



Ramelius Resources Limited. Annual Report. 2008.

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Ramelius Resources Limited
ACN 001 717 540
ABN 51 001 717 540

Annual General Meeting

The Annual General Meeting of Ramelius Resources Limited will be held at Enterprise House, 136 Greenhill Road, Unley, South Australia on Thursday 27 November 2008 at 11.00 am Adelaide time.

Stock Exchange

The Company is listed on the Australian Securities Exchange Limited. The Home Exchange is Adelaide.

ASX Codes

Shares: RMS
Options: RMSOB / RMSOC



Chairman's Report



Dear Shareholder,

It is with pleasure that I present to you the 2008 Annual Report of Ramelius Resources Limited. The past year has been a year of consolidation for Ramelius as it moves from the initial open pit mine to underground mining at Wattle Dam.

There have also been significant challenges in terms of share market volatility and weaker sentiment towards smaller miners. During the year the gold price has fluctuated significantly but remains at an attractive price in Australian dollar terms.

During the year the Company achieved a number of significant milestones such as:

- Confirmation of the high grade zone identified in May 2007
- Completion of an initial resources statement in less than 6 months from discovery
- Design, permitting and commencement of the underground development at Wattle Dam
- A dividend of 0.5 cents per share paid on 3 August 2007
- A capital return of 7.5 cents per share paid on 28 September 2008
- 1 for 10 Bonus options issued at a strike price of \$1.00 and \$1.50

Ramelius is now poised to reap the benefits of its exploration efforts at Wattle Dam through the development of a high grade underground mine, which is expected to produce significant cash flows over the next 12 months. In May 2008, the Company commenced a cutback to the open pit, which is the first step in developing the underground mine, and which will produce significant cash flow in its own right.

Wattle Dam is unique amongst Australian gold projects due its extremely high grade. Your Company has taken a conservative approach to resource estimations at Wattle Dam and expects a high level of operating performance from the underground development, similar to that which occurred in the original open pit.

Ramelius is confident that the Wattle Dam project can become the cornerstone on which to grow the Company through exploration success and acquisitions. Recent drilling results from Golden Orb suggest that significant potential remains in the Spargoville project area and the Company plans to pursue these opportunities over the next 12 months.

The Company's strategy of focussing on low risk, low cost advanced gold projects will remain and with this in mind, a variety of acquisitions have been reviewed during the year.

I can also advise that Ramelius has been busy on the community relations front with a new agreement with the Widji native title claimants. Under the agreement, the Company has sponsored a business opportunity for local indigenous people. Ramelius has also helped to establish the Tim Prime Memorial Scholarship at the School of Mines in Kalgoorlie and has made a significant donation to the St John's Ambulance in Kambalda, WA.

I would like to thank shareholders for their loyalty and support throughout the year and together with my fellow directors, look forward to being able to deliver a successful mining operation in 2008/09.

I also take this opportunity to sincerely thank our Directors, all our employees and consultants for their efforts throughout the year.

Bob Kennedy
Chairman



Managing Director's Report



Dear Shareholders,

Over the past year Ramelius has consolidated itself as a gold producer and advanced its Wattle Dam project to the point where the underground development has commenced. It has been a challenging year, where the Company has pushed hard to get Wattle Dam producing again, this time from the high grade underground resource.

During the 2007/08 year the Company milled the remaining stockpiles from the original open pit, producing over 15,000 ounces of gold.

Mining of the cutback pit commenced in late May 2008, and it is expected to be completed in the December 2008 Quarter. The cutback is primarily designed to provide access to fresh rock in which to commence the underground decline, but is expected to produce significant cash flow in its own right.

The underground resource at Wattle Dam is a high grade deposit that will provide near term cash flow to underpin the Company's future growth. Most of 2007/08 has been spent busily drilling out this resource, making plans for its development, gaining the requisite environmental and other approvals and employing the right people to ensure its smooth development.

Operating in the Western Australian mining industry in today's environment has its challenges in terms of cost pressures, environmental approvals and securing the right people. I am glad to say that Ramelius has been able to discover, drill out, obtain approvals and commence developing its high grade underground resource within 12 months of discovery – thanks to the dedication of its team.

I believe that in the coming year, shareholders will begin to see the benefits of this development, which will put the Company in a strong position in the current market. We are also pursuing extensions of the high grade resource and drilling new projects such as Golden Orb to extend the mine life at Wattle Dam.

I would like to take this opportunity to thank the Ramelius team for their dedication to getting the job done well in a difficult environment. I would also like to thank my fellow directors for their continued support and guidance.

Joe Houldsworth
Managing Director

Diamond Drilling beneath Wattle Dam



Review of Operations



Financial Highlights

- Sales of 16,939 ounces of gold generating revenue of A\$14.8 million at an average price of A\$874 per ounce.
- Payment of maiden dividend on 3 August 2007.
- Payment of capital return of \$12m on 28 September 2007.
- Cash at the end of the financial year of \$16.1 million.

Sales revenue of \$14.8 million was the result of a strong average gold price received for gold sales during the year of an average price of A\$874 per ounce.

The consolidated net profit after tax was A\$611,697.

At 30 June 2008 the Company had no debt and held cash assets of \$16.1 million.

During the financial year, the Company paid a fully franked maiden dividend of \$0.005 per ordinary share, a capital return of \$0.075 per ordinary share held on 3 August 2008; issued one free bonus option exercisable at \$1.00 by 30 June 2009 for every ten Ramelius shares held on 3 August 2008 and issued one free bonus option exercisable at \$1.50 by 30 June 2010 for every ten Ramelius shares held on 5 May 2008.

The dividend totalled \$780,739 and was paid to eligible shareholders on 3 August 2007.

The return of capital totalled A\$12 million and was paid on 28 September 2007.

During the financial year option-holders exercised options as follows which raised additional capital of approximately \$3.6 million.

- 6,415,122 options at \$0.11187
- 3,529,960 options at \$0.18687
- 2,208,756 options at \$1.00 and
- 1,456 options at \$1.50.



Review of Operations



Wattle Dam Open Pit Cutback

Operational Highlights

- Completion of milling for ore mined in the original open pit.
- Drill out of the initial resource for the high grade gold zone at Wattle Dam, which is open at depth.
- Production of 16,154 ounces of gold.
- In June 2008, Ramelius commenced a cut back to open pit at Wattle Dam in order to establish a portal to access the high grade zone. Stopping of ore from this zone will commence in the 2008/09 financial year.



Review of Operations

Mining and Milling Operations

The Wattle Dam Gold mine is located approximately 25km south-west of Kambalda in the Eastern Goldfields of Western Australia. The gold resource at Wattle Dam is hosted in sheared ultramafic rocks and has been drilled to a vertical depth of 200 metres. The mine commenced production in March 2006 and open pit mining was suspended at the end of October 2006. A cut back to the open pit was commenced in June 2008 to establish underground access to the high grade zone at Wattle Dam.

Mining

During the 2008 financial year a total of 208,379 BCMs of waste was removed from the cut back to the open pit at Wattle Dam. The open pit is being deepened to a depth of 76 metres in order to access fresh rock for the establishment of a portal and decline to access the deeper high grade zone.

Production Statistics – 2008 Financial Year	Unit	Mined	Grade g/t gold
Ore processed	tonnes	96,910	5.25
Recovery	%	96.4	
Gold Production*	oz	16,154	
Gold Production*	kg	502	

* Includes G.I.C recovered

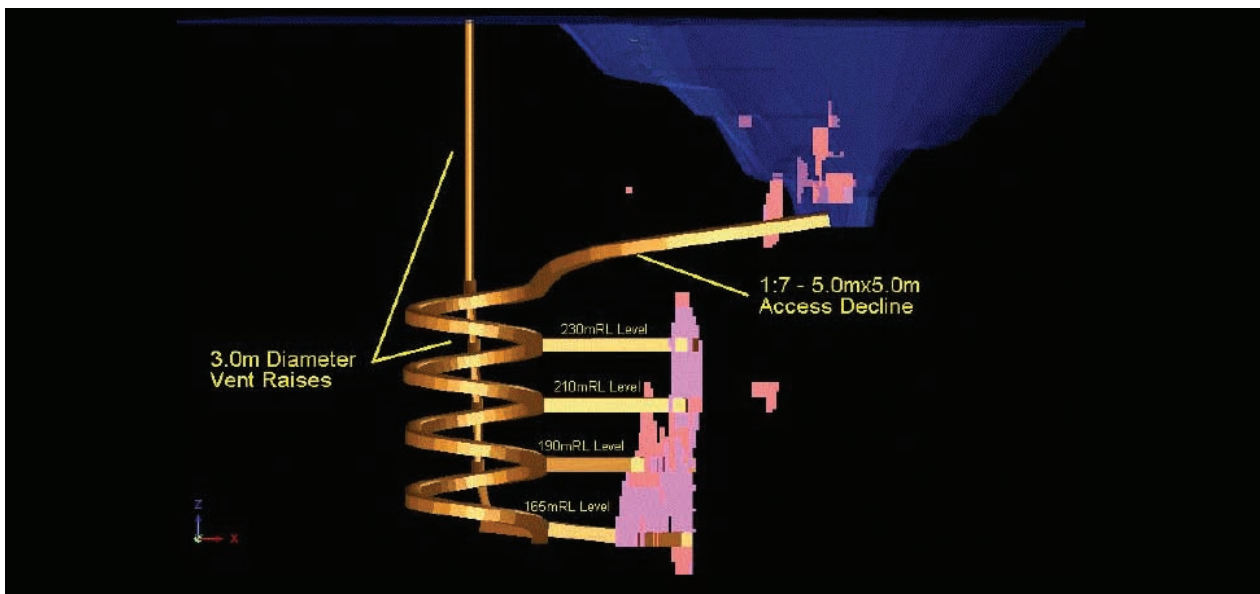
Milling

A total of 96,910 tonnes of ore was processed during the 2008 financial year at the Company's gold treatment plant at Burbanks. The mill has undergone further refurbishment since completing milling operations in January 2008 in preparation for treatment of higher grade ores from the underground development which will commence on the completion of the cutback to the open pit.

Burbanks Plant



Review of Operations



Wattle Dam Underground Mine Plan

Comment

The Company completed a scoping study in early 2008 into mining the high grade gold zone beneath the Wattle Dam open pit. The study concluded it was economic to mine the high grade zone over a 12 month period producing 67,000 ounces of gold at a total cost of approximately \$470 per ounce (including capital and \$7 million in contingency costs). Since that time the Company has been working to better define the resource and finalise the underground mine plan. The development of the underground mine commenced in June 2008 with a cut back to the existing open pit.

Ramelius is now poised to reap the benefits of its exploration efforts at Wattle Dam through the development of a high grade underground mine.

Exploration

Spargoville Regional Project (Various Gold, Nickel and Tantalum Rights)

Ramelius controls the gold rights and majority nickel rights over approximately 300 km² covering the Kunanalling and Spargos Reward Shears.

