner have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Kevin Seymour, Rob Hutchison and Mark Zeptner consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

# Ramelius Corporate:

## Corporate details:

- ASX Code: **RMS**
- Ordinary shares on issue: **338m**
- Market capitalisation: **~A\$66m**
- 6 month share price range: **\$0.10-0.38**
- Cash and gold on hand: **A\$33m (Aug 13)**

## Share price (6 month):



## Significant shareholders (Aug 13):

Sprott: **6%**

Geologic: **3%**

Dimensional: **3%**

## Directors:

Chairman:

**Robert Kennedy**

Managing Director:

**Ian Gordon**

Non Executive Director:

**Kevin Lines**

Non Executive Director:

**Mike Bohm**

# Strategy:

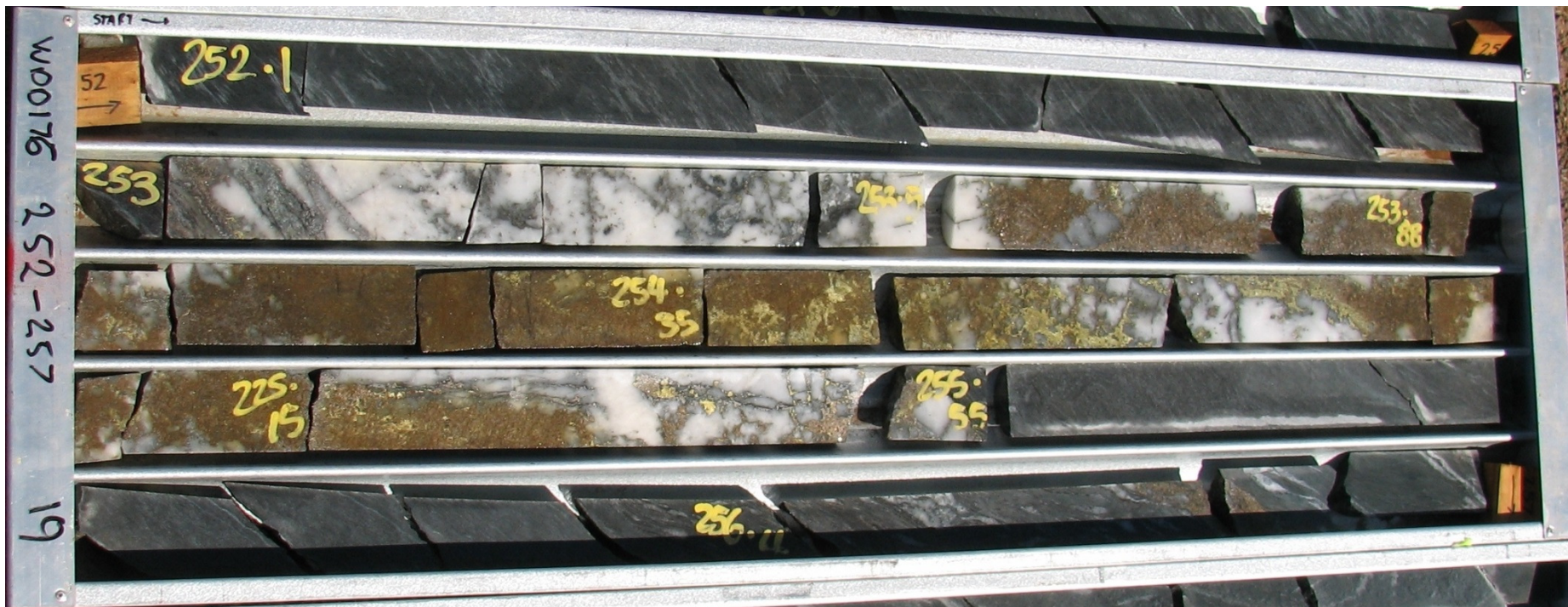
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- **Deliver profitable production in any gold price environment**
  - 2013-14 mine plan of 107,500oz at total production cost of A\$1,200
  - Grades now in line with reserve estimate
  - Increased focus on meeting budgeted site costs
  - Mt Magnet has a minimum four year mine life assuming A\$1,350 gold price
- **Discovery of a high margin asset within 2 years**
  - Focus on high grade / low cost opportunities in Australia and the Americas
  - Looking for high grade incremental opportunities at Mt Magnet
- **Focus on capital management**
  - Maintain a robust cash balance throughout the development cycle
  - Return surplus funds to shareholders when cash flow allows



