RAMELIUS RESOURCES

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For Immediate Release

20 October 2010

QUARTERLY REPORT TO 30 SEPTEMBER 2010

HIGHLIGHTS

MINING AND EXPLORATION

- Gold in ore production of 29,924 oz from 45,750 tonnes mined at Wattle Dam (WA) at an estimated grade of 20.3 g/t Au.
- Record milled gold production of 25,243 ounces for the quarter from 36,628 tonnes of ore milled at a recovered grade of 21.44 g/t.
- Record gold sales of A$39.95 million at an average price of A$1,394 per ounce.
- Quarterly total cash expenditure of A$395 per ounce (including capital and royalties).
- Excellent high grade results from deep drilling at Wattle Dam, including a new intersection of 25m @ 60.7 g/t Au in hole WDUD0169.
- Drilling commenced at Mt Magnet (WA) with strong gold intersections returned from holes drilled during the quarter.

CORPORATE

- During the quarter, the Company reached an agreement to purchase the Mt Magnet gold project in WA for A$40m including replacement environmental bonds. Settlement was completed on 20 July 2010.
- A capital return of 5 cents per share totalling A$14.56 million was paid to Ramelius shareholders in August, 2010.
- Cash of A$57.8M and gold to the value of A$9.3M on hand at the end of the quarter.
- Ramelius remains debt free.

MINING AND DEVELOPMENT

Mining for the quarter was in line with plan. Production was 45,750t at a mine estimated grade of 20.3 g/t Au for 29,924 ounces of gold.

Stoping activity was the major focus for the quarter and ore development was restricted by stoping activity. The 200 footwall and 145 hangingwall ore drives were commenced. The 200 drive is at the base of Block A and is the first to be mined beneath the cement rock fill (CRF) stope fill material.

Stoping took place on the Block A hangingwall panels between the 205-225 and 225-241 levels and was commenced in Block B with mining of footwall panels between the 145-165 levels and part of the 165-185 levels. By the end of the quarter, the majority of Block A stoping was complete.

Decline development was recommenced late in August as a result of the successful exploration drilling during the quarter (as discussed below).

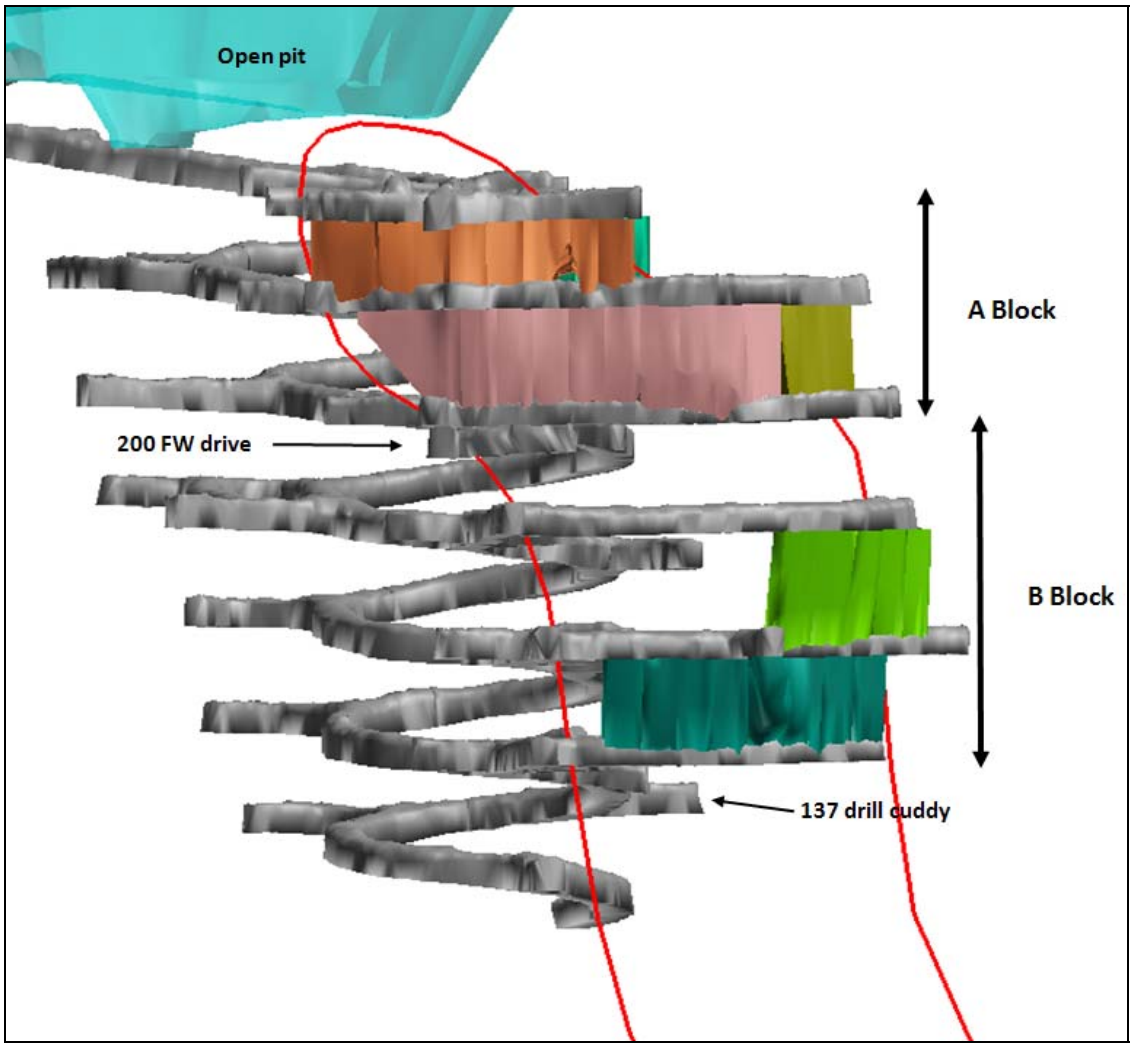

Figure 1: Stoping and development areas at Wattle Dam (looking W)

Milled ore production totalled 36,628 tonnes of ore milled at a recovered grade of 21.44 g/t for 25,243 ounces.

Table 1: Quarterly Production and Financial Information

Quarter	December 2009	March 2010	June 2010	September 2010
Gold Production Oz (milled)	20,832	15,665	24,133	25,243
Total Cost per Oz*	A$403	A$616	A$464	A$395
Gold Sales	A$19.8m	A$13.2m	A$24.4m	A$39.95m
Cash and Gold (at Qtr End)	A$25m	A$75m	A$94.3m	A$67.1m

*Reconciled cost which includes all capital, mining, milling and royalty costs

UNDERGROUND DRILLING

Exploration and resource definition drilling continued throughout the quarter and was successful in identifying a new zone of coarse-gold mineralisation down plunge of the current mining area. The new 'deeps' lode zone occurs between the 0 to 60RL or around 100m vertically below the current stoping front (Figure 2).

Thirty-four NQ diamond holes were completed during the period for a total of 7,520m. Most drilling was carried out from the 137 decline cuddy (Figure 1). Around 25 holes define the new 'deeps' zone. Results for these holes vary from weak to high-grade as typical for the Wattle Dam nuggety gold mineralisation. However, a core zone of 10-14 holes intercepted visible gold and significant assay values. As in the upper mine area, the lode is defined primarily by geology.