Gold exploration during the year was conducted at the Wattle Dam, Golden Orb, West Wattle Dam, Larkinville West and Eagles Nest prospects whilst nickel exploration was conducted at 1A North and Hilditch prospects. Regional exploration focusing on both gold and nickel was also conducted within the project area.

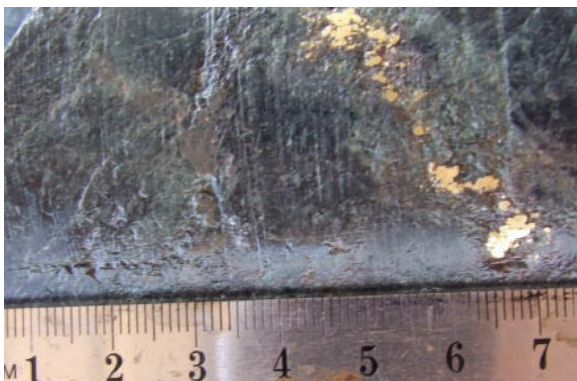
During the year Ramelius exercised two options to earn an 80% interest in Pioneer Nickel Limited's nickel exploration tenements covering the Wattle Dam and Logans/Larkinville project areas. Under the option Ramelius exercised a right to earn 80% by paying Pioneer \$700,000 and completing expenditure of not less than \$1 million collectively on both project areas. The areas are considered prospective for Kambalda style sulphide nickel mineralisation.

Review of Operations



Wattle Dam Project

(Gold, Tantalum, Nickel) (100% Gold, Tantalum and earning 80% Nickel Rights; MLs; 1101; 1263; 1264; 15/1323; 1338; 15/1769-1773; PL 15/4479, 100% MLs 1774 – 1776; PL 15/4381 [MLA 15/1474])



Visible Gold in Drill Hole WDDH0036

north of the open pit. The zone has now been intersected in numerous RC and diamond drill holes over a strike length of 100 metres and is interpreted to be a high grade shoot plunging to the north away from the open pit. The top of the shoot is only 40 metres below the existing open pit floor.

A total inferred and indicated mineral resource at Wattle Dam was estimated at 540,000t at 4.8g/t gold for 83,200 ounces. Within the resource there are two higher grade zones, estimated to contain 70% of the gold (110,000t at 16.6g/t gold for 58,600 ounces). An initial mining scoping study was completed which anticipated a cutback to the existing open pit followed by underground mining of the high grade zones over a period of 12 months. A review of the resource estimate and mine plan is currently underway which will incorporate all drilling completed since the initial resource estimate, including all recent diamond and RC drilling.

Wattle Dam Gold Mine (Gold)

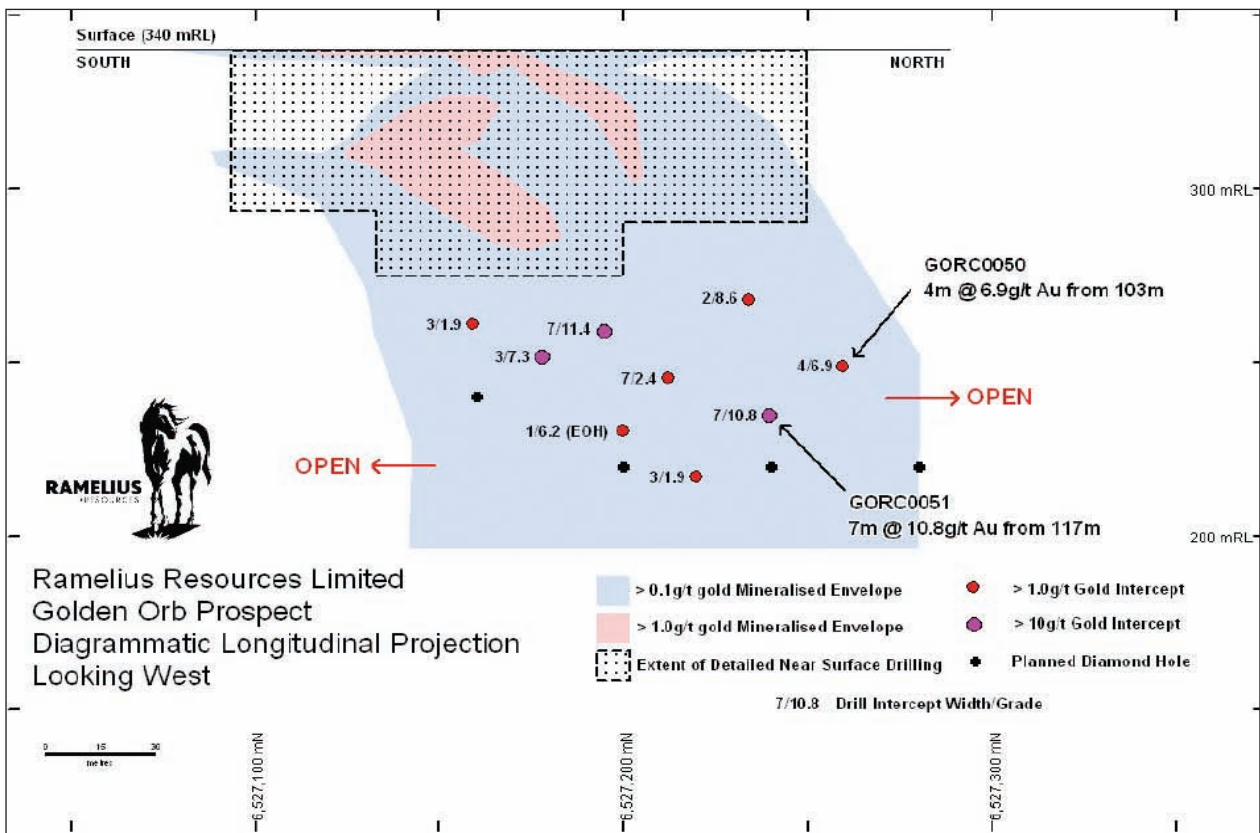
Reverse Circulation drilling totalling 68 holes for 7,247 metres and Diamond drilling totalling 55 holes for 14,710.6 metres was completed at Wattle Dam. The drilling was predominantly focused on the extension and definition of the high grade gold zone beneath and to the

A single diamond hole for 925.9 metres was completed to evaluate a strong and broad conductor identified at depth, beneath and to the west of the Wattle Dam open pit. The drill holes intersected sulphidic sediments which are interpreted to be the conductive source. No significant results were received from the drilling.

Wattle Dam Drill and Blast



Review of Operations



Golden Orb Long Section July 2008

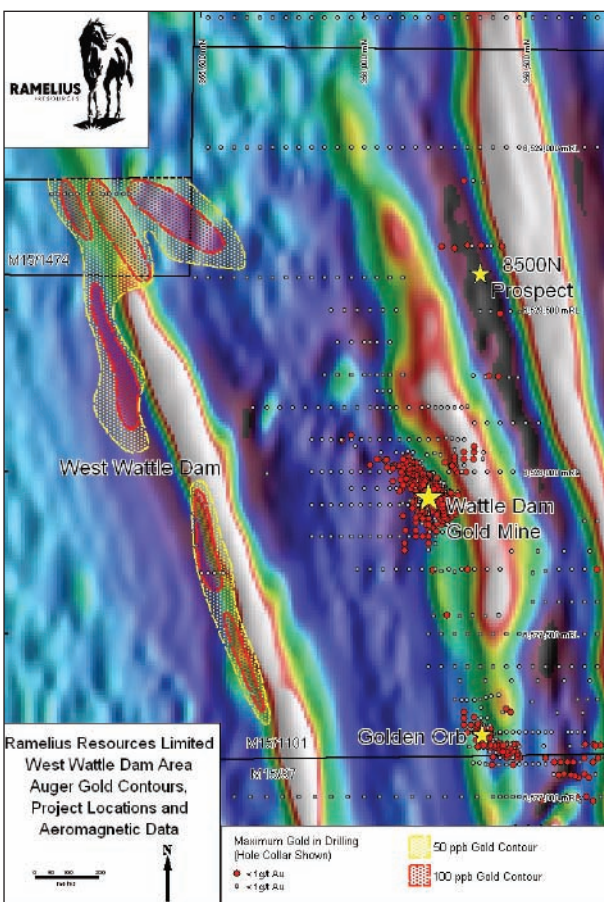
During the 2007/08 year the Company milled the remaining stockpiles from the original open pit, producing over 15,000 ounces of gold.

Golden Orb (Gold)

RC Drilling totalling 4 holes for 702 metres were completed, following up significant intercepts from previous drilling at depth at the Golden Orb prospect. The drilling returned significant intersections including 7 metres @ 10.8 g/t gold from 117 metres. The intersections are interpreted to be associated with a north-northwest trending mineralised zone with the potential for high grade economic mineralisation. Diamond drilling commenced in August 2008 to follow-up these encouraging results.

A program of detailed aircore drilling totalling 49 holes for 2,557 metres was completed at Golden Orb. Results from the drilling have downgraded the potential for shallow economic gold mineralisation at Golden Orb.

Review of Operations



Gold in Quartz

1A North (Nickel)

Diamond drilling at 1A North by Pioneer Nickel Limited in late 2005 returned an intersection of 0.45 metres at 2.0% nickel. During the year the company completed RC and diamond drilling to test the interpreted down dip position of this result and associated DHEM conductor. A total of 290 metres of RC precollars and 268.9 metres of NQ diamond core were drilled over two holes. A small but encouraging intersection of 0.1 metre of massive sulphides grading 5% nickel within 1ANDH0002 was intersected.

Results from DHEM (Down Hole Transient Electro magnetics) conducted on the completed diamond drilling indicated a strong off-hole anomaly at a depth of 245 metres and a second weaker off-hole anomaly at a depth of 265 metres in diamond drill hole 1ANDH0001. A moderate late time off-hole response was also detected in 1ANDH0002 at a depth of approximately 190 metres which is considered to be a response to the previously reported intersection of 0.1 metre of massive sulphides grading 5% nickel. Diamond drilling is planned in the second half of 2008 in order to evaluate the identified conductors.

West Wattle Dam (Gold)

An Auger program comprising 934 holes was completed over a north-northwest trending ultramafic sequence located 600 metres to the west of Wattle Dam Gold Mine. Results from the auger drilling identified several >100ppb gold anomalous areas within ≥50ppb gold anomalous trends. Physical gold has been located by metal detecting by company representatives over one of the auger anomalies. A program of Aircore drilling has been generated and is planned for completion during the September 2008 quarter.



Review of Operations



Prospectors shaft near Hilditch

A further 7 RC drill holes were completed at a drill spacing of 80 metres x 100 metres in order to evaluate the ultramafic sequence immediately to the north of the 1A North for nickel mineralisation. All results have been received from the RC drilling returning a maximum significant result of 6 metres at 0.5% Ni from 14 metres (including 1 metre @ 1.0% Ni from 15 metres). Down hole TEM is planned on this RC drilling.