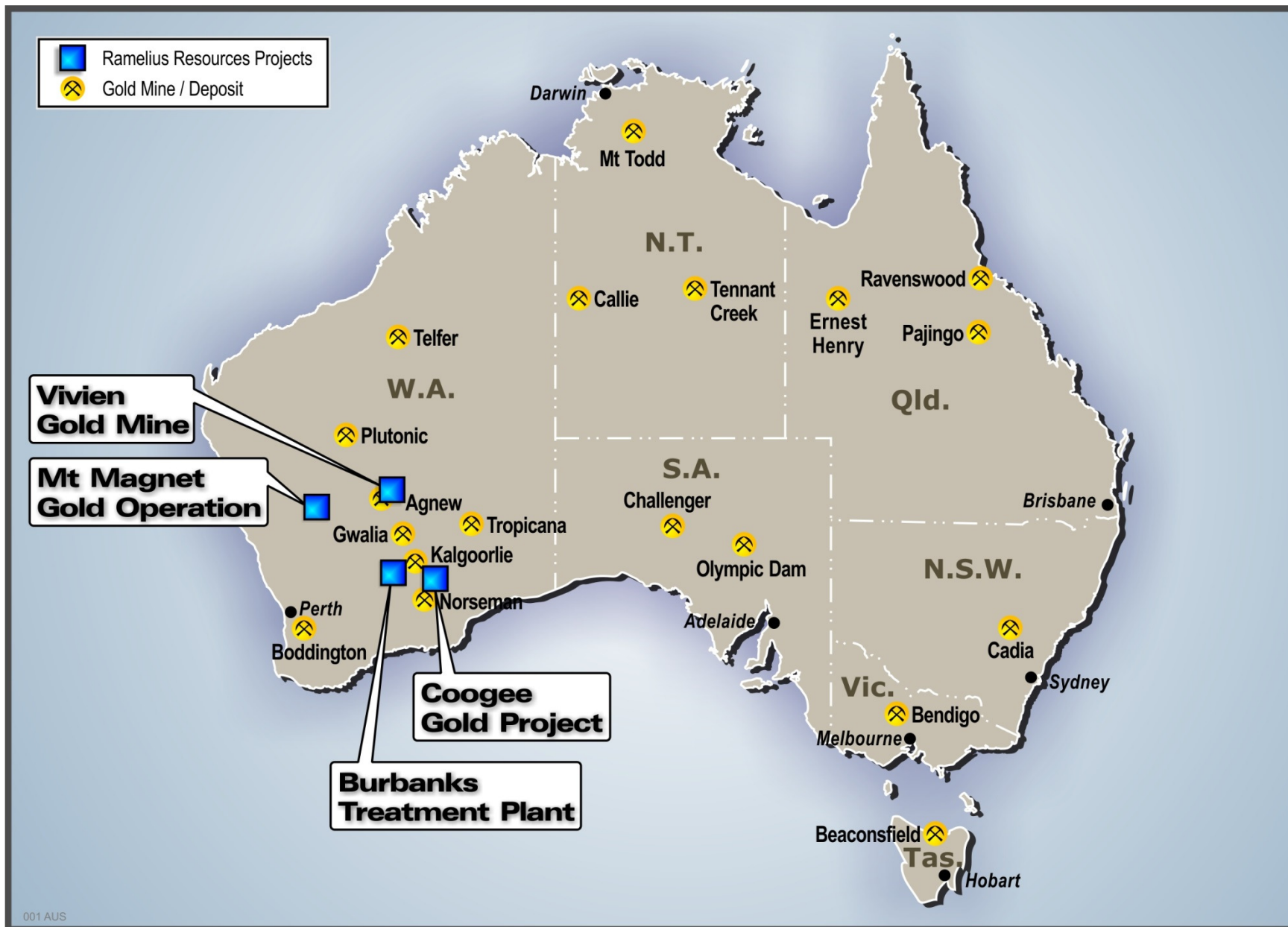
# Capital Management:

- 1:4 Entitlements Issue for all eligible shareholders at 18 cents per share
- Funds will be used for the acquisition and development of the Vivien project
- Allows the Company to maintain a robust cash balance during this period



Vivien drill core from hole VVDD0176 - 2.5m @ 78 g/t Au (true width 1.8m)