Six holes were drilled down-dip within the lode zone. These holes were designed to maximise chances of intercepting the coarse, but erratically distributed nuggety gold and to improve confidence. These were largely successful. Decline development was recommenced to provide a new drill position for a 2nd phase of definition drilling and deeper exploration which will commence toward the end of 2010.

Highlight results from the quarter are show in the table below:

Table 2: Wattle Dam deeps selected intercepts

HoleID	Intercept		Interval (m)	Grade (g/t)	Visible gold
	From (m)	To (m)			
WDUD0113	147	155	8	6.7	@ 153.3
WDUD0125	141	147	6	4.5	
WDUD0129	155	163	**8**	**91.2**	
WDUD0131	159	174	**15**	**27.3**	@ 172.1m
WDUD0150	167	176	**9**	**18.4**	@ 169.4m, 169.7m
WDUD0157	166	172	6	5.3	@ 171.1m
WDUD0160	149	157	8	6.6	
WDUD0163	160	169	9	5.4	@ 164.2m
Down-dip holes					
WDUD0119	195	210	15	4.7	
WDUD0152	143	181	38	3.9	@ 177.3m, 177.6m
WDUD0167	129	148	**19**	**86.5**	@ 142m
WDUD0168	175	192	**17**	**15.4**	@ 189.1m
WDUD0169	134	159	**25**	**60.7**	@ 134.9m, 145.2m
WDUD0170	115	131	16	6.9	@ 127.5

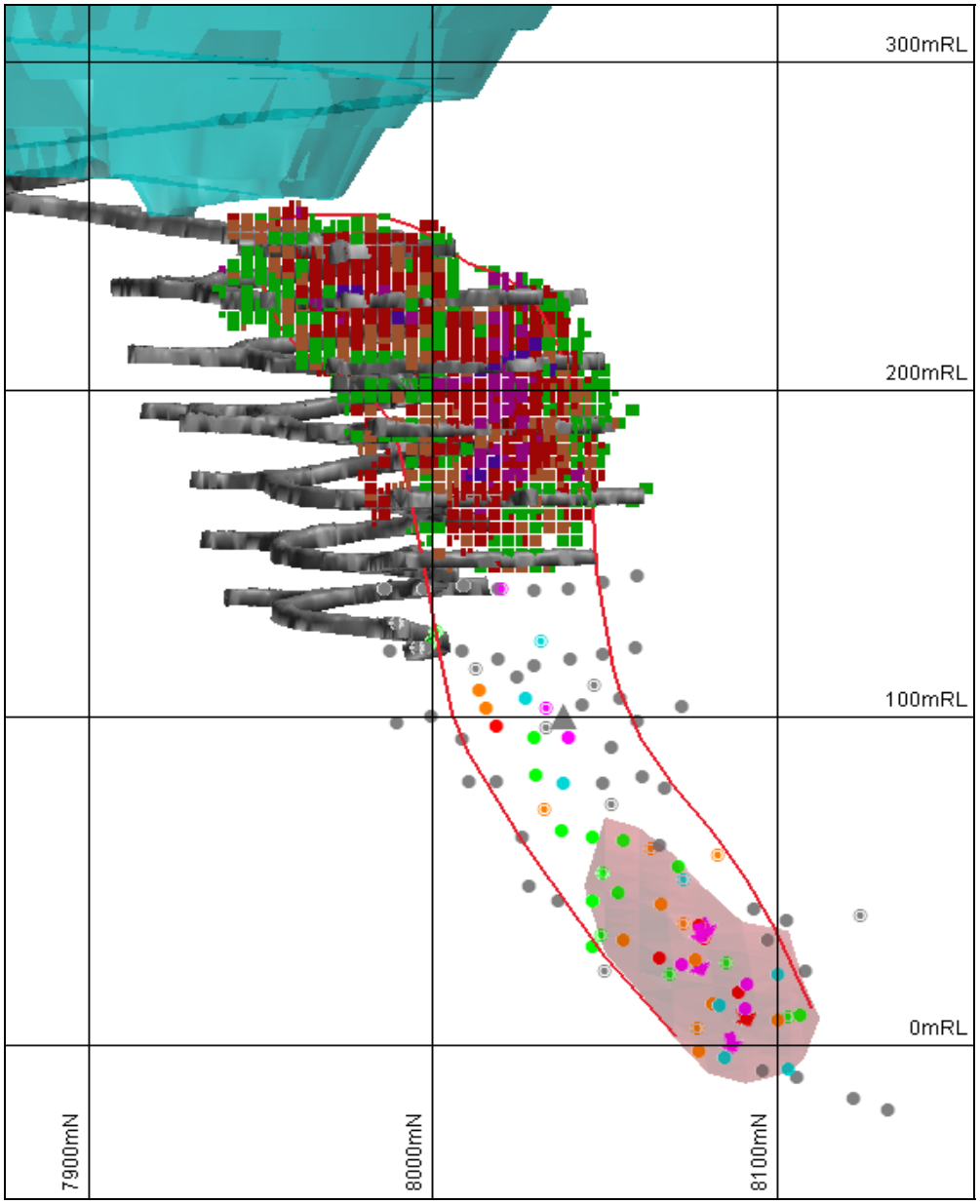

Figure 2: Wattle Dam deeps drill intercepts and lode interpretation (looking W)

MT MAGNET GOLD PROJECT (WA)

During the quarter, Ramelius purchased the Mt Magnet gold project for A$40 million from Harmony Gold (Australia) Pty Ltd. The Mt Magnet project has previously produced in excess of 5M ounces of gold and has significant potential for new discoveries. Ramelius' strategy over the next 6 months will be to confirm the feasibility work completed by Harmony, to review all capital and operating costs, and to add value to the project by drilling the numerous high grade targets identified in the immediate vicinity of the Galaxy area (Figure. 3).

This drilling has commenced and at quarter end, and the following high grade results had been returned from those samples assayed to date:

- **GXRC0177 - 9m @ 2.35 g/t Au**
- **GXRC0178 - 3m @ 35 g/t Au (including 1m @ 104 g/t Au)**
- **GXRC0180 - 4m @ 8.61 g/t Au**

- **GXRC0181 - 5m @ 17.9 g/t Au (including 2m @ 39.6 g/t Au)**
- **GXRC0183 - 29m @ 2.87 g/t Au and 18m @ 2.10 g/t Au**
- **GXRC0185 - 12m @ 2.97 g/t Au and 10m @ 3.23 g/t Au**
- **GXRC0186 - 10m @ 23.5 g/t Au (including 3m @ 70.7 g/t Au)**
- **GXRC0187 - 5m @ 4.02 g/t Au**