Eleven RC drill holes for 1,122 metres were drilled to evaluate the contact north of the 1A North prospect, where anomalous results of up to 6,800ppm nickel were returned from previous aircore drilling. No significant results were returned, although a sediment free basal contact position has been highlighted and will be further tested in the coming year.

Regional RAB/Aircore Drilling (Gold and Nickel)

Regional RAB and Aircore drilling totalling 413 Aircore drill holes for 15,675 metres and 523 RAB drill holes for 9,198 metres were completed to evaluate several gold and nickel anomalous areas within the Wattle Dam project area.

The majority of the gold focused Aircore drilling was completed over an area to the north of the Wattle Dam

Gold Mine where the regional surface anomalous gold geochemistry is interpreted to be terminated and overlain by drainage. Aircore drilling was also completed to evaluate several anomalous areas and trends to the east and south of the Wattle Dam Gold Mine. Better results from the drilling include 4 metres at 3.1g/t gold from 32 metres and 4 metres at 1.5g/t gold from 48 metres.

The Wattle Dam Project tenements held by Ramelius Resources Limited host the Spargoville ultramafic belt which hosts the Spargoville 1A, 5B and Andrew's Shaft Deposits (located in small excisions held by Breakaway Resources Limited). Nickel orientated RAB and Aircore drilling was completed over a series of nickel anomalies that were generated across the tenements utilising a combination of both geochemical and geophysical exploration techniques. Results from the drilling has highlighted several anomalous contacts and trends including a maximum result of 18 metres at 0.77% nickel from 16 metres including 4 metres at 1.1% nickel from 24 metres.

Infill Aircore and RC drilling will be planned to further evaluate the above gold and anomalous areas and trends.

Review of Operations



Logan's Larkinville Project

(Gold, Tantalum, Nickel) (Pioneer Nickel 100%, Ramelius earning 75% Gold and Tantalum, earning 80% Nickel Rights; PLs 15/4464; 4213 & 4214 [MLA 15/1449]; EL15/689; EL15/742)

Larkinville West RC Drilling (Gold)

A total of 30 RC drill holes for 2,830 metres were completed to follow up previous anomalous RAB drilling which returned a maximum result of 32 metres at 2.0g/t gold from 12 metres. The intersected mineralisation is interpreted to strike north northwest and dip towards the west southwest at approximately 40 – 50 degrees.

Significant results were returned within two interpreted zones within the RC drilling – Supergene zone and Fresh Rock Zone. Results from the supergene zone include 32 metres @ 2.0g/t gold from 12 metres. Results from the fresh rock zone include 3 metres @ 4.9g/t Au from 83 metres and 1 metre @ 20.6g/t from 115 metres.

A further five RC holes for 838 metres were completed to evaluate the fresh rock intercepts above. The drilling did not return any significant results and downgraded the depth potential at Larkinville West.

North Widgiemooltha Blocks

(100% Gold Rights) (MLs 15/97; 15/99; 15/100; 15/101; 15/102; 15/653; ML 15/1271)

Golden Orb Regional

A total of 3 Aircore drill holes for 3,839 metres were completed to further evaluate anomalous areas immediately surrounding the Golden Orb prospect to the south and southeast. A maximum result of 12 metres @ 5.5g/t gold from 28 metres including 4 metres at 10.5g/t gold from 32 metres was returned. This mineralisation is interpreted to be hosted within ultramafic lithologies adjacent to a contact with felsic lithologies located immediately to the east. A program of RC drilling has been generated to evaluate all significant results returned from the drilling.

North Widgiemooltha Regional

A total of 16 aircore drill holes for 1,013 metres were completed to evaluate an anomalous intercept of 4 metres at 3.1g/t gold from 36 metres within regional aircore drill hole NWAC0054. No significant results were received.

Wattle Dam Open Pit



Review of Operations



RC Drilling at Eagles Nest

Eagles Nest Area

(Gold, Tantalum, Nickel) (100% M15/1475)

RC drilling totalling 38 holes for 4,002 metres was completed over the Eagles Nest Project and adjoining North Widgiemooltha Project tenement, (M15/100), in order to evaluate a zone of co-incident gold and arsenic anomalism over a strike length of approximately 500 metres identified from previous auger drilling.

The RC drilling defined an anomalous zone of gold over a strike length of 250 metres including significant intercepts of 9 metres at 2.7g/t gold from 50 metres and 12 metres at 2.0g/t gold from 55 metres. The zone remains open to the south and down dip. Further drilling targeting the zone will be conducted along strike to the south, in areas highlighted by anomalous surface geochemistry and/or structural complexity, (interpreted from aeromagnetic and geological mapping).

A total of 36 aircore drill holes were completed at a drill spacing of 20 metres by 100 metres in the north east of the Eagles Nest Project and adjoining North Widgiemooltha Project tenements, (M15/99 and M15/100). The drilling was designed to provide coverage over an area that has been historically worked by previous tenement holders for alluvial gold. All results have been received from the drilling with no significant results returned.

Hilditch Project

(Nickel, Gold and Tantalum)

(90% ML 15/1448)

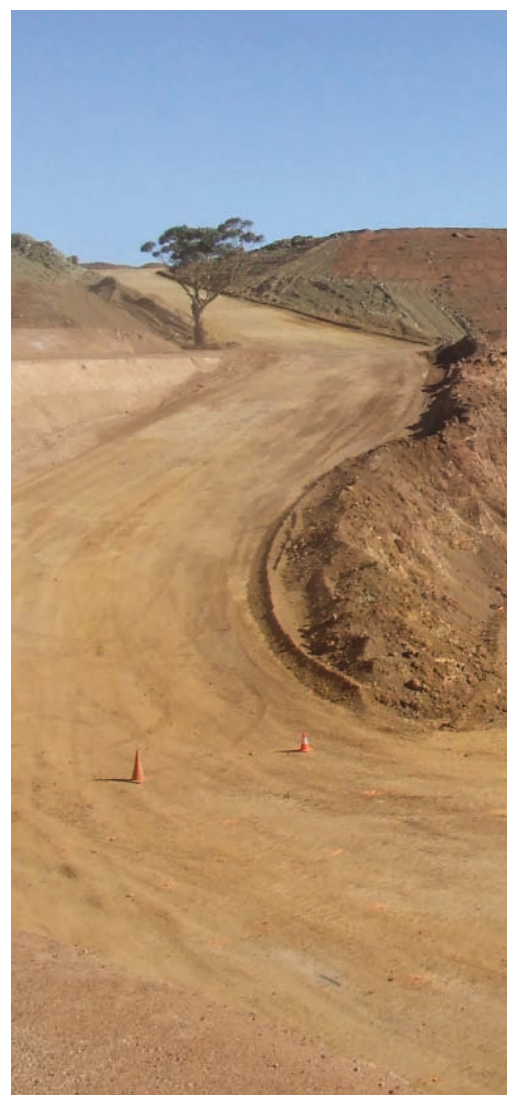
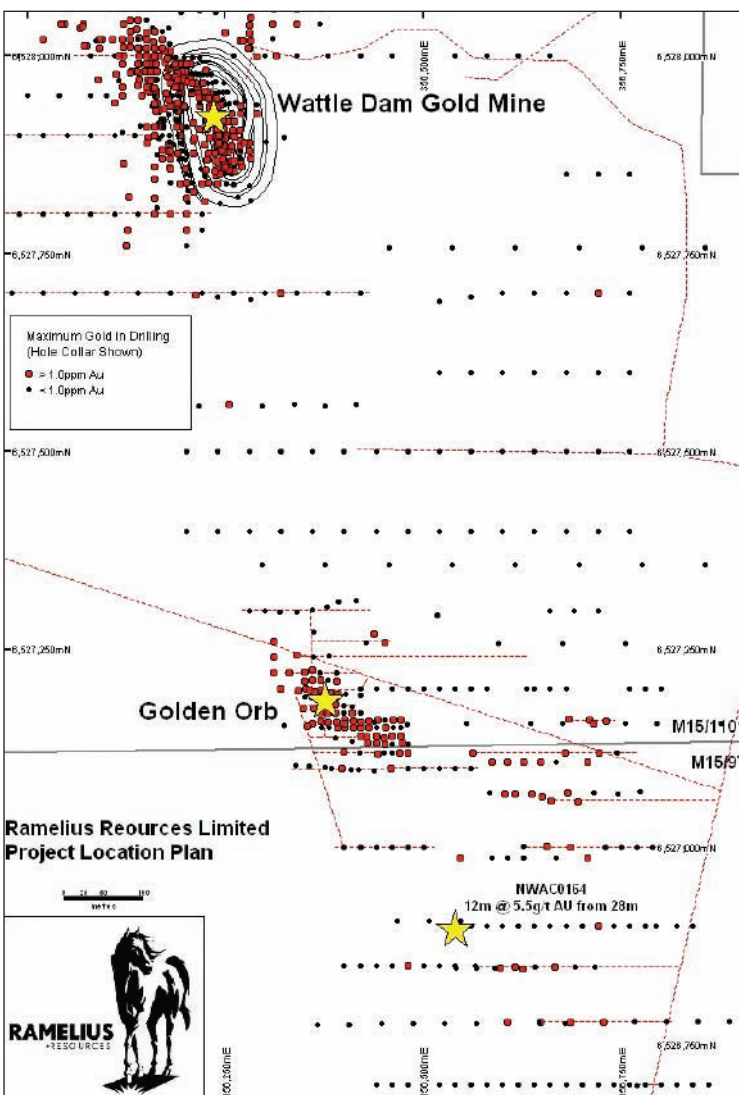
A total of 9 RC drill holes for 1455 metres and one diamond hole for 366.5 metres were drilled at the Hilditch North prospect.

Four deep RC drill holes for 977 metres and one diamond hole were drilled to evaluate anomalous nickel geochemistry and Ni:Cr ratios, (indicative of proximal nickel sulphide mineralisation), identified in earlier drilling. The diamond tail intersected abundant pegmatite at the target depth within the hole. No significant results were returned.

A single line comprising 4 RC holes for 478 metres was completed to test the ground between the northern most drilling conducted by Ramelius within M15/1448 and the southern most drilling completed by Pioneer Nickel Ltd. in the adjacent tenement to the north (M15/1770). Ramelius is currently earning 80% of the nickel rights within M15/1770 from Pioneer. No significant results were received.

A program of RC drilling is planned to evaluate two areas of anomalous geochemistry returned from previous rock chip sampling.

Review of Operations



The Information in this report that relates to Exploration Results is based on information compiled by Matthew Svensson and Diane Tily-Laurie.

Matthew Svensson is a Member of the Australian Institute of Geoscientists and is 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.