# Australian Project Locations:



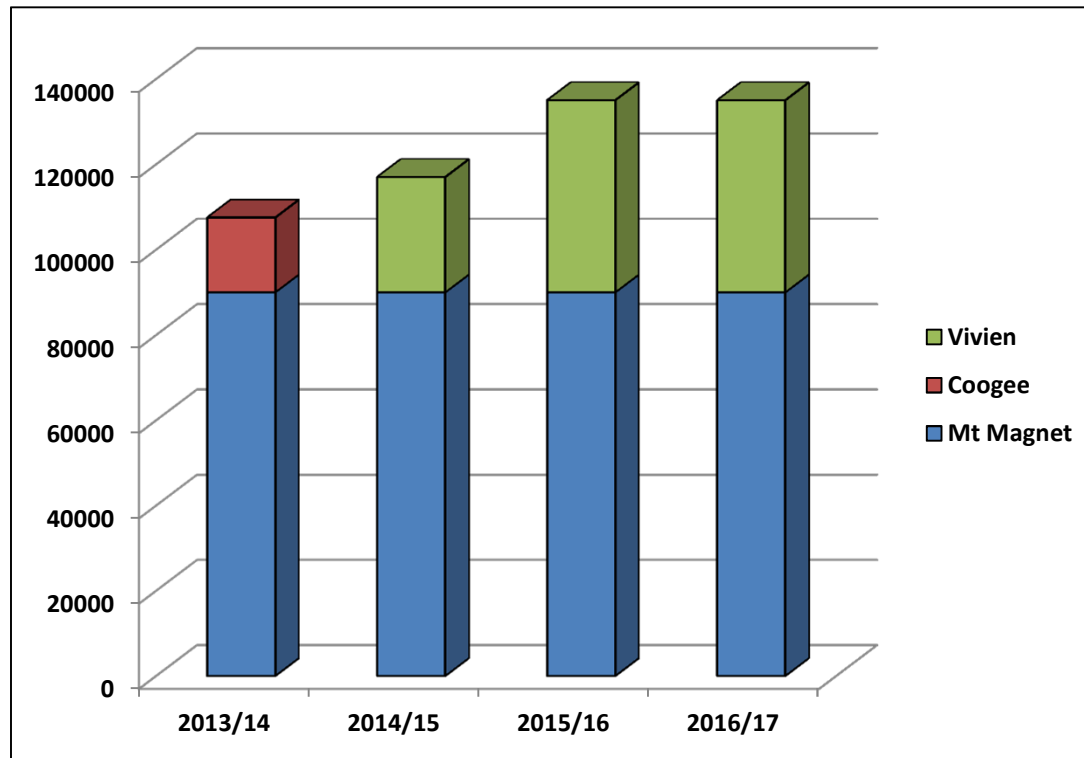
# Project overview:

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- **Mt Magnet – at full production**
  - Revised mine plan 2013-14 (90,000oz at total production cost of A\$1,210)
  - Grades now in line with resource model (+1.5 g/t)
  - High grade Western Queen South pit commenced in March 2013
  - Focus will be on cost management in 2013/14
- **Burbanks / Coogee – continuing production**
  - Burbanks currently milling a third party ore parcel until October 2013
  - Coogee mine plan 2013-14 (17,500oz at total production cost of A\$1,050)
- **Vivien Project – potential future high grade operation**
  - Agreements signed with Gold Fields to acquire high grade Vivien project
  - Drilling planned to commence in December 2013 quarter

# Production Targets:\*

- Clear plan for production to 2016-17 with increasing grade
- Base case Mt Magnet production of 356,000 oz over 4 years (at A\$1,350 Au)
- Development of Vivien increases total production to 135,000 oz p.a.



\*Production Targets for Mt Magnet based on Ore Reserves. Production Target for Vivien based on Indicated Resources and scoping studies at A\$1500/oz and may change on completion of feasibility studies



# Mt Magnet Project:



- 1.7mtpa processing plant readily expandable to 2.4mtpa
- Pipeline of open pit and potential underground mines with increasing grade:
  - Western Queen South, Boomer and Golden Stream open pits
  - Potential underground mines at Water Tank Hill and Saturn / Mars
- High grade Western Queen South pit commenced in March 2013

# Mt Magnet Project:



- Operations in 2013/14 focussed on Saturn, Mars and Western Queen South pits
- Production of 90,000 oz of gold in 2013-14 at a total operating cost of A\$1,210 / oz
- Project remains robust at A\$1350 gold - producing an average of 90,000 oz p.a. over 4 years at a total cost (incl. capital) of A\$1,100 per oz



# Mt Magnet Project: Operating Plan 2013/14

(includes Western Queen South)

Operating Statistics	Unit	Budget 2013-14	Actual 2012-13	Difference	%
Total Movement	BCM (m)	3.4	5.7	-2.3	-40%
Ore Processed	mt	1.73	1.62	0.11	7%
Grade	g/t Au	1.76	1.21	0.55	45%
Recovery	%	92	92	0	0%
Gold Produced	Oz	90,000	58,000	32,000	55%
Budget Gold Price	A\$	1,350	1,500	-150	-10%
Total Cost Per Oz	A\$	1,210	1,870	-660	-35%
Operating Cash Flow	A\$ (m)	12.5	-12	24.5	204%

- Lower waste movement with savings on mining costs -movement down 40%
- Higher grade converts to higher gold production - gold production up 55%
- Significant decrease in costs per ounce produced - total operating cost down 35%
- Operating Cash flow increases by 204% at a gold price of A\$1,350