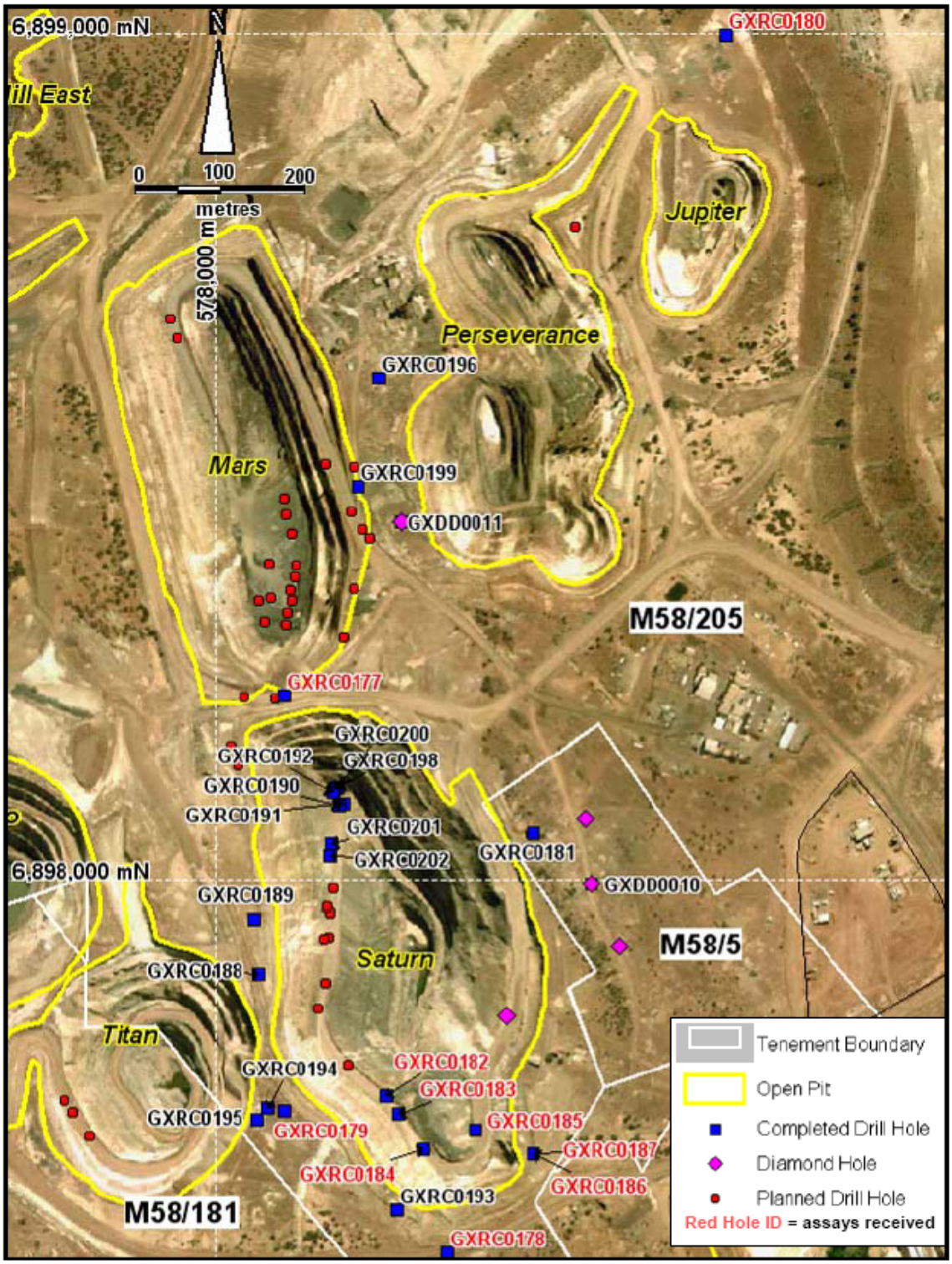

Figure 3: Galaxy Area at Mt Magnet showing completed and planned drilling

Numerous other intersections have been received from the same drilling and are shown in Table 3 below:

Table 3: Interim drilling results for the Mt Magnet project

Hole Id	Easting	Northing	Az/Dip	F/Depth	From (m)	To (m)	nterval (m)	g/t Au
GXRC0177	47091	80334	261/50	132	56	62	6	1.34
					99	**108**	**9**	**2.35**
GXRC0178	47046	79650	270/62	132	0	3	3	0.96
					44	**47**	**3**	**35.0**
				incl.	44	45	1	104
GXRC0179	46923	79875	090/50	285	0	2	2	1.09
					229	235	6	0.95
					243	255	12	1.61
					258	260	2	12.4
				incl.	258	259	1	23.8
					270	275	5	0.65
GXRC0180	47851	80890	268/60	264	64	74	10	1.87
					82	84	2	1.61
					111	113	2	1.46
					134	136	2	1.55
					155	165	10	0.74
					176	179	3	2.61
					255	**259**	**4**	**8.61**
				incl.	257	258	1	24.8
GXRC0181	47311	80080	269/51	336	0	8	8	0.71
					17	22	5	3.25
				incl.	19	20	1	12.3
					210	**215**	**5**	**17.9**
				incl.	210	212	2	39.6
					236	240	4	1.00
					310	315	5	1.31
					319	**325**	**6**	**4.23**
				incl.	319	320	1	10.1
					328	335	7	0.79
GXRC0182	47040	79850	090/54	120	2	6	4	1.13
					16	17	1	7.73
					47	48	1	15.8
					63	65	2	1.69
					69	71	2	2.00
					110	112	2	5.31
GXRC0183	47049	79825	090/53	120	11	17	6	2.98
					21	**50**	**29**	**2.87**
				incl.	41	44	3	9.2
					54	60	6	3.28
				incl.	57	58	1	10.8
					63	**81**	**18**	**2.10**
				incl.	64	65	1	20.8
					103	110	7	0.61
				EOH	114	120	6	0.90
GXRC0184	47061	79775	090/68	102	19	24	5	1.62
					27	30	3	1.29
					36	43	7	3.41
				incl.	38	39	1	8.95
					42	43	1	9.14
					53	56	3	1.23
					95	98	3	1.55
GXRC0185	47127	79775	270/67	228	**4**	**16**	**12**	**2.97**
				incl.	10	11	1	9.36

Hole Id	Easting	Northing	Az/Dip	F/Depth	From (m)	To (m)	nterval (m)	g/t Au
				+	14	15	1	12.9
					95	99	4	0.57
					111	122	11	1.90
				incl.	113	114	1	13.1
					125	129	4	1.26
					141	**151**	**10**	**3.23**
				incl.	143	144	1	12.4
GXRC0186	47182	79725	270/45	100	0	5	5	0.64
					51	**61**	**10**	**23.5**
				incl.	52	55	3	70.7
					58	59	1	8.97
GXRC0187	47182	79725	270/58	120	0	3	3	0.59
					69	**74**	**5**	**4.02**
					77	79	2	1.10

Drilling will continue through to December 2010, at which time the resource model for the Galaxy area will be updated and new pit optimisations on the Saturn, Mars and Perseverance pits will be completed.

EXPLORATION SUMMARY

MT WINDSOR GOLD PROJECT (QLD) (Ramelius earning 60%)
During the June 2010 quarter, Ramelius Resources Limited entered a joint venture with Liontown Resources Limited in regards to its Mt Windsor Gold Project, located south of Charters Towers in Queensland. Ramelius can earn a 60% equity in the project by spending $7 million over four years. A minimum expenditure of $1.25M is required prior to July 2011.

Offset pole-dipole IP surveys have been completed over three priority target areas within the project area in order to assist with drill targeting.