Diane Tily-Laurie 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 she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting on Exploration Results. Diane Tily-Laurie is a full-time employee of the company and consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Review of Operations

Interests in Mining Tenements

Project	Location	Tenement	Status	Application Date	Grant Date	Expiry Date	Associated Tenement ID	Acquiring %	Acquired %	Registered Owner	Beneficial Owner
Jaurdi/Black Cat	Coolgardie	M16/34	Granted	15-Sep-86	28-Jan-87	27-Jan-29			90%	Ramelius	Ramelius
Jaurdi/Black Cat	Coolgardie	M16/115	Granted	29-Sep-88	10-Sep-90	9-Sep-11			90%	Ramelius	Ramelius
Hilditch	Coolgardie	M15/1448	Granted	9-Mar-04	30-Jun-08	29-Jun-29			90%	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1101	Granted	26-Mar-97	19-Mar-04	18-Mar-25			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1263	Granted	23-Oct-98	24-Aug-04	23-Aug-25			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1264	Granted	23-Oct-98	24-Aug-04	23-Aug-25			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1323	Granted	10-Feb-00	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1338	Granted	9-Jun-00	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1474	Application	12-Apr-04			P15/4381		100%	Steele Stacey	Ramelius
Wattle Dam	Coolgardie	M15/1769	Granted	1-Feb-06	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1770	Granted	1-Feb-06	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1771	Granted	1-Feb-06	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1772	Granted	1-Feb-06	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1773	Granted	1-Feb-06	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1774	Granted	1-Feb-06	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1775	Granted	1-Feb-06	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	M15/1776	Granted	1-Feb-06	30-Jun-08	29-Jun-29			100% & 80% of Ni Rights	Ramelius	Ramelius
Wattle Dam	Coolgardie	P15/4381	Granted	5-May-00	9-Jan-01	8-Jan-05	M15/1474		100% &	Steele Stacey	Ramelius
Wattle Dam	Coolgardie	P15/4444	Granted	2-Feb-01	5-May-06	4-May-10			100%	Prime	Ramelius
Wattle Dam	Coolgardie	P15/4479	Granted	15-Aug-01	28-Jul-05	27-Jul-09			100% & 80% of Ni Rights	Ramelius	Ramelius
North Widgie	Coolgardie	M15/97	Granted	9-Dec-83	26-Jul-84	25-Jul-26			Gold Rights	ANM	Ramelius
North Widgie	Coolgardie	M15/99	Granted	9-Dec-83	26-Jul-84	25-Jul-26			Gold Rights	ANM	Ramelius
North Widgie	Coolgardie	M15/100	Granted	9-Dec-83	26-Jul-84	25-Jul-26			Gold Rights	ANM	Ramelius
North Widgie	Coolgardie	M15/101	Granted	9-Dec-83	26-Jul-84	25-Jul-26			Gold Rights	ANM	Ramelius
North Widgie	Coolgardie	M15/102	Granted	9-Dec-83	11-Apr-85	10-Apr-27			Gold Rights	ANM	Ramelius
North Widgie	Coolgardie	M15/653	Granted	20-Nov-92	29-Jan-93	28-Jan-14			Gold Rights	ANM	Ramelius
North Widgie	Coolgardie	M15/1271	Granted	7-Dec-98	7-Feb-07	6-Feb-28	was P15/3666		Gold Rights	ANM	Ramelius
Larkinville	Coolgardie	E15/689	Granted	2-Jun-00	20-Apr-05	19-Apr-10			75% & 80% Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer

Review of Operations

Project	Location	Tenement	Status	Application Date	Grant Date	Expiry Date	Associated Tenement ID	Acquiring %	Acquired %	Registered Owner	Beneficial Owner
Larkinville	Coolgardie	E15/742	Granted	26-Oct-01	20-Apr-05	19-Apr-10			75% & 80%Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	E15/896	Granted	13-Jul-05	9-Jan-07	8-Jan-12			75% & 80%Ni Rights	Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	E15/1039	Application	3-Sep-07					75% & 80%Ni Rights	Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	E15/1062	Application	8-Feb-08					100%	Ramelius	Ramelius
Larkinville	Coolgardie	M15/1449	Application	9-Mar-04			P15/4213-4214		75% & 80%Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	P15/4213	Granted	17-Feb-99	28-Mar-00	27-Mar-04	M15/1449		75% & 80%Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	P15/4214	Granted	17-Feb-99	28-Mar-00	27-Mar-04	M15/1449		75% & 80%Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	P15/4765	Application	17-Jan-06					75% & 80%Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	P15/4790	Granted	19-Apr-06	14-Aug-07	13-Aug-11			75% & 80%Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	P15/4904	Application	22-Jan-07			M15/1449		75% & 80%Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	P15/4905	Application	22-Jan-07			M15/1449		75% & 80%Ni Rights	Ramelius & Pioneer	Ramelius & Pioneer
Larkinville	Coolgardie	P15/5185	Granted	25-May-07	11-Apr-08	10-Apr-12			100%	Ramelius	Ramelius
Eucalyptus	Mt Margaret	M39/803	Granted	15-Aug-00	22-May-08	21-May-29			50% of Gold Rights	NiWest	NiWest
Eucalyptus	Mt Margaret	M39/804	Granted	15-Aug-00	22-May-08	21-May-29			50% of Gold Rights	NiWest	NiWest
Lake Seabrook	Yilgarn	M77/943	Granted	5-Oct-98	20-Feb-07	19-Feb-28			90%	Ramelius	Ramelius
Lake Seabrook	Yilgarn	E77/1108	Granted	30-Jan-02	9-Oct-06	8-Oct-11			100%	Ramelius	Ramelius
Groundlark	Coolgardie	M15/1290	Granted	29-Jun-99	25-Oct-02	24-Oct-23			100%	Ramelius	Ramelius
Eagles Nest	Coolgardie	M15/1475	Granted	12-Jul-04	29-Sep-04	28-Sep-25			100%	Ramelius	Ramelius
Burbanks	Coolgardie	M15/1273	Granted	16-Dec-98	30-Mar-99	29-Mar-20			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	M15/1369	Granted	22-May-01	31-Dec-01	30-Dec-22			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	M15/1370	Granted	22-May-01	31-Dec-01	30-Dec-22			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	P15/5269	Application	19-May-08					100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	G15/10	Granted	22-Mar-91	20-May-92	19-May-13			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	G15/11	Granted	22-Mar-91	20-May-92	19-May-13			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	G15/12	Granted	22-Mar-91	20-May-92	19-May-13			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	G15/13	Granted	22-Mar-91	20-May-92	19-May-13			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	L15/109	Granted	3-Jul-89	22-Jun-90	21-Jun-10			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	L15/110	Granted	3-Jul-89	22-Jun-90	21-Jun-10			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	L15/189	Granted	10-Mar-94	21-Jun-94	20-Jun-09			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	L15/234	Granted	31-Jan-02	27-Nov-03	26-Nov-24			100%	Ramelius MS	Ramelius MS
Burbanks	Coolgardie	L15/284	Application	21-Sep-07					100%	Ramelius MS	Ramelius MS

Review of Operations



Royalty Interests

The Current status of the Company's Royalty Interests is as follows.

Project Name	Location	Tenement	Current Holder	Nature of Ramelius' Royalty	Comments
SANDSTONE* - Gold	East Murchison	Various	Troy Resources NL	Production based Royalty Capped at \$300,000	No Current Activity by Holder on the Royalty Tenements
BULONG* - Gold	East Coolgardie	Various	Yilgarn Gold Ltd	Production based Royalty Not Capped	No Current Activity by Holder on the Royalty Tenements
SPARGOS REWARD* - Gold	Coolgardie	Various	Breakaway Resources Ltd	3% Gross Gold Royalty	No Current Mining Activity by Holder on the Royalty Tenements
SIBERIA* - Gold/Nickel	Broad Arrow	Various	Siberia Mining Corp Ltd	Nickel and Gold Royalty Collectively capped at \$100,000	No Current Activity by Holder on the Royalty Tenements
EDJUDINA - Gold	Mt Margaret	Various	Saracen Mineral Holdings Ltd	Production based Royalty Capped at \$500,000	Currently Subject to Feasibility Study
EUCALYPTUS* - Nickel	Mt Margaret	M39/803, M39/804	GME Resources Ltd	Option to purchase on commencement of mining Nickel Laterites at \$0.10/tonne of Proven Ore.	No Current Activity by Holder on the Royalty Tenements
PARKER RANGE - All minerals	Yilgarn	E77/1403, P77/3764-5, P77/3481, P77/3740, M77/1085	Cazaly Iron Pty Ltd	Royalty of 1% of value of minerals produced capped at \$500,000.	No Current Activity by Holder on the Royalty Tenements

* These royalty assets have been impaired and their carrying costs written off.

Native Title Statement



Exploration and mining areas held by the Company may be subject to issues associated with Native Title. Whilst it is not appropriate to comment in any detail upon specific negotiations with Native title parties, the directors of Ramelius believe it is important to state the Company's policy and approach to Native Title and dealings with indigenous communities. The directors believe that the following native title policy statement summarises the Company's desire to develop a spirit of cooperation in its dealings with indigenous people, create goodwill, mutual awareness and understanding and most importantly, respect and commitment.

Recognition and Respect

Ramelius recognises Aboriginal regard for land and respects their culture, traditions and cultural sites.

Understanding and Trust

Ramelius listens to Aboriginal community representatives in order to understand their views and beliefs. Recognising that communities may not be fully appreciative of how the Company's business and industry operates, Ramelius works towards increasing their understanding, respect and trust and to promote the Company's obligations and economic constraints amongst indigenous communities. Ramelius ensures that its employees and contractors approach the Company's activities at local sites with respect and a clear understanding of important issues and priorities.

Communication and Commitment

Ramelius adopts practical measures to develop trust. Acknowledging that community leaders and representatives have an obligation to consult its people in order to determine their opinions and wishes and that this may often not be achieved as quickly as is desired, Ramelius uses its best endeavours to expedite the process and ensure that its commercial interests are not adversely impacted. The Company also uses its best endeavours to ensure reasonable rights of consultation and continued access to land are facilitated and the integrity of land is preserved. The Company is committed to taking appropriate steps to identify and reduce the effects of any unforeseen impacts from its activities.

Achievements

During the past year, Ramelius concluded a mining and exploration agreement with the Widji People, which allows for access to existing and new mining tenements and provides certain benefits to the Widji People.

The Company also made royalty equivalent payments with the following parties:

- The Widji People
- The Central West Goldfields People

Acknowledgement

The directors of Ramelius wish to publicly acknowledge the co-operation and goodwill shown by the Widji and Central West Goldfields People and their representatives in the course of negotiations with the Company during the last financial year.