# Mt Magnet – Western Queen South:

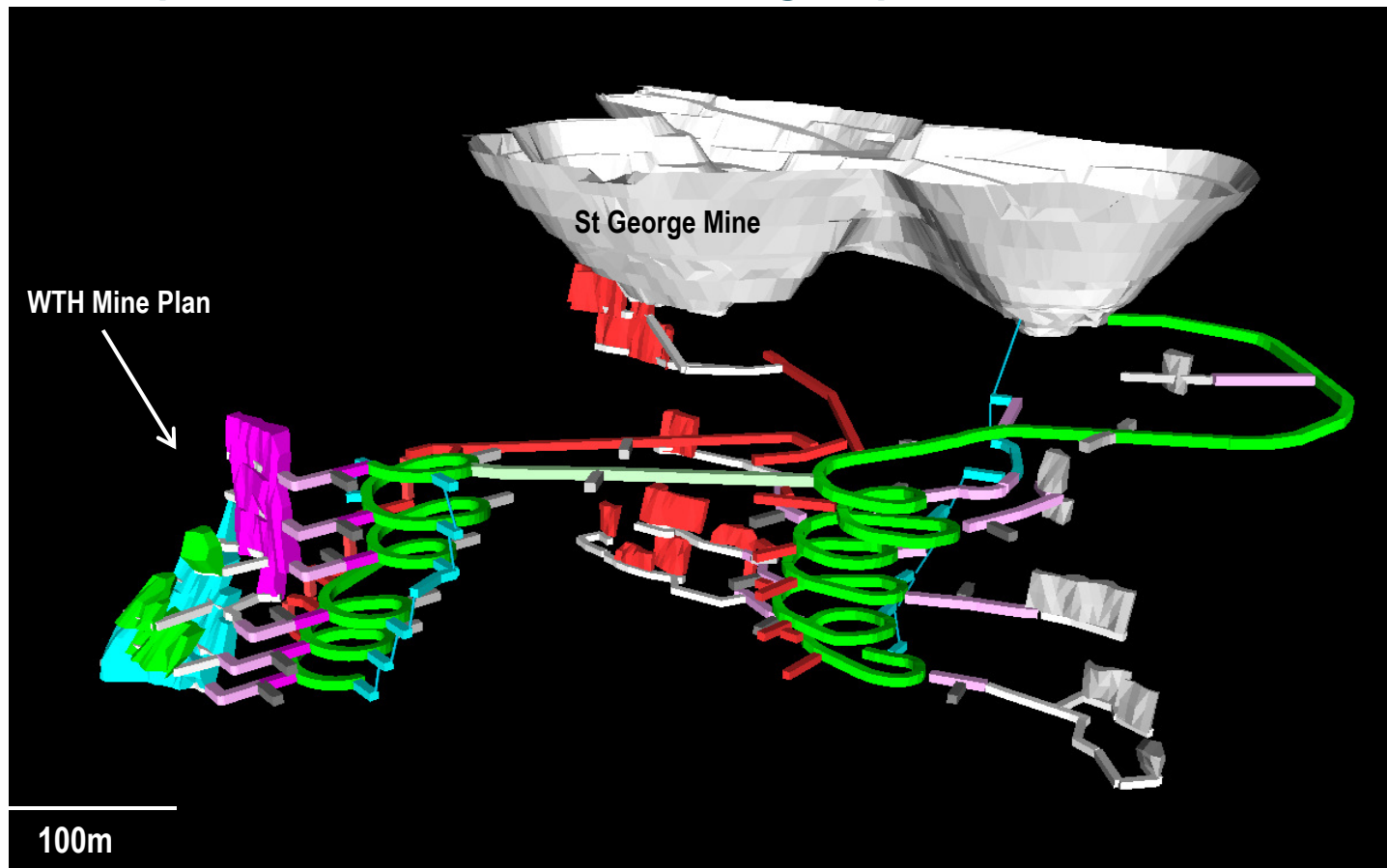
- Probable Ore Reserve of 182,000t @ 3.9 g/t for 23,000 oz
- Ore mining commenced Sep 2013 with first ore to mill in Oct 2013
- 70% of total pit movement has now been completed