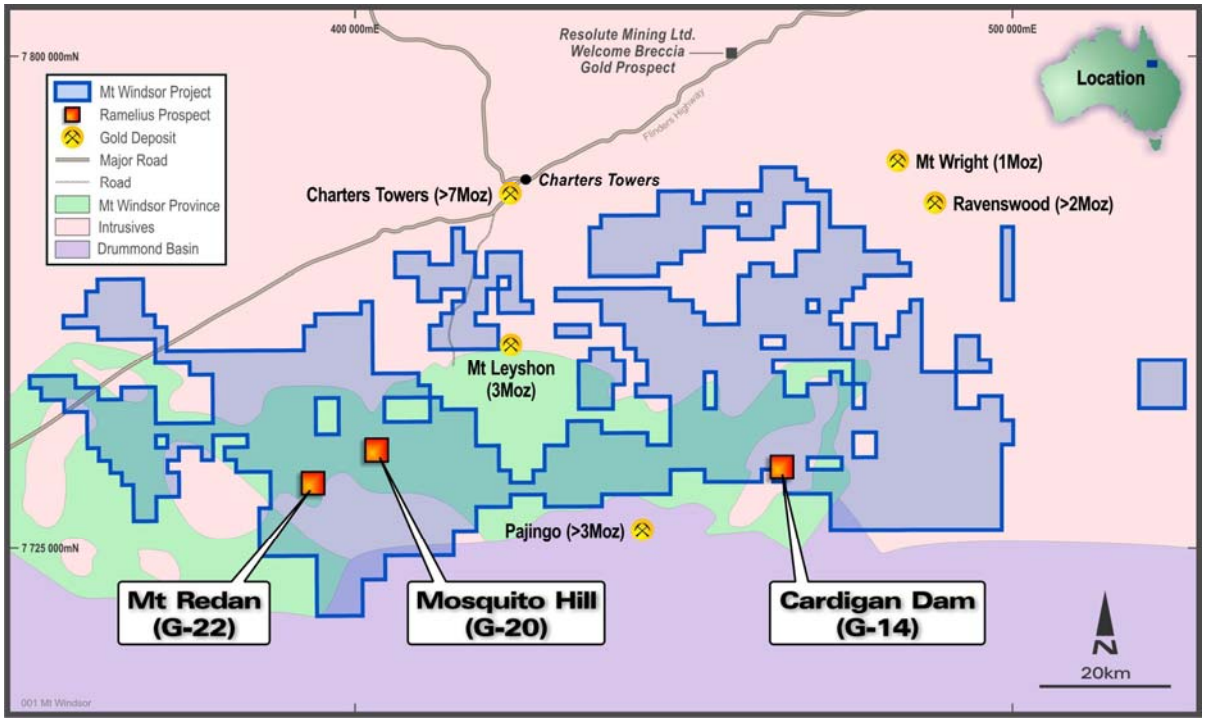

Figure 4: Mt Windsor JV project location

MOSQUITO HILL – G-20

The Mosquito Hill (G-20) prospect is located approximately 45 kilometres to the southwest of Charters Towers and is defined by anomalous pathfinder (silver, arsenic, antimony) soil geochemistry associated with a topographic high and a circular magnetic feature identified from aero-magnetic data.

The IP survey completed over Mosquito Hill identified a resistive anomaly occupying the core of the circular magnetic feature and the pronounced topographic high. A chargeable anomaly has been identified from 200 metres depth, below the above resistive anomaly.

A further anomalous chargeable response was identified in the north of the prospect area, interpreted to be associated with the circular magnetic feature and anomalous pathfinder soil geochemistry.

A single diamond hole (MHDH0001) for 384.7 metres was completed during the quarter. The completed drill hole was designed to test the above resistive and underlying chargeable anomalies associated with the core of the circular magnetic feature.

The drill hole intersected predominantly clastic and volcaniclastic sediments. The near surface resistive anomaly is interpreted to be a result of moderate to strong silica alteration. The underlying IP anomaly is interpreted to be a result of an increase in sulphide concentration up to 2-5% within predominantly shale. All results from the drilling are pending. Collar details from the completed diamond drill hole are outlined in Appendix 1.

Figures 5 and 6 show drill hole MHDH0001 in relation to received chargeable and resistive anomalies.

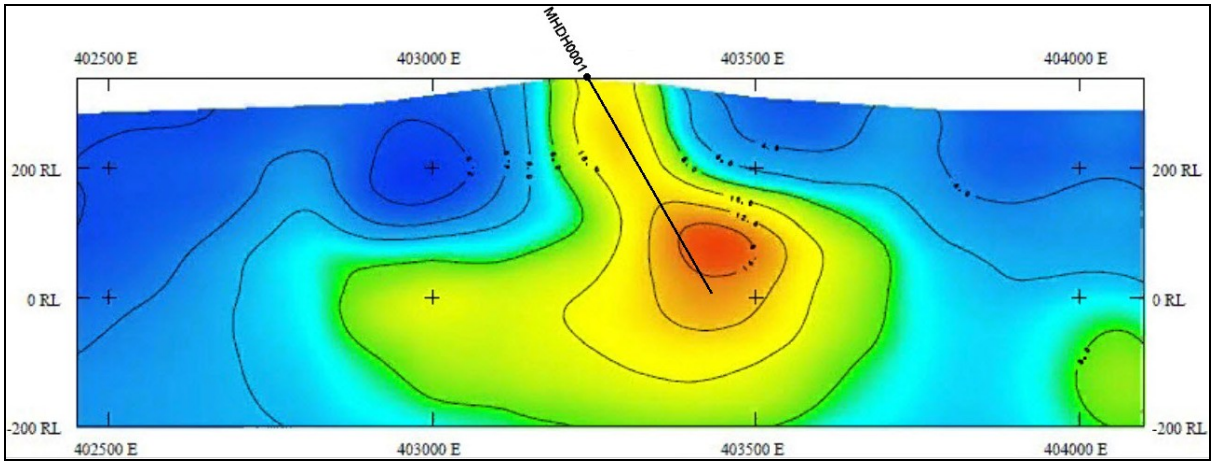

FIGURE 5: – Section 7739850N Chargeability and Completed Drill Hole (MHDH0001)

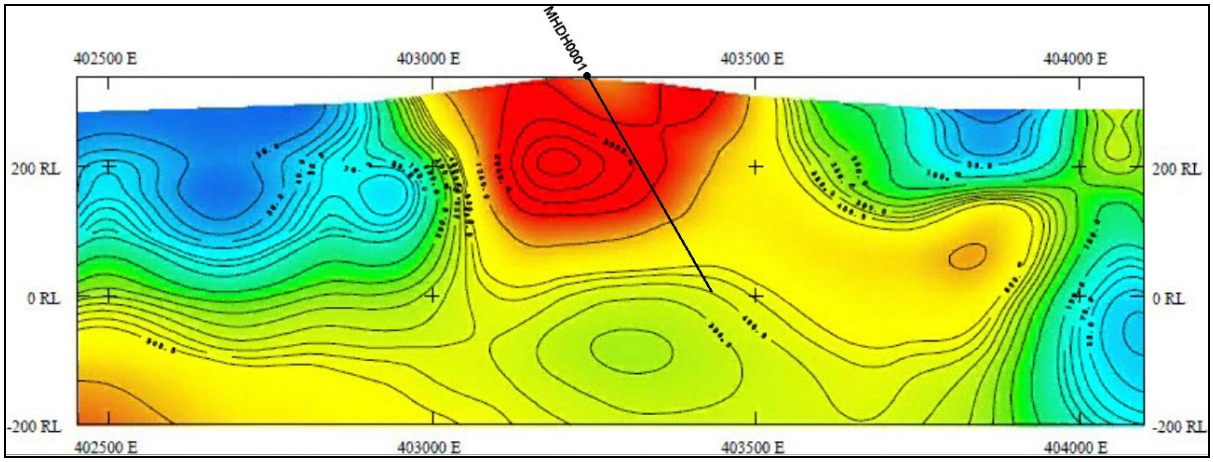

FIGURE 6: – Section 7739850N Resistivity and Completed Drill Hole (MHDH0001)

MT REDAN – G-22

The Mt Redan prospect is located approximately 60 kilometres southwest of Charters Towers and is defined by a 2 km x 2 km pathfinder (arsenic, mercury, antimony) soil anomaly which contains rock chip samples which have returned values up to 0.47% arsenic, 507ppm antimony and 46ppm mercury. Results from the completed geochemistry suggest the gold mineralised zone is located at depth. An untested two kilometre long gold in soil anomalous zone is located to the north of the above pathfinder anomalous zone.