Corporate Governance Statement



During 2003 the Australian Securities Exchange Corporate Governance Council (“ASXCGC”) released its best practice recommendations based on ten core principles for corporate governance. These recommendations are not intended to be prescriptions to be followed by all ASX listed companies, but rather guidelines designed to produce an efficient, quality or integrity outcome. The Corporate Governance Council has recognised that a “one size fits all” approach to Corporate Governance is not required. Instead, it states aspirations of best practice for optimising corporate performance and accountability in the interests of shareholders and the broader economy. A company may consider that a recommendation is inappropriate to its particular circumstances and has flexibility not to adopt it and explain why. Except for those specifically identified and disclosed below, the Company has not to date adopted all ASXCGC best practice recommendations because the Board believes it cannot justify the necessary cost given the size and stage of the entity’s life as a public listed exploration company. The Board is, nevertheless, committed to ensuring that appropriate Corporate Governance practices are in place for the proper direction and management of the Company. This statement outlines the main Corporate Governance practices of the Company disclosed under the principles outlined by the ASXCGC, including those that comply with best practice and which unless otherwise disclosed, were in place during the whole of the financial year ended 30 June 2008.

Principle 1 – Lay solid foundations for management and oversight

Role of the Board

The Board is governed by the Corporations Act 2001, ASX Listing Rules and a formal constitution adopted by the company in 2002 on its conversion from a proprietary limited company to a public company limited by shares.

The Board’s primary role is the protection and enhancement of long-term shareholder value.

The Board takes responsibility for the overall Corporate Governance of the Company including its strategic direction, management goal setting and monitoring, internal control, risk management and financial reporting. In discharging this responsibility, the Board seeks to take into account the interests of all key stakeholders of the Company, including shareholders, employees, customers and the broader community.

The Board has adopted a formal Board Charter in accordance with ASXCGC best practice recommendation 1.1. The Board Charter details the functions and responsibilities of the Board of Directors.

Corporate Governance Statement



The Board of Directors is responsible for the overall Corporate Governance of the Company. The Board oversees the formulation of strategies and participates in setting objectives for the Company and the establishment of policies to be implemented by management. The Board monitors the activities of the Company and ensures the entity is accountable to external stakeholders.

The Board's responsibilities are extensive and include the following:

- Determining the size and composition of the Board of Directors, remuneration of directors (subject to the maximum aggregate amount as approved from time to time by the company in general meeting) and assessing the effectiveness of individual directors and the Board as a whole;
- Establishing committees of the Board and determining terms of reference and reporting requirements;
- Selecting and appointing (and where appropriate, removing) the Chief Executive, determining conditions of service including remuneration and reviewing performance against key objectives;
- Ratifying the appointment (and where appropriate, removal) of senior management including the Chief Financial Officer and Company Secretary and approving conditions of service including remuneration and performance monitoring;
- Reviewing senior management succession planning and development;
- Approving strategic directions and performance objectives for the Company and monitoring implementation by management;
- Ensuring adequate financial, and human resources are available to achieve the Company's objectives;
- Delegating appropriate levels of authority to management;
- Overseeing the activities of the Company and ensuring effective systems of audit, risk management and internal controls are in place to protect the entity's assets and minimise operations beyond legal and regulatory requirements or acceptable risk thresholds;
- Monitoring compliance with legal and other regulatory requirements including accounting standards, continuous disclosure and ASX Listing Rules;
- Approving and monitoring financial budgets, capital management, major expenditures and significant acquisitions and divestments;
- Approving and monitoring financial and other reporting;
- Approving and monitoring appropriate policies, procedures, codes of conduct and ethical standards for directors and employees;
- Ensuring effective communication and reporting to shareholders and other key stakeholders of the Company.

Board processes and management

The Board has an established framework for the management of the entity including a system of internal control, a business risk management process and appropriate ethical standards. To assist in the execution of its responsibilities, the Board has an Audit Committee to deal with internal control; ethical standards and financial reporting. The Audit Committee's role and responsibilities, composition, structure and membership are set out in a formal Charter. Since the end of the 2008 financial year the Board has established a Remuneration Committee to deal with executive remuneration, recruitment, retention and termination policies for senior management and incentive schemes.

The Board appoints a Managing Director responsible for the day to day management of the Company. The role of the Managing Director is documented in the Board Charter (refer Principle 2 below).



Corporate Governance Statement



Principle 2 – Structure the Board to add value Composition of the Board

The names of the directors of the Company and terms in office at the date of this Statement together with their skills, experience and expertise are set out in the Directors' Report section of this report. The directors' terms in office are considered appropriate in light of the fact that the Company was a dormant company prior to its ASX listing in March 2003.

During the year two additional directors, an executive and a non-executive were appointed to the Board. The composition of the Board currently consists of five directors of whom three, including the Chairman, are non-executives. Although the composition of the Board is now comprised of a majority of non-executive directors, the majority of the Board is however not regarded as being independent because two of the non-executive directors are officers of a substantial shareholder of the Company. However one director, Mr Kevin Lines, meets the independent director criteria contained in ASXCGC best practice recommendation 2.1.

Mr Kennedy's role as Chairman of the Board is separate from that of the Managing Director, Mr Houldsworth who is responsible for the day to day management of the Company and is in compliance with the ASXCGC best practice recommendation 2.3 that these roles not be exercised by the same individual.

The Company's constitution specifies the number of directors must be at least three and at most ten. The Board may at any time appoint a director to fill a casual vacancy. Directors appointed by the Board are subject to election by shareholders at the following annual general meeting and thereafter directors (other than the Managing Director) are subject to re-election at least every two years. The tenure for executive directors is linked to their holding of executive office.

Formal deeds were entered into by the Company with directors whereby all directors are entitled to take such legal advice as they require at any time and from time to time on any matter concerning or in relation to their rights, duties and obligations as directors in relation to the affairs of the Company.

The Board Charter details the roles of the Chairman and Managing Director as follows:

Role of the Chairman

The role of Chairman is non-executive and central to the effective corporate governance of the Company. The Chairman leads the Board and General Meetings of the Company and is instrumental in ensuring effective communications exist between the Board of Directors and senior management. The Chairman is also responsible for the following:

- Ensuring the Company has an effective Board and that there are appropriate procedures in place to evaluate the performance of the Board as a whole, its individual directors and committees;
- Ensuring that meetings of the Board are conducted efficiently and effectively and that the quality of agenda and Board papers properly inform directors on the operations of the Company so as to facilitate effective review, analysis, discussion and decision making by directors;
- Promoting high standards of integrity and ethics;
- Establishing and maintaining a close working relationship with the Managing Director and providing ongoing support and advice;
- Overseeing communications with shareholders and other key stakeholders and representing the Board of Directors as required.

Role of the Managing Director

The role of the Managing Director is separate from the Chairman and is appointed by the non-executive directors of the Board. The responsibilities of the Managing Director include the following:

- Recommending strategic directions and implementing business plans approved by the Board;
- Managing the day to day operations of the Company including its financial, physical and human resources;
- Developing and implementing risk management procedures;
- Developing and implementing internal control and regulatory compliance policies and procedures;
- Providing timely, accurate and relevant information to the Board.

Corporate Governance Statement



Principle 3 – Promote ethical and responsible decision making

Ethical standards

The Company aims to a high standard of corporate governance and ethical conduct by directors and employees. The Company's code of conduct requires Directors and officers to:

- act in good faith and in the best interests of the Company;
- exercise care and diligence that a reasonable person in that role would exercise;
- exercise their powers in good faith for a proper purpose and in the best interests of the Company;
- not improperly use their position or information obtained through their position to gain a personal advantage or for the advantage of another person to the detriment of the Company;
- disclose material personal interests and avoid actual or potential conflicts of interests;
- keep themselves informed of relevant Company matters;
- keep confidential the business of all directors meetings; and
- observe and support the Board's Corporate Governance practices and procedures.

The Company has a Policy Manual which contains a code of conduct that provides guidance to employees regarding expected standards of behaviour, ethics and integrity as a condition of their employment.

All directors have signed deeds with the Company which require them to provide the Company with details of all securities registered in the director's name or an entity in which the director has a relevant interest within the meaning of section 9 of the Corporations Act 2001 and details of all contracts, other than contracts to which the Company is a party to which the director is a party or under which the director is entitled to a benefit, and that confer a right to call for or deliver shares in the Company and the nature of the director's interest under the contract.

Directors are required to disclose to the Board any material contract in which they may have an interest. In accordance with Section 195 of the Corporations Act 2001, a director having a material personal interest in any matter to be dealt with by the Board, will not be present when that matter is considered by the Board and will not vote on that matter.

Trading in the Company's Securities

Directors, officers and employees are not permitted to trade in securities of the Company at any time whilst in possession of price sensitive information not readily available to the market. Section 1043A of the Corporations Act 2001 also prohibits the acquisition and disposal of securities where a person possesses information that is not generally available and which may reasonably be expected to have a material effect on the price of the securities if the information was generally available.

In addition the Board has approved a formal policy regarding notification of Directors' interests in securities of the Company and contracts.

Principle 4 – Safeguard integrity in financial reporting

CEO/CFO declarations on financial reports

In accordance with ASXCGC best practice recommendation 4.1 the Chief Executive Officer and Chief Financial Officer are required to provide written declarations to the Board stating that in their opinions the Company's annual financial reports present a true and fair view, in all material respects, of the Company's financial position and financial performance are in accordance with relevant accounting standards.



Corporate Governance Statement



Audit Committee

Ramelius is not a Company required by ASX Listing Rule 12.7 to have an Audit Committee during the year although it is a best practice recommendation of the ASXCGC. Notwithstanding the Listing Rule requirement, the Company has an Audit Committee in accordance with ASXCGC best practice recommendation 4.2 to oversee the Company's internal controls, ethical standards, financial reporting, and external accounting and compliance procedures.

The Board has adopted a formal Charter for the Audit Committee in accordance with ASXCGC best practice recommendation 4.4. The Charter details the Audit Committee's role and responsibilities, composition and membership requirements. The role of the Chairman of the Audit Committee is also detailed in the Charter.

The Audit Committee is generally responsible for the integrity of the Company's financial reporting and overseeing the performance and independence of the external auditor.

Members of the Audit Committee have full rights to access all information and records of the Company and to discuss any matter with the external auditor and senior management. The Committee also has the right to seek external professional advice at the cost of the Company.