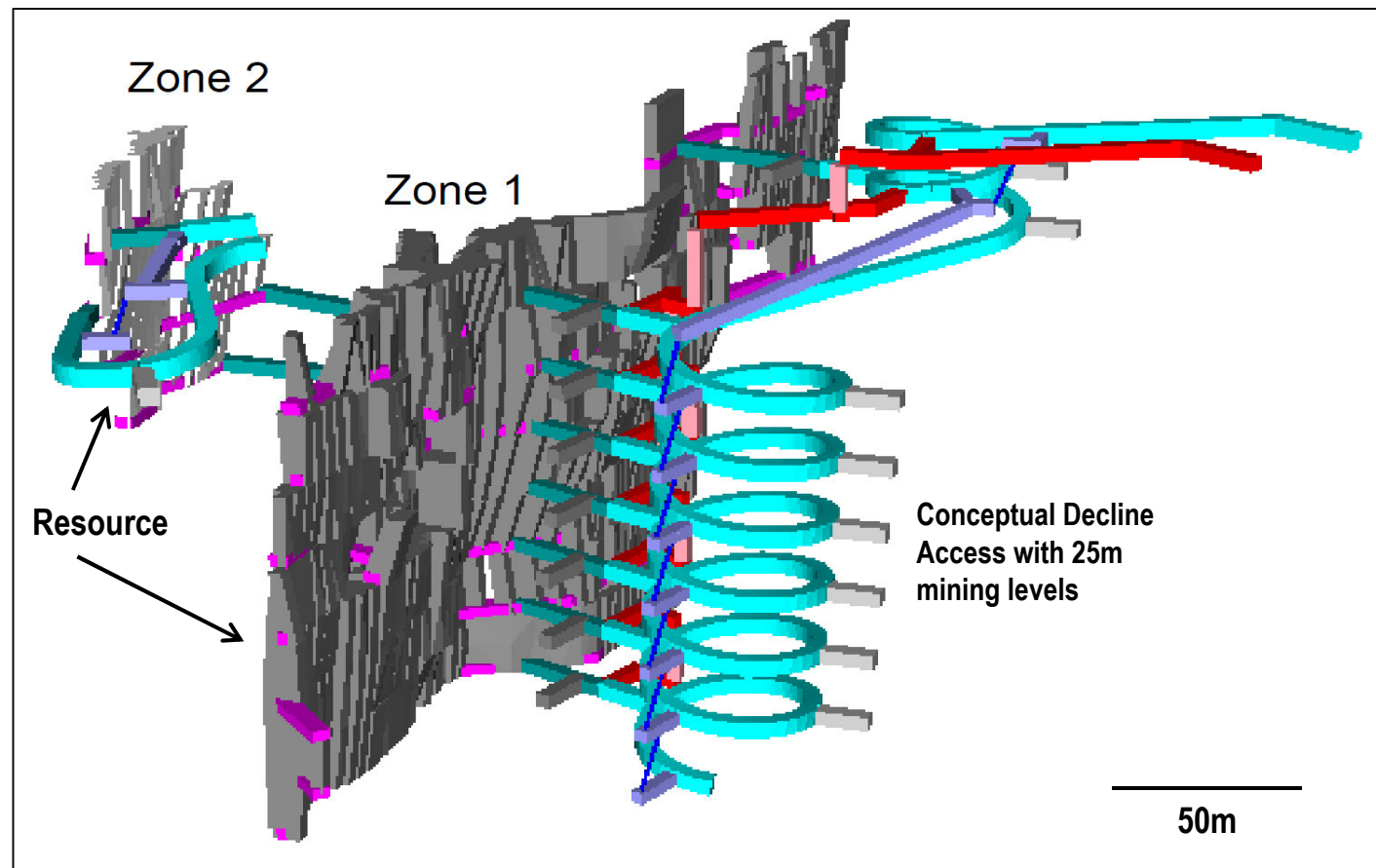
# Mt Magnet – Water Tank Hill / St George:

- Potential for near term high grade underground production
- Combined Mineral Resource of 105,000 oz at 5.2 g/t Au near existing decline
- Reserve of 60,000 oz's at a total cost of A\$1,185 per /oz (incl. capital)
- Development will be economic with a gold price of A\$1,500



# Mt Magnet – Saturn Deeps:

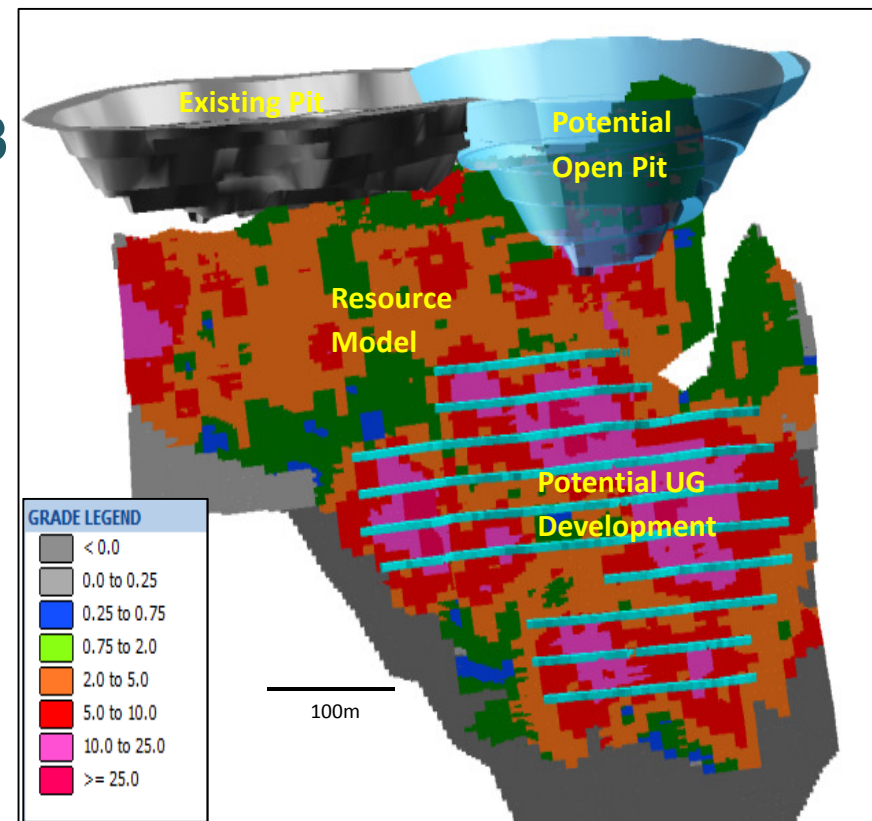
- Potential for sub-level cave underground mining (Inferred Resource of 127,000 oz)
- Infill drilling to upgrade resource has been completed (results pending)
- Mining study to be completed by the end of 2013