The IP survey completed over Mt Redan identified a chargeable anomaly interpreted to trend parallel to geology for approximately 1.6 kilometres. At the southwestern extent of the chargeable anomaly, co-incident with Mt Redan, a resistive zone straddles the chargeable zone. The resistive zone displays thickening on the northeastern side of Mt Redan, coincident with the 2km x 2 km anomalous arsenic, mercury and antimony zone defined by soil and rock chip sampling. The identified thickening could potentially be a result of silicification and/or quartz veining.

A program of two diamond holes for approximately 1,000 metres has been generated to test the resistive and chargeable anomalies identified by the IP survey at Mt Redan. During the reporting period, the planned diamond hole testing the IP anomalism had commenced and had reached a depth of 206.6 metres, (MRDH0001 - proposed total depth of 500 metres). Collar details for the current diamond drill hole are outlined in Appendix 1.

The drill hole has intersected clastic and volcaniclastic sediments and minor zones of brecciation and quartz veining to date. Figures 7 and 8 show the current drill hole in relation to received chargeable and resistive anomalies.

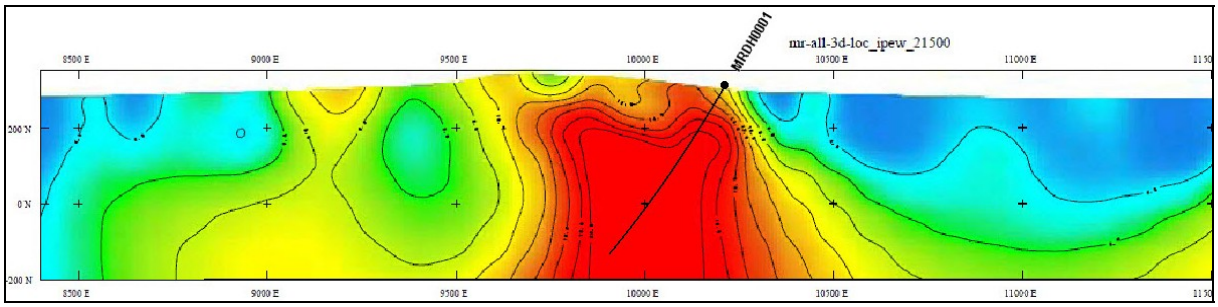

FIGURE 7: – Section 21500N (Local Grid) Chargeability and Current Drill Hole (MRDH0001)

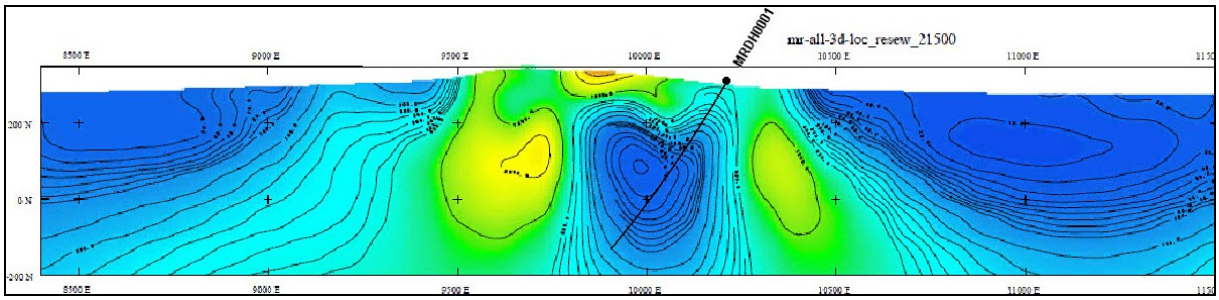

FIGURE 8: – Section 21500N (Local Grid) Resisitivity and Current Drill Hole (MRDH0001)

CARDIGAN DAM – G-14

The Cardigan Dam prospect comprises a 1.6 km x 0.5 km, ≥0.5g/t silver in soil anomaly which straddles a contact between a breccia and granite. The prospect is analogous to the Mt Wright Deposit.

Results were received from 88 infill soil samples and 26 rock chip samples collected at Cardigan Dam. The infill soil sampling confirmed and further defined the original soil silver, lead, zinc anomaly. The rock chip sampling returned maximum results of 5.03ppm silver, 670ppm lead and 677ppm zinc. The anomalous soil and rock chip geochemistry suggests that the gold mineralised window, using the breccia related gold exploration model, is potentially within 300-400 metres from surface.

The completed IP survey identified shallow resistive and chargeable zones trending north-south which are interpreted to coincide with the contact between the breccia and granite. One of these zones trends through the identified anomalous silver, lead and zinc soil and rock chip geochemistry (Figure 9).

RC drilling is currently being planned to test the above anomalous soil and rock chip geochemistry and shallow resistive and chargeable zones.