The Audit Committee's responsibilities are as follows:

- Overseeing establishment, maintenance and reviewing the effectiveness of the Company's internal control and ensuring efficacy and efficiency of operations, reliability of financial reporting and compliance with applicable Accounting Standards, Regulations and ASX Listing Rules;
- Reviewing, assessing and making recommendations to the Board on the annual and half year financial reports and other financial information or formal announcements published or released by the Company;
- Assessing and ensuring that any significant transactions and related party dealings are properly recognised, recorded and disclosed in the Company's financial reports;
- Obtaining and reviewing statements from the Chief Executive Officer and Chief Financial Officer expressing opinions on whether the Company's financial records have been properly maintained and whether financial statements comply with accounting standards and present a true and fair view;
- Reviewing the effectiveness of the Company's risk management and internal compliance systems;
- Approving and monitoring appropriate policies, procedures, codes of conduct and ethical standards for directors and employees and receiving and assessing management reports on any deficiencies or weaknesses that may arise;
- Liaising and discussing any relevant issues with the Chief Executive Officer and Chief Financial Officer;
- Assessing the scope of the annual audit and half year review, ensuring emphasis is placed on any areas requiring special attention;
- Liaising with and reviewing all reports of the external auditor including audit reports, management letters and independence declarations;
- Reviewing performance and assessing independence of the external auditor having regard for the provision of any non audit services and where necessary, making recommendations relating to audit fees, selection process, appointment, and removal of the Company's external auditor;
- Obtaining and reviewing statements confirming the external auditor's independence;
- Reviewing and monitoring management's response to any significant external auditor findings and recommendations;
- Reporting generally to the Board on the activities of the Committee and making any necessary recommendations relating to areas of improvement;
- Reviewing the contents of statements to be included in the annual report on the activities of the Committee
- Ensuring effective communication and reporting of the role of the Committee to shareholders and other key stakeholders of the Company;

Corporate Governance Statement



- Reviewing and assessing annually the performance of the Committee and the adequacy of this charter.

The Audit Committee currently consists of the two non executive Board directors, Messrs Kennedy & Nelson, and chaired by Mr Nelson. Mr Kennedy is a qualified Chartered Accountant. Details of these directors' qualifications and attendance at meetings are set out in the Directors' Report section of this report. The Audit Committee currently consist of less than three members and does not have a majority of independent directors including an independent Chairman. The members of the Committee are not regarded as being independent because they are officers of a substantial shareholder of the Company. Nevertheless, notwithstanding that the Company is not required to have an Audit Committee by ASX Listing Rule 12.7, the Audit Committee established by the Board is in partial compliance with ASXCGC best practice recommendation 4.3 in that it consists of only non-executive directors with a Chairman who is not the Chairman of the Board. The Board considers the current composition of the Audit Committee as appropriate given the current composition and size of the Board of directors.

The role of Chairman is non-executive and central to the effectiveness of the Audit Committee and its contribution to the Board's overall responsibility for the Corporate Governance of the Company. The Chairman leads the Committee and its meetings and is instrumental in ensuring effective communications exist between the Committee and the Board of Directors, senior management and external auditor. The Chairman is also responsible for the following:

- Ensuring the Audit Committee has appropriate procedures in place to evaluate the performance and effectiveness of the Committee as a whole and its individual Members;
- Ensuring that meetings of the Audit Committee are conducted efficiently and effectively and that the quality of agendas and papers properly inform Members on matters before the Committee that facilitates effective review, analysis, discussion and decision making by Members of the Committee;

- Promoting high standards of integrity and ethics;
- Maintaining a close working relationship with the Managing Director, senior management and external auditor so as to facilitate an effective flow of relevant and appropriate information to the Committee;
- Ensuring that the Board is kept informed on all matters relating to the activities of the Committee and overseeing any communications concerning its activities with shareholders and other key stakeholders.

The Committee meets at least two times per annum and reports to the Board. The Managing Director, Chief Financial Officer and external auditor may by invitation attend meetings at the discretion of the Committee.

Principle 5 – Making timely and balanced disclosure

Continuous Disclosure

The Company operates under the continuous disclosure requirements of the ASX Listing Rules and ensures that all information which may be expected to affect the value of the Company's securities or influence investment decisions is released to the market in order that all investors have equal and timely access to material information concerning the Company. The information is made publicly available on the Company's website following release to the ASX.

Although the Company has a procedure in place to promote timely disclosure of material information, proper vetting and authorisation of announcements that are factual and properly presented, such procedures have only been summarised and not formally documented in detail. The Board does not consider this to have impeded compliance with the continuous compliance requirements of the ASX Listing Rules given the size of the Company.



Corporate Governance Statement



Principle 6 – Respect the rights of shareholders

The Role of Shareholders

The Board aims to ensure that shareholders are informed of all major developments affecting the Company's state of affairs. In accordance with the ASXCGC best practice recommendation 6.1, information is communicated to shareholders as follows:

- the annual financial report which includes relevant information about the operations of the Company during the year, changes in the state of affairs of the entity and details of future developments, in addition to the other disclosures required by the Corporations Act 2001;
- the half yearly financial report lodged with the Australian Securities Exchange and thereby the Australian Securities and Investments Commission and sent to all shareholders who request it;
- notifications relating to any proposed major changes in the Company which may impact on share ownership rights that are submitted to a vote of shareholders;
- notices of all meetings of shareholders;
- publicly released documents including full text of notices of meetings and explanatory material made available on the Company's internet web-site at www.rameliusresources.com.au and sent by email to shareholders who request to receive such information electronically; and
- disclosure of the Company's Corporate Governance practices and communications strategy on the entity's internet web-site.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the shareholders as single resolutions. In accordance with ASXCGC best practice recommendation 6.2 the external auditor of the Company is also invited to the Annual General Meeting of shareholders and is available

to answer any questions concerning the conduct, preparation and content of the auditor's report. Pursuant to section 249K of the Corporations Act 2001 the external auditor is provided with a copy of the notice of meeting and related communications received by shareholders.

Principle 7 – Recognise and manage risks

Risk Assessment and Management

The Board recognises that there are inherent risks associated with the Company's operations including mineral exploration and mining, environmental, title and native title, legal and other operational risks. The Board endeavours to mitigate such risks by continually reviewing the activities of the Company in order to identify key business and operational risks and ensuring that they are appropriately assessed and managed. In compliance with ASXCGC best practice recommendation 7.1, the Board has approved a policy manual the contents of which assists with risk mitigation, oversight and management.

The Chief Executive Officer and Chief Financial Officer are required to declare to the Board in writing that the financial records of the Company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001 the financial statements and associated notes comply in all material respects with the accounting standards as required by Section 296 of the Corporations Act 2001; and the financial statements and associated notes give a true and fair view, in all material respect, of the financial position as at balance date and performance of the Company for the year as required by Section 297 of the Corporations Act 2001. However these officers are not presently required to state in writing that the integrity of the financial statements are based on a sound system of risk management and internal control because the Board considers the size of the Company renders the costs of implementing such systems and controls prohibitive.

Corporate Governance Statement



Principle 8 – Encourage enhanced performance

Performance Evaluation

The Board evaluates the performance of the Managing Director, Chief Operating Officer and Company Secretary on a regular basis and encourages continuing professional development. The Company's remuneration practices are disclosed in the Remuneration Report section of the Directors Report.

A performance evaluation for the Board and its members is conducted by the Chairman on an informal basis.

Principle 9 – Remunerate fairly and responsibly

Remuneration Policy

In accordance with ASXCGC best practice recommendation 9.1 the Company's remuneration practices are set out as follows.

Remuneration Practices

The Company's policy for determining the nature and amounts of emoluments of board members and key management personnel of the Company is as follows.

The Company's Constitution specifies that the total amount of remuneration of non-executive directors shall be fixed from time to time by a general meeting. The current maximum aggregate remuneration of non-executive directors has been set at \$400,000 per annum. Directors may apportion any amount up to this maximum amount amongst the non-executive directors as they determine. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as directors. The remuneration of the Managing Director is determined by the non-executive directors on the Board as part of the terms and conditions of his employment which are subject to review from time to time. The remuneration of other executive officers and employees is determined by the Managing Director subject to the approval of the Board.

Non-executive director remuneration is by way of fees and statutory superannuation contributions. Non-executive directors do not participate in schemes designed for remuneration of executives nor do they receive options or bonus payments and are not provided with retirement benefits other than statutory superannuation.

The Company's remuneration structure is based on a number of factors including the particular experience and performance of the individual in meeting key objectives of the Company. The Board is responsible for assessing relevant employment market conditions and achieving the overall, long term objective of maximising shareholder benefits, through the retention of high quality personnel. In the past, the Company did not emphasise payment for results through the provision of cash bonus schemes or other incentive payments based on key performance indicators of Ramelius. However the Board could pay cash bonuses from time to time in order to reward individual executive performance in achieving key objectives as considered appropriate by the Board. The Company's remuneration policies are being reviewed in light of the employee incentive plans approved by shareholders in November 2007. Cash bonuses were paid during the financial year as disclosed in the Remuneration Report above.

Employee Incentive Plan

The Company has an Employee Share Acquisition Plan and a Performance Rights Plan which have been approved by shareholders. The Share Acquisition Plan enables the Board to offer eligible employees ordinary fully paid shares in the Company in accordance with ASXCGC best practice recommendation 9.4. The non-executive directors are not eligible to participate in these Plans and are only remunerated by way of fees and superannuation in compliance with ASXCGC best practice recommendation 9.3. In accordance with the terms of the Plan, shares may be offered at no consideration unless the Board determines that market value or some other value is appropriate.

Corporate Governance Statement



Any consideration may be by way of interest free loans repayable in accordance with the terms and conditions of the Plan. The Performance Rights Plan enables the Board to grant Performance Rights (being entitlements to shares in the Company that are subject to satisfaction of vesting conditions) to selected key senior executives as a long-term incentive as determined by the Board in accordance with the terms and conditions of the Plan.

The objective of the Share Acquisition Plan is to align the interests of employees and shareholders by providing employees of the Company with the opportunity to participate in the equity of the Company as an incentive to achieve greater success and profitability for the Company and to maximise the long term performance of the Company. The objective of the Performance Rights Plan is to provide selected senior executives the opportunity to participate in the equity of the Company through the issue of Performance Rights as a long term incentive that is aligned to the long term interests of shareholders.

During the year ended 30 June 2008 a total of 152,420 shares with a fair value of \$174,961 were issued to employees under the Employee Share Acquisition Plan.

Performance Based Remuneration

Key Management Personnel receive performance based remuneration as considered appropriate by the Board. The intention of this remuneration is to facilitate goal congruence between Key Management Personnel with that of the business and shareholders.

The remuneration policy of the Company has been tailored to increase goal congruence between shareholders, directors and senior executives. Two methods have been used to achieve this aim.

The first method was the issue of options to Key Management Personnel. During the financial year a total of 800,000 options (each exercisable at \$1.90 by 30 June 2009) with a fair value of \$272,000 were issued to certain Key Management Personnel.

The second method was through a Performance Rights Plan based on Key Performance Indicators ("KPI's") set by the Board. The KPI conditions attached to the performance Rights Plan include a vesting period of three years from grant date (7 April 2008) and a requirement for the Company's share price to be within the top 40% comparator group of companies as set by the Board. The Companies in the comparator group are as follows.

Avoca Resources Limited	Dioro Exploration NL
Alkane Resources Limited	Gryphon Minerals Limited
Apex Minerals NL	Integra Mining Limited
Barra Resources Limited	Monarch Gold Mining Company Limited
Bendigo Mining Limited	Norton Gold Fields Limited
Carrick Gold Limited	Silver Lake Resources Limited
Citigold Corporation Limited	Tanami Gold NL
Crescent Gold Limited	Troy Resources NL

During the financial year a total of 900,000 Performance Rights with a fair value of \$864,000 were granted under the Performance Rights Plan to selected Key Management Personnel. These Rights are recognised on a pro-rata basis over the vesting period. Any options that do not vest on the vesting date will lapse. The options are subject to performance conditions which are to be tested in future financial periods.