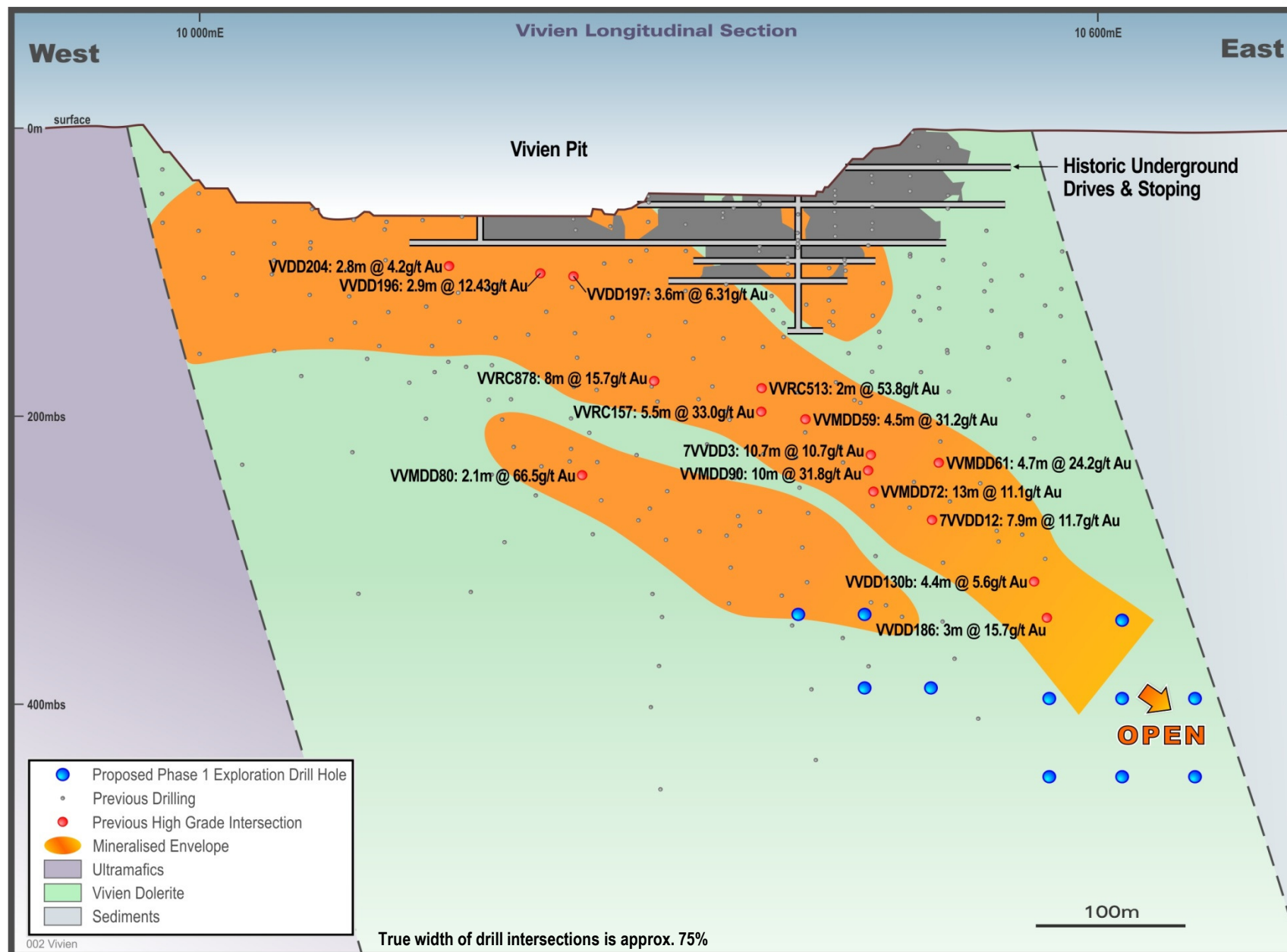
Mine Design for Saturn Deeps Scoping Study

# Vivien Project (WA) – high grade opportunity:

- Acquisition from Gold Fields (settlement locked down)
- Acquisition cost of A\$5m by 31 October 2013 and A\$4.5m by 30 June 2014
- Open down plunge of high grades
- Drilling planned for December Qtr 2013
- Drilling costs of \$3m in FY 2014
- Indicated Resource of 579,000t  
@ 8.3g/t for 154,000 oz of gold
- Mine planning in March – June 2014
- Potential for development in July 2014



# Vivien Project (WA) – existing and planned drilling:





## Coogee Project (WA) – high grade open pit:

- High grade open pit at a total operating cost of A\$1,050 per ounce
- Plan to mill at Ramelius' Burbanks milling facility
- Mining commenced in Aug 2013 with first ore mining in Oct 2013