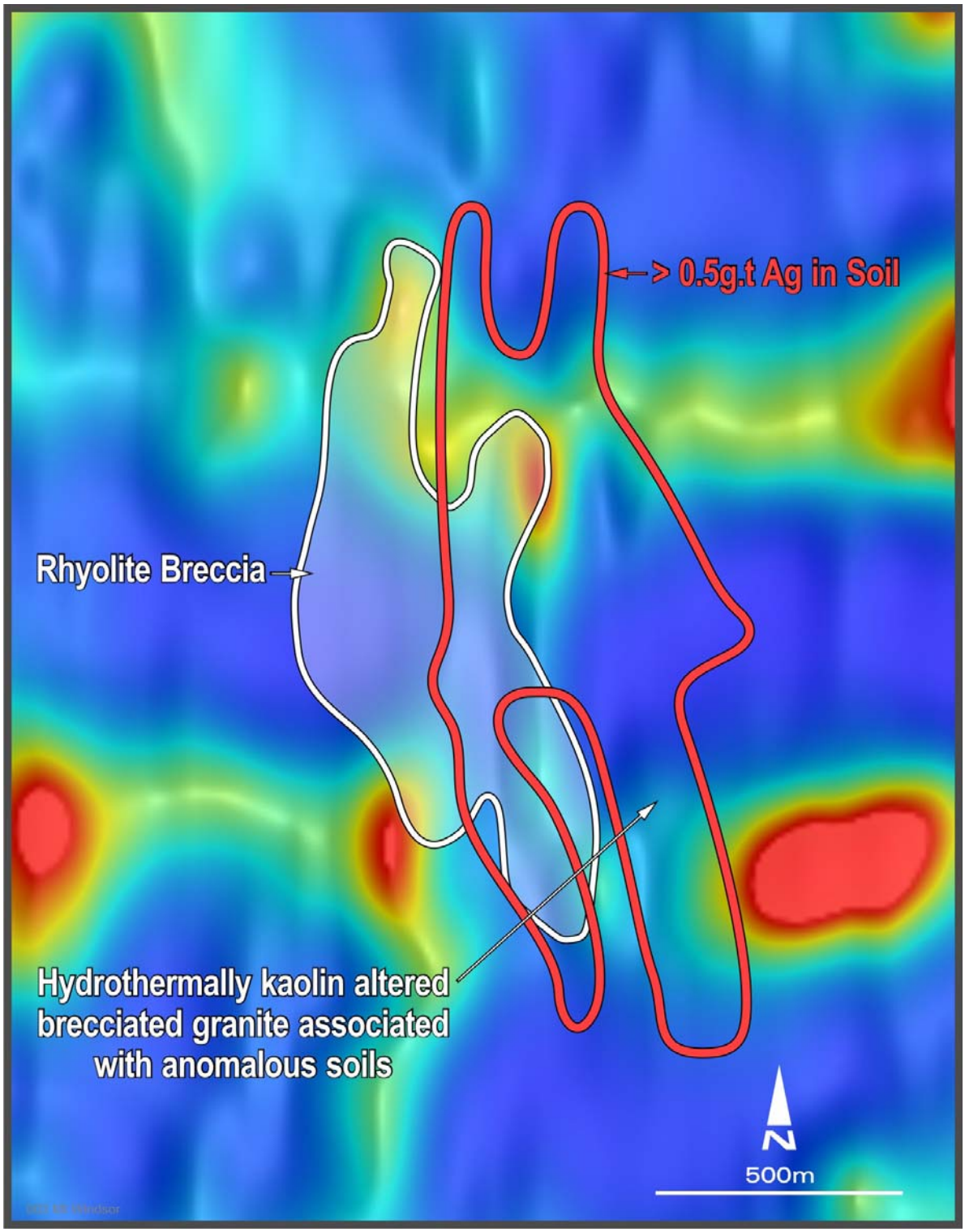

FIGURE 9: – Cardigan Dam (G-14) Plan (Image underlay is a slice of Resistivity at 80m below surface)

NEVADA PROJECTS (US)

BIG BLUE JOINT VENTURE NEVADA (USA) *(Ramelius and Marmota earning 70%)*

Assay results are now available for the 100x50m infill soil sampling program completed over the West Cottonwood prospect area in the June 2010 quarter. The results confirm a coherent plus 9ppb gold in soil response manifesting along faults within Upper Plate siliciclastic rocks and along the trace of the Roberts Mountain Thrust.

The Roberts Mountain Thrust is recognised throughout the Carlin Trend in Nevada as a significant stratigraphic marker. Most gold deposits around Carlin lie within 100m of the thrust, where it acts as a regional acquitard to trap any upward hydrothermal fluid flow.

The anomalous gold in soil responses (Figure 10) and coincident high grade rock chip assays (up to 56g/t Au) at Big Blue are interpreted to reflect leakage from deeper buried gold mineralisation within the prospective Lower Plate stratigraphy, below the exposed and denser Upper Plate rocks (Figure 11).

Historical shallow drilling within the Upper Plate rocks failed to indicate any significant gold mineralisation to explain the magnitude of the surface soil response. Best historical drill intersection was 3m at 3.08g/t Au from 12m. The drilling failed to adequately test below the Roberts Mountain Thrust, hence additional deeper drilling is proposed.

The Company aims to RC drill test the gold anomalous targets proximal to the high grade rock chips in the December 2010 quarter once all regulatory approvals have been completed.

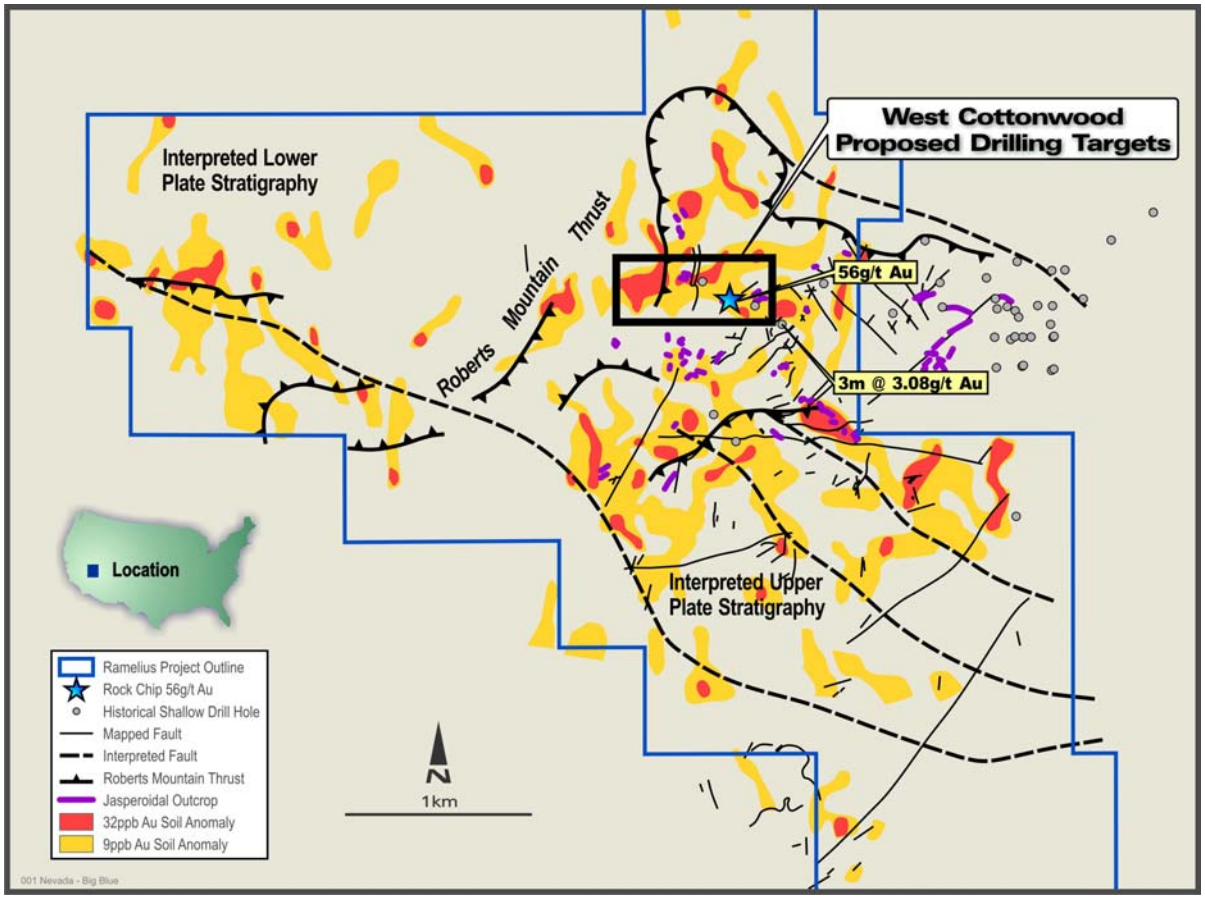

Figure 10: Soil geochemistry contours over Big Blue, highlighting a good spatial correlation to interpreted and mapped faults.