The employment conditions of executive directors including the Managing Director, Mr Houldsworth and key management personnel are formalised in contracts of employment. At the date of this report, the employment contracts of the Managing Director and the Chief Financial Officer/Company Secretary had expired and the Company has negotiated new agreements for these executives subject to documentation. Generally, employment contracts of senior executives enable the Company to terminate the contracts without cause by providing written notice or making a termination payment in lieu of notice including a minimum termination payment

Corporate Governance Statement



as provided for under the contracts. However any such termination payment to officers of the Company are subject to the requirements of ASX Listing Rule 10.19, and in the event that the value of termination benefits to be paid and the value of all other termination benefits that are or may be payable to all officers of the Company together exceed 5% of the equity interests of the Company as set out in the latest accounts given to the ASX, the payment shall be pro-rata based on the maximum total termination benefits allowable under ASX Listing Rule 10.19. Termination payments are not generally payable on resignation or dismissal for serious misconduct.

Details of directors' and executives/officers' remuneration, superannuation and retirement payments are set out in the Remuneration Report section of the Directors' Report.

Since the end of the 2008 financial year the Board has established a Remuneration Committee to deal with executive remuneration, recruitment, retention and termination policies for senior management and incentive schemes. The composition of the Committee is two non-executive directors, Messrs Nelson and Kennedy who are not regarded as being independent under because they are officers of a substantial shareholder of the Company and the Board is yet to approve a formal charter for the Committee in accordance with ASXCGC best practice recommendation 9.2. There has been one meeting held since the formation of the Remuneration Committee attended by both members and chaired by Mr Nelson.

Principle 10 – Recognise the legitimate interests of stakeholders

Code of Conduct

The Company requires all its directors and employees to abide by the highest standards of behaviour, business ethics and in accordance with the law. In discharging their duties, Directors and officers of the Company are required to:

- act in good faith and in the best interests of the Company;
- exercise care and diligence that a reasonable person in that role would exercise;
- exercise their powers in good faith for a proper purpose and in the best interests of the Company;
- not improperly use their position or information obtained through their position to gain a personal advantage or for the advantage of another person to the detriment of the Company;
- disclose material personal interests and avoid actual or potential conflicts of interests;
- keep themselves informed of relevant Company matters;
- keep confidential the business of all directors meetings; and
- observe and support the Board's Corporate Governance practices and procedures.



Glossary of Terms

ADSORPTION

The attraction of molecules (of gold) in solution to the surface of solid bodies (carbon).

AEROMAGNETICS

A geophysical technique measuring changes in the earth's magnetic field from an airborne craft.

AIRCORE

A method of rotary drilling whereby rock chips are recovered by air flow returning inside the drill rods rather than outside, thereby providing usually reliable samples.

ANOMALOUS

A departure from the expected norm. In mineral exploration this term is generally applied to either geochemical or geophysical values higher or lower than the norm.

ARCHAEOAN

The oldest rocks of the Earth's crust – older than 2,400 million years.

AURIFEROUS

Gold bearing material

AUGER

A screw-like boring or drilling tool for use in clay or soft sediments.

ASX

The Australian Securities Exchange Limited (ACN 008 629 691)

AU

Gold

AZ

Azimuth, a surveying term, the angle of horizontal difference, measured clockwise, of a bearing from a standard direction, as from north.

BASE METAL

Non precious metal, usually referring to copper, zinc and lead.

BCM

Bank Cubic Metre. Usually refers to the volume of waste measured in situ.

BERM

A horizontal bench left in the wall of an open pit to provide stability to the wall.

BIOTITE

A mineral of the mica group widely distributed in a variety of rock types.

CALCRETE

Soil and superficial material cemented by calcium carbonate.

CARBONATE

A common mineral type consisting of carbonates of calcium, iron, and/or magnesium.

CHLORITE

A representative of a group of micaceous greenish minerals which are common in low grade schists and is also a common mineral associated with hydrothermal ore deposits.

CIL CIRCUIT

That part of the gold treatment plant where gold is dissolved from the pulverised rock and subsequently adsorbed onto carbon particles from which the gold is ultimately recovered.

COMPANY

Ramelius Resources Limited (ACN 001 717 540)

COSTEAN

A trench dug through soil to expose the bedrock.

CU

Copper.

CUT

A term used when referring to average assays where the grade of a particularly high-grade interval is reduced to a lesser value.

DISSEMINATED

Usually referring to minerals of economic interest scattered or diffused through out the host rock.

DIP

The angle at which rock stratum or structure is inclined from the horizontal.

DYKE

Tabular igneous intrusive cutting the bedding or planar features in the country rock.

EL

Exploration Licence.

ELA

Exploration Licence application.

EM

Electromagnetic, a geophysical technique used to detect conductive material in the earth.

EOH

End of Hole.

FAULT

A fracture in rocks along which rocks on one side have been moved relative to the rocks on the other.

F.C.I.

Free carried interest.

FELSIC

Light coloured rock containing an abundance of any of the following: - feldspars, feldspathoids and silica.

FERRUGINOUS

Containing iron.

FLITCH

A Mining Term for the different levels in an open pit.



Glossary of Terms

GEOCHEMICAL EXPLORATION

Used in this report to describe a prospecting technique, which measures the content of certain metals in soils and rocks and defines anomalies for further testing.

GEOPHYSICAL EXPLORATION:

The exploration of an area in which physical properties (eg. Resistivity, gravity, conductivity and magnetic properties) unique to the rocks in the area quantitatively measured by one or more geophysical methods.

g/cc

grams per cubic centimetre

g/t

grams per tonne

GOSSAN

The oxidised, near surface part of underlying primary sulphide minerals.

GROSS GOLD ROYALTY

A royalty payment based on the total amount of product (gold) produced.

GRADE

g/t – grams per tonne, ppb – part per billion, ppm – parts per million.

GRATICULAR BLOCK

With respect to Exploration Licences, that area of land contained within one minute of Latitude and one minute of Longitude.

GRAVITY CIRCUIT

Part of the Gold Treatment Plant where gold particles are accumulated by virtue of their density.

GSWA

The Geological Survey of Western Australia.

ha

Hectare

JORC

The Australasian Code for Reporting of Mineral Resources and Ore Reserves

km

kilometre

KOMATIITE

An ultramafic rock with high magnesium content extruded from a volcano.

LAG

A residual deposit remaining after finer particles have been blown away by wind.

LATERITE

Highly weathered residual material rich in secondary oxides or iron and/or aluminium.

LEACHWELL

An analytical method.

LODE DEPOSIT

A vein or other tabular mineral deposit with distinct boundaries.

MASSIVE

Large in mass, having no stratification. Homogeneous structure.

MINERALISED

Rock impregnated with minerals of economic importance.

M TONNES

million tonnes

M

metre

ML

Mining Lease.

MLA

Mining Lease Application.

NATIVE TITLE

Native Title is the recognition in Australian law of indigenous Australian's rights and interests in land and waters according to their own traditional laws and customs. In June 1992, the High Court of Australia, in the case of *Mabo v Queensland (1992) 175 Commonwealth Law Reports 1*, overturned the idea that the Australian continent belonged to no one at the time of European's arrival. It recognised for the first time that indigenous Australians may continue to hold native title. Indigenous Australians may now make native title claimant applications seeking recognition under Australian law of their native title rights.

NATIVE TITLE TRIBUNAL

The Native Title Tribunal set up under the Native Title Act 1993.

Ni

Nickel.

OPEN PIT

A mine excavation produced by quarrying or other surface earth-moving equipment.

ORE GRADE

The grade of material that can be (or has been) mined and treated for an economic return.

OVERCALL

Refers to more metal (gold) being recovered than anticipated.

OXIDISED

Near surface decomposition by exposure to the atmosphere and groundwater, compare to weathering.

oz

Troy ounces = 31.103477 grams

PEDOGENIC

The development of soil.

PENTLANDITE

An important ore of nickel (FeNi)₉S₈

Glossary of Terms

PETROLOGICAL

Pertains to a study of the origin, distribution, structure and history of rocks.

PERCUSSION DRILLING

Method of drilling where rock is broken by the hammering action of a bit and the cuttings are carried to the surface by pressurised air returning outside the drill pipe.

Pd

Palladium.

PL

Prospecting Licence.

PLA

Prospecting Licence application

PORPHYRY

A felsic or sub volcanic rock with larger crystals set in a fine groundmass.

ppb

parts per billion

PRIMARY GOLD

Gold mineralisation that has not been subject to weathering processes, as opposed to Secondary Gold.

PROTEROZOIC

The Precambrian era after Archaean.

Pt

Platinum.

PYRITE

A common, pale bronze iron sulphide mineral.

PYRRHOTITE

An iron sulphide mineral.

QUARTZ

Mineral species composed of crystalline silica.

RAB DRILLING

Rotary Air Blast Drilling: Method of drilling in which the cuttings from the bit are carried to the surface by pressurised air returning outside the drill pipe. Most "RAB" drills are very mobile and designed for shallow, low-cost drilling of relatively soft rocks.

RC DRILLING

Reverse Circulation Drilling: A method of drilling whereby rock chips are recovered by air flow returning inside the drill rods rather than outside, thereby providing usually reliable samples.

REIDEL FAULT

A slip surface that develops during the early stage of shearing.

REGOLITH

A layer of fragmented and unconsolidated material that overlies or covers basement.

RESERVE

The mineable part of a resource to which a tonnage and grade has been assigned according to the JORC code.

RESOURCE

Mineralisation to which a tonnage and grade has been assigned according to the JORC code.

ROCK CHIP SAMPLE

A series of rock chips or fragments taken at regular intervals across a rock exposure.

SECONDARY GOLD

Gold mineralisation that has been subject to and usually enriched by weathering processes.

SEDIMENTARY ROCKS

Rocks formed by deposition of particles carried by air, water or ice.

SHEAR ZONE

A generally linear zone of stress along which deformation has occurred by translation of one part of a rock body relative to another part.

SILICIFIED

Alteration of a rock by introduction of silica.

STRATIGRAPHY

The study of formation, composition and correlation of sedimentary rocks.

STRIKE

The direction of bearing of a bed or layer of rock in the horizontal plane.

SULPHIDES

Minerals consisting of a chemical combination of sulphur with a metal.

t

tonnes

TEM

Transient Electromagnetic, a geophysical technique used to detect conductive material in the earth.

TOLL TREATMENT

The treatment of ores where payment is made to the operator of the treatment plant according to the amount of material being treated.

TONNE

32,125 Troy ounces.