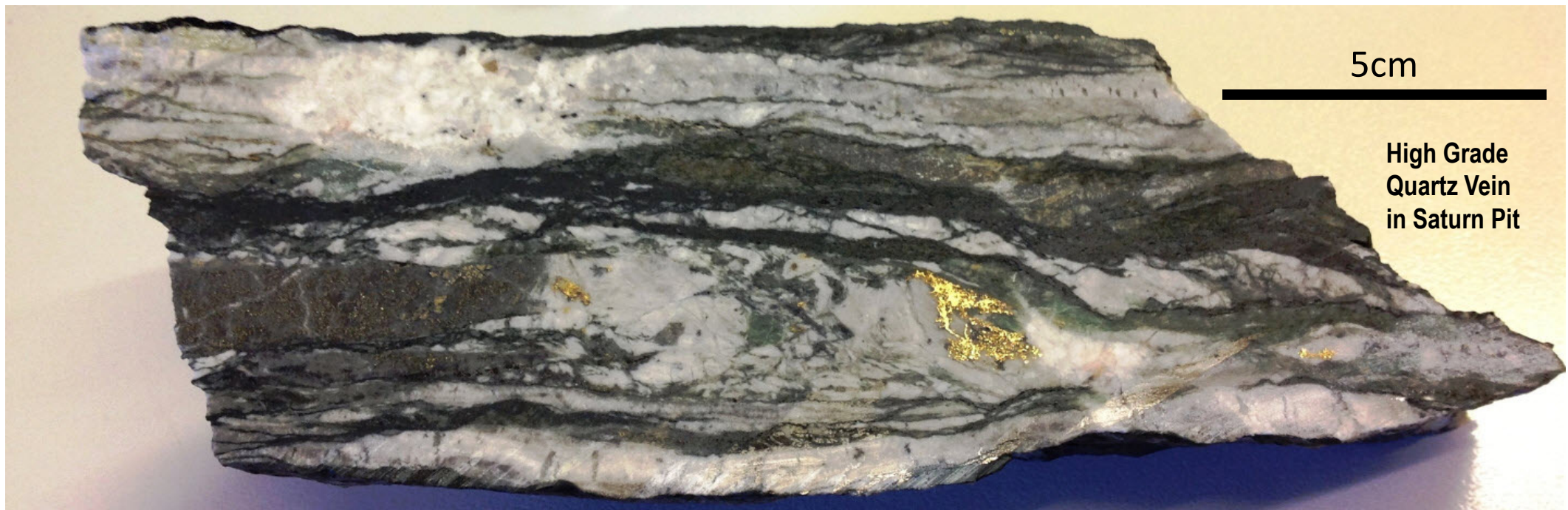
Coogee Pit Aug 13



# Exploration – new opportunities:

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- Targeting discovery of incremental high grade ore at Mt Magnet
- Drilling down plunge extensions at Vivien gold project
- Looking at new grass roots exploration opportunities





# Summary – investment case:

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## Operations

- Mt Magnet – operating with capital spend completed
- Coogee – high grade feed to Burbanks plant
- Vivien – high grade development opportunity

## Upside Potential

- Mt Magnet is a large gold system with potential for new discoveries
- Vivien project is high grade and open down plunge
- Greenfields projects in proven gold belts (WA, QLD)

## Capital Position

- Strong cash balance with no corporate debt
- Able to fund Mt Magnet / Coogee projects from existing cash
- Strong cash flows from November 2013 with low capital commitments
- Ability to participate in acquisition opportunities