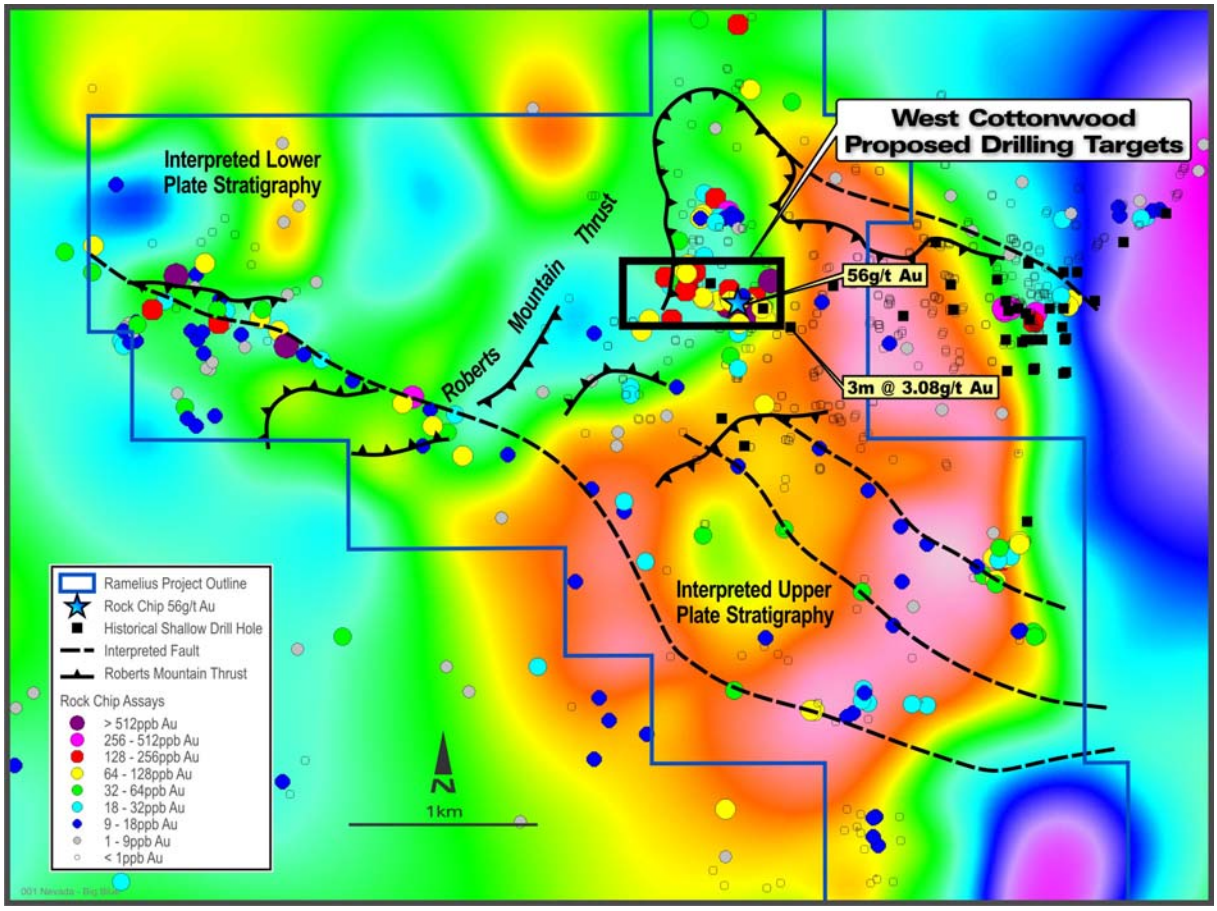

Figure 11: Residual gravity image over Big Blue mapping the density contrast between the Upper Plate cherty siliciclastic rocks to the east and southeast and the Lower Plate limestone to the northwest.

ANGEL WING JOINT VENTURE NEVADA (USA) *(Ramelius and Marmota earning 70%)*

Ramelius signed an Exploration and Option to Enter Joint Venture Agreement with Miranda Gold Corp **(TSX-V:MAD)** over its Angel Wing Project in northeastern Nevada during the quarter. The terms of the Agreement are summarised below.

- Ramelius must spend US$4,000,000 over five (5) years and complete a Bankable Feasibility Study within a further four (4) years or sole fund US$1,000,000 for ten (10) years for the right to earn a 70% interest in the Angel Wing Project. Expenditure during the feasibility stage must exceed US$1,000,000 per annum.

- Ramelius may withdraw at any stage after it has met a first year firm commitment of US$350,000.

- Upon completing its 70% farm-in Ramelius and Miranda will prepare a formal Joint Venture Agreement to manage the Angel Wing Project with each party contributing pro-rata to the Project's expenditure requirements.

- Under an Alliance Agreement reached between Ramelius and Marmota Energy Limited (ASX:MEU) during 2009, Marmota has elected to participate in a 40% interest in Ramelius' rights under the agreement reached between Ramelius and Miranda in respect to the Angel Wing Project.

As background, the Angel Wing Project represents a largely unexplored low sulphidation epithermal gold vein field. Classic lattice bladed quartz and carbonate plus subordinate colloform textured quartz veins up to 3m wide (true width) are mapped within the project. The epithermal veins are exposed in platform carbonate (bedded limestone) rock plus in unconformably overlying delta fan conglomerate and volcanic rhyolite flows.

The epithermal veins occupy an undrilled north south directed dilational jog that can be traced over at least 1.5km strike within the available land package. Teck Exploration completed a series of shallow vertical RC holes proximal to the veins while looking for flat lying bulk tonnage disseminated lode material. Anomalous results up to 15m @ 1.60g/t Au are believed to have pierced narrow sub-vertical vein material 200m east of the anomalous vein trend.

Surface channel rock chip sampling has returned encouraging assay results up to 3m @ 17.1g/t Au (Ramelius' check sampling returned 3m @ 25.2g/t Au + 89.2g/t Ag). Ramelius' 1m rock chip assays up to 57.7g/t Au show coincident elevated silver values (232ppm Ag), reporting 4 times the gold assay result.

The anomalous rock chip geochemistry combined with the observed epithermal vein textures attests to the outcrops being approximately 100-200m above a predicted bonanza gold grade boiling zone.

During the quarter, Ramelius undertook infill surface soil sampling plus a pole-dipole induced polarisation (IP) survey to better constrain the depth to target of the bonanza gold grade window ahead of RC drill testing in October 2010.

Results from the soil sampling confirmed a coherent plus 32ppb gold in soil response over 400m strike of exposed limestone rocks within the DaVinci Vein target (Figure 12).