OZ

Troy ounce = 31.103477 grams

TREMOLITE

A pale coloured amphibole mineral.

ULTRAMAFIC

An igneous rock comprised chiefly of mafic minerals.

UNCUT

A term used when referring to average assays where the grade of a particularly high-grade interval is not reduced to a lesser value.

VACUUM DRILLING

A method of rotary drilling where the drill cuttings are recovered inside the drill rods by a vacuum system.



Ramelius Resources Limited. Financial Report. 2008.



Directors' Report

The Directors present their report together with the financial report of Ramelius Resources Limited ('the Company') and its controlled entities for the year ended 30 June 2008 and the auditor's report thereon.

Directors

The Directors of the Company at any time during or since the end of the financial year are as set out below. Details of Directors' qualifications, experience and special responsibilities are as follows:



Robert Michael Kennedy *ASAIT, Grad, Dip (Systems Analysis), FCA, ACIS, Life member AIM, FAICD.*

Non-Executive Chairman. Board member since 1 November 1995 as a Non-Executive Chairman. A Chartered Accountant and Consultant to Kennedy & Co, Chartered Accountants, a firm he founded. He brings to the Board his expertise in finance and management consultancy and extensive experience as chairman and non-executive Director of a range of listed public companies including in the resources sector.

Special responsibilities include membership of the Audit Committee and the Remuneration Committee.

Other listed company directorships are: Chairman of Beach Petroleum Limited (since 1995 and a Director since 1991), Flinders Diamonds Limited (since 2001), Maximus Resources Limited (since 2004), Eromanga Uranium Limited (since 2006), Monax Mining Limited (since 2004) and Marmota Energy Limited (since 2006).



Reginald George Nelson *BSc, Hon Life Member Society of Exploration Geophysicists, FAusIMM, FAICD.*

Non-Executive Director. Board member since 1 November 1995. An exploration geophysicist with extensive experience in the minerals and petroleum industries, former Chairman and current counsellor of the Australian Petroleum Production and Exploration Association Council. He has wide experience in technical, corporate and government affairs. Experience in gold exploration and mining operations in Western Australia, the Northern Territory and South Australia. Former Chairman of the Nevorita Gold Mine Joint Venture in Western Australia.

Special responsibilities include Chairman of the Audit Committee and the Remuneration Committee.

Other listed company directorships are: Managing Director of Beach Petroleum Limited (since 1992) and Director of Anzon Australia Limited (between 2004 to December 2005), Monax Mining Limited (since 2004) and Marmota Energy Limited (since 2006).



Kevin James Lines *BSc (Geology), MAusIMM.*

Non-Executive Director. Board member since 9 April 2008. He has over 25 years experience in mineral exploration and mining for gold, copper, lead/zinc and tin. He has held senior geological management positions with Newmont Australia Limited, Normandy Mining Limited and the CRA group of companies. He was the foundation Chief Geologist at Kalgoorlie Consolidated Gold Mines where he led the team that developed the ore-body models and geological systems for the Super-Pit Operations in Kalgoorlie, managed the Eastern Australian Exploration Division of Newmont Australia that included responsibility for the expansive tenement holdings of the Tanami region. He has extensive experience in the assessment and evaluation of exploration projects and development of properties and mining operations overseas.

Other listed company directorships are: Managing Director of Eromanga Uranium Limited.

Directors' Report



Joseph Fred Houldsworth

Managing Director and Chief Executive Officer. Board member since 18 February 2002. Extensive practical experience in the resource industry having worked in the mining and exploration industry for more than 30 years at both operational and management levels primarily in the Western Australian Goldfields. Instrumental in turning around the troubled Nevorita Gold Mine in 1993. Former consultant for 10 years to insolvency specialists on both mining and exploration and has considerable experience in asset management for various mining entities.

Special responsibilities include acquisition of the Ramelius portfolio and directing the Company's exploration program.



Ian James Gordon *BCom, MAICD.*

Executive Director and Chief Operating Officer. Executive Director since 18 October 2007 and Alternate Director for Mr JF Houldsworth since 19 July 2007. More than 20 years experience in the resources industry in gold, diamonds and base metals. He has held management positions with Rio Tinto Exploration Pty Ltd, Gold Fields Australia Pty Ltd and Delta Gold Limited.

Other listed company directorships are: Former Director of Glengarry Resources Limited (2004 to 2005).

Special responsibilities relate to the development of the Company's business.

Directors' meetings

The Company held 19 meetings of Directors (including committees of Directors) during the financial year. The number of Directors' meetings and number of meetings attended by each of the Directors of the Company (including committees of Directors) during the financial year were as follows:

	Directors' meetings		Audit Committee meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Director				
Robert Michael Kennedy	17	17	2	2
Reginald George Nelson	17	17	2	2
Joseph Fred Houldsworth ¹	17	16	N/A	N/A
Ian James Gordon ^{1,2}	11	11	N/A	N/A
Kevin James Lines ^{1,3}	4	4	N/A	N/A

¹ Messrs Houldsworth, Gordon and Lines are not members of the Audit Committee.

² Mr Gordon was appointed a Director on 18 October 2007.

³ Mr Lines was appointed a Director on 9 April 2008.



Company Secretary

The following person held the position of Company Secretary at the end of the financial year.

Domenico Antonio Francese *B.Ec., FCA, FFin, ACIS.* Appointed Company Secretary on 21 September 2001. A Chartered Accountant with an audit and investigations background and more than 12 years experience in a regulatory and supervisory role with ASX. He has been employed by the Company since 1 April 2003 and was appointed Chief Financial Officer in June 2005.

Principal activities

The Company's principal activity is gold and minerals exploration and production.

Directors' Report

Review and results of operations

During the year the Company milled 96,910 tonnes of Wattle Dam ore to produce approximately 16,939 ounces of gold. Gold sales to 30 June 2008 were \$14.8 million.

In July 2007 the Company exercised an option to acquire 80% of Pioneer's nickel interests in both the 'Wattle Dam tenement group' and the 'Logans/Larkinville tenement group' at a total cost of \$700,000 cash.

On 28 September 2007 a return of capital of \$0.075 per share and totalling \$11,975,816 was paid to all registered shareholders as at 3 August 2007.

In January 2008 the Company issued 400,000 incentive options to Mr Ian James Gordon (Executive Director) and 400,000 incentive options to Mr Antony Philip Webb (Burbanks Process Manager) as approved by shareholders at the Company's Annual General Meeting in November 2007. These options are non-transferable, unlisted and exercisable at \$1.90 by 30 June 2009.

In August 2007 the Company announced that resource extension drilling at Wattle Dam had identified several zones of visible gold mineralisation adjacent to hole WDRC226 which intersected 48 metres @ 154 g/t gold from 148 metres depth. The drilling program outlined high grade gold mineralisation in several holes including 16 metres @ 482 g/t gold from 123 metres (uncut – WDRC289) and 9 metres @ 454 g/t gold from 132 metres (uncut – WDRC290). These results included one metre intercepts of 6,770 g/t gold and 3,687 g/t gold respectively which coincide with visible gold intervals as previously reported by the Company in July 2007.

In November 2007 the Company announced that an initial mineral resource estimate and geological model had been completed for the Wattle Dam Project. The total indicated and inferred resource is estimated at 540,000 tonnes @ 4.8 g/t gold containing 83,200 ounces and within the total mineral resource, there are two higher grade zones which are estimated to contain 70% of the gold (~58,600 ounces). Zone 3 is estimated to contain 73,000 tonnes @ 16.5 g/t gold for 38,700 ounces and Zone 18 is estimated to contain 37,000 tonnes @ 16.7 g/t for 19,900 ounces. Zone 3 includes a top cut of 200 g/t and Zone 18 includes a top cut of 50 g/t.

On 3 June 2008 the Company announced that it had recommenced mining operations at Wattle Dam with a cut-back of the existing open pit to be followed by an underground development to access gold ore in the high grade zones discovered during 2007. The mine plan for this operation is expected to produce approximately 67,000 ounces of gold.

Results

The consolidated net profit after income tax was \$611,697.

Dividends

A fully franked maiden dividend of \$0.005 per share was paid on 3 August 2007.

Significant changes in state of affairs

Significant changes in the state of affairs of the Company during the year were as follows:

In August 2007 the Company issued 15,925,019 options over unissued shares to shareholders pursuant to a one for ten free Bonus Option issue as at 3 August 2007. The options are exercisable at \$1 each and have an expiry date of 30 June 2009.

In May 2008 the Company issued 18,455,929 options over unissued shares to shareholders pursuant to a one for ten free Bonus Option issue as at 5 May 2008. The options are exercisable at \$1.50 each and have an expiry date of 30 June 2010.

During the financial year, option-holders exercised 1,456 options at \$1.50; 2,208,756 options at \$1.00; 3,529,960 options at \$0.18687 and 6,415,122 options at \$0.11187 generating a total of \$3,588,243 in additional capital.

In April 2008 the Company raised \$11,000,000 through a placement of 11,578,948 shares to investors at \$0.95 per share.

In April 2008 the Company issued 5,260,727 shares at \$0.95 under a Share Purchase Plan which raised \$4,997,690.

Directors' Report

Events subsequent to balance date

Since 30 June 2008, the Company;

- announced that RC drilling had intersected Wattle Dam style mineralisation at Golden Orb with intercepts of 7 metres at 10.8 g/t gold from 117 metres (including 2 metres at 27 g/t gold) and 4 metres at 6.9 g/t gold from 103 metres (including 2 metres at 12.2 g/t gold) which with previous drilling, had defined a new gold zone on the same contact as Wattle Dam that was open to the north, south and down dip and which had the potential to add to the existing Wattle Dam resources as a low cost, high grade gold operation.
- acquired West Wattle Dam tenements PL15/4381 and MLA15/1474 through the issue of 100,000 shares in the Company as consideration at a fair value of \$80,000.
- sold Parker Range tenements EL77/1403, PLs 77/3481, 77/3740, 77/3764, 77/3765 and MLA77/1085 for a cash consideration of \$100,000 and a 1% royalty on the sale of any precious metals from the tenements capped at \$500,000.
- surrendered a small insignificant tenement holding, EL15/718 which the Controlling Entity elected not to convert to a mining lease.

Apart from the above, there has not arisen in the interval between 30 June 2008 and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future years.

Likely developments

Open pit mining at Wattle Dam is expected to continue during early financial year 2008/09 after which development of the underground mine is anticipated to commence. The Company expects that while accessing the underground high grade gold ore, processing of low grade ore from the open pit cut-back will continue at its 100% owned Burbanks Mill.

Further information about likely developments in the operations of the Company and the expected results of those operations in future years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.



Directors' Report

Remuneration report (audited)

This report details the nature and amount of remuneration for each Director and key management person of Ramelius Resources Limited and for executives receiving the highest remuneration.

Remuneration practices

The Company's policy for determining the nature and amounts of emoluments of board members and Key Management Personnel of the Company is as follows:

The Company's