# Mineral Resource Statement:



MINERAL RESOURCES AS AT 30 JUNE 2013 - INCLUSIVE OF RESERVES												
Deposit	Measured			Indicated			Inferred			Total Resource		
	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz
Galaxy	1,556	1.8	88,000	8,009	2.0	510,000	5,167	1.3	215,000	14,733	1.7	813,000
Morning Star				5,277	1.7	285,000	2,807	1.9	169,000	8,084	1.7	454,000
Total major deposits	1,556	1.8	88,000	13,286	1.9	795,000	7,974	1.5	384,000	22,817	1.7	1,267,000
Bartus Group	49	2.2	4,000	115	2.1	8,000	238	1.6	12,000	402	1.8	23,000
Boomer				1,115	1.7	60,000	158	1.9	10,000	1,274	1.7	69,000
Britannia Well				179	2.0	12,000				179	2.0	12,000
Bullocks				202	3.3	21,000	40	2.5	3,000	242	3.2	25,000
Eastern Jaspilite	146	2.2	10,000	121	2.8	11,000	134	2.5	11,000	401	2.4	32,000
Eclipse				167	2.2	12,000	41	2.1	3,000	208	2.1	14,000
Golden Stream				154	2.9	14,000	7	1.7	-	160	2.8	15,000
Hesperus	7	1.1		354	1.5	17,000	61	1.4	3,000	422	1.5	20,000
Hesperus West							170	1.8	10,000	170	1.8	10,000
Hill 60							309	4.6	46,000	309	4.6	46,000
Lone Pine	199	2.5	16,000	277	1.7	15,000	147	1.7	8,000	623	1.9	38,000
O'Meara Group				231	2.5	18,000	151	1.5	7,000	383	2.1	26,000
Shannon	94	2.5	8,000	35	2.5	3,000	42	2.6	3,000	170	2.5	14,000
Simmer And Jack							455	1.5	22,000	455	1.5	22,000
Souvenir Group	2	1.2		113	1.7	6,000	641	1.5	32,000	755	1.5	38,000
Spearmont - Galtee				25	2.9	2,000	207	4.3	28,000	232	4.1	31,000
Stellar	160	2.1	11,000	87	1.9	5,000	59	1.8	3,000	306	2.0	19,000
Welcome - Baxter	222	1.6	11,000	276	1.6	15,000	198	1.8	11,000	696	1.7	37,000
Total satellite deposits	878	2.1	60,000	3,451	2.0	219,000	3,058	2.2	212,000	7,387	2.1	491,000
Hill 50 Deeps	279	5.5	49,000	932	7.0	209,000	396	6.4	81,000	1,607	6.6	339,000
Morning Star Deeps				195	4.2	26,000	334	5.0	53,000	528	4.7	79,000
Saturn UG							1,607	2.5	127,000	1,607	2.5	127,000
St George UG	110	4.9	17,000	149	4.2	20,000	42	4.0	5,000	302	4.4	42,000
Water Tank Hill UG				229	6.6	49,000	89	4.9	14,000	318	6.1	63,000
Total UG deposits	390	5.3	66,000	1,504	6.3	304,000	2,468	3.5	280,000	4,362	4.6	650,000
Western Queen South				400	3.2	42,000	376	2.5	30,000	776	2.9	72,000
Mt Magnet Stockpiles	412	1.0	13,000	1,668	0.8	41,000	100	1.2	4,000	2,180	0.8	58,000
<b>Mt Magnet Total</b>	<b>3,236</b>	<b>2.2</b>	<b>227,000</b>	<b>20,309</b>	<b>2.1</b>	<b>1,401,000</b>	<b>13,975</b>	<b>2.0</b>	<b>910,000</b>	<b>37,521</b>	<b>2.1</b>	<b>2,538,000</b>
Coogee				165	4.7	25,000	65	3.3	7,000	231	4.3	32,000
<b>Total Resources</b>	<b>3,236</b>	<b>2.2</b>	<b>227,000</b>	<b>20,474</b>	<b>2.2</b>	<b>1,426,000</b>	<b>14,041</b>	<b>2.0</b>	<b>917,000</b>	<b>37,752</b>	<b>2.1</b>	<b>2,570,000</b>

Note: Figures rounded to nearest 10,000 tonnes, 0.1g/t and 1,000 ounces. Rounding errors may occur.



# Ore Reserve Statement:



ORE RESERVE STATEMENT AS AT 30 JUNE 2013									
	Proven			Probable			Total Reserve		
	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz
<b>Galaxy Pits</b>									
Saturn	508	1.9	31,000	635	1.6	32,000	1,144	1.7	63,000
Mars	202	2.0	13,000	439	2.1	30,000	641	2.1	43,000
Titan	717	1.4	32,000	536	1.3	23,000	1,253	1.4	55,000
Perseverance				981	2.5	79,000	981	2.5	79,000
Vegas				64	1.2	2,000	64	1.2	2,000
Brown Hill				393	2.1	26,000	393	2.1	26,000
<b>Morning Star Cutback</b>									-
Morning Star				1,679	1.8	98,000	1,679	1.8	98,000
<b>Satellite Pits</b>									-
Boomer				583	1.6	30,000	583	1.6	30,000
Hesperus				352	1.1	12,000	352	1.1	12,000
Lone Pine				258	1.8	15,000	258	1.8	15,000
O'Meara				150	2.6	12,000	150	2.6	12,000
Welcome Baxter				191	1.1	7,000	191	1.1	7,000
Golden Stream				90	2.9	9,000	90	2.9	9,000
<b>Underground</b>									-
Water Tank Hill				269	5.1	44,000	269	5.1	44,000
St George	73	3.6	8,000	86	3.0	8,000	159	3.3	16,000
<b>Western Queen</b>									-
Western Queen South				182	3.9	23,000	182	3.9	23,000
<b>Stockpiles</b>	412	1.0	13,000	1,164	0.8	30,000	1,576	0.8	43,000
<b>Mt Magnet Total</b>	1,912	1.6	97,000	8,052	1.9	480,000	9,964	1.8	577,000
Coogee				109	5.1	18,000	109	5.1	18,000
<b>Total Reserves</b>	<b>1,912</b>	<b>1.6</b>	<b>97,000</b>	<b>8,161</b>	<b>1.9</b>	<b>498,000</b>	<b>10,073</b>	<b>1.8</b>	<b>595,000</b>

Note: Figures rounded to nearest 10,000 tonnes, 0.1g/t and 1,000 ounces. Rounding errors may occur.