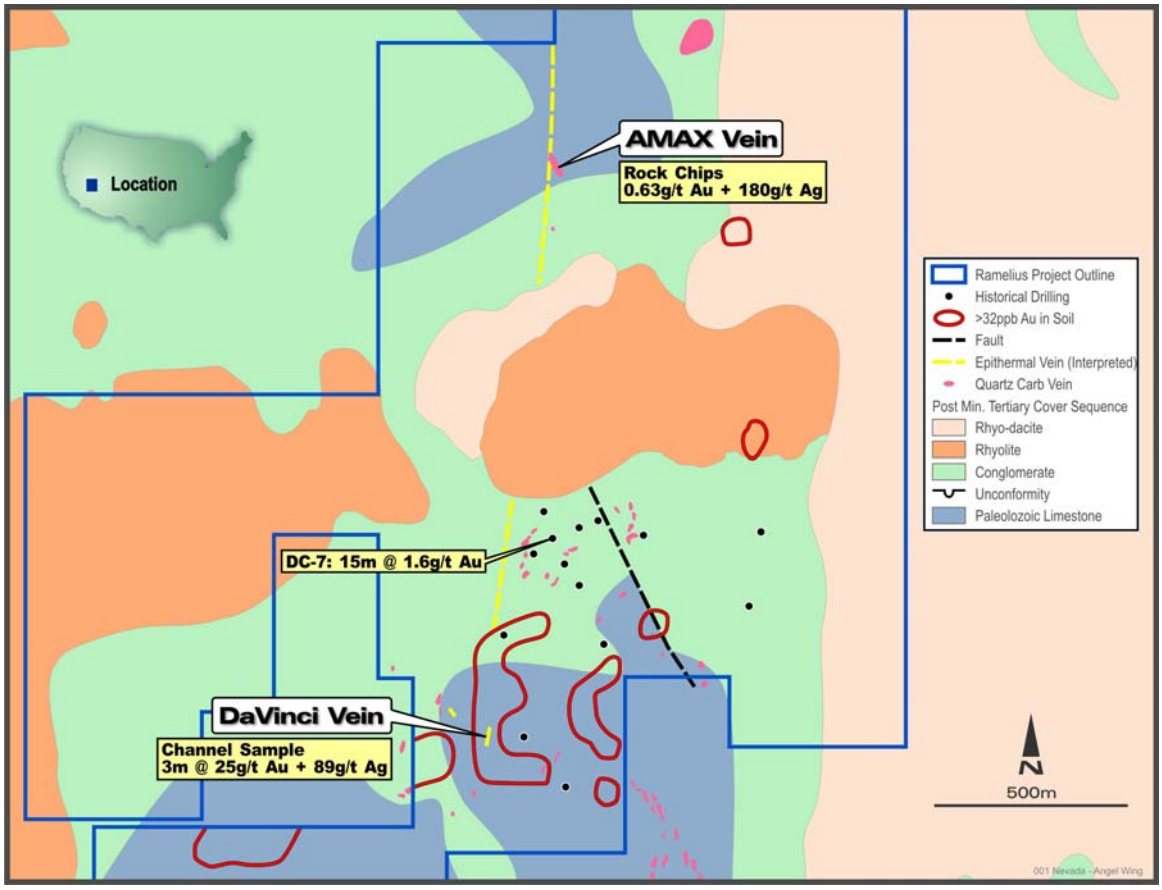

Figure 12: Interpreted and outcrop geology over the Angel Wing Project, encompassing the 2km strike of the dilational jog between the DaVinci (south) and the Amax Vein (north).

Preliminary results from the IP survey over the DaVinci and Amax Veins were also available at the end of the quarter. The survey highlights very strong and coincident chargeable plus resistive responses associated with both the DaVinci and Amax Veins (Figure 13).

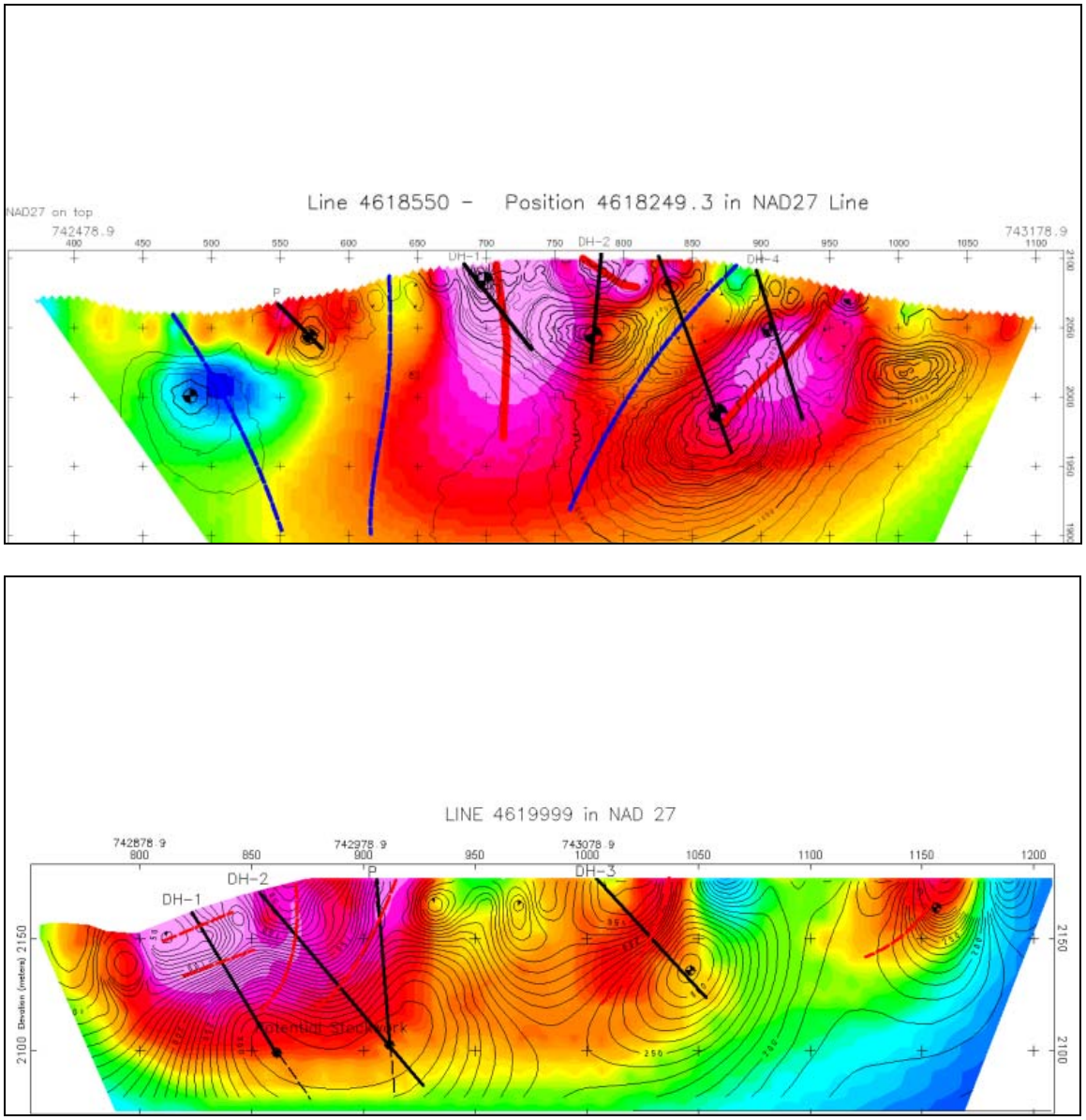

Figure 13: 2-D inversion model sections highlighting the highly chargeable (hot colours) and resistive response (line contours) below the DaVinci Vein (top) and the Amax Vein (bottom). Red lines indicate mapped vein locations, blue interpreted faults and black lines are proposed drill traces.

GLEN ISLA JOINT VENTURE (NSW): EL6426 *(Ramelius earning 75% from Carpentaria)*

No work was completed during the quarter due to persistent wet weather over the project area. RC drilling is planned once access to the project is possible.

APPENDIX 1

Mt Windsor Project Exploration Diamond Drilling Collar Table

Prospect	Hole	Northing	Easting	RL (m)	Dip	Azimuth	Total Depth (m)	Comments
Mosquito Hill	MHDH0001	7739850	403240	340	-60	90	384.7	Complete
Mt Redan	MRDH0001	7732707	393593	309	-60	225	206.6	In Progress

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

Kevin Seymour 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. 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.

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 resources and 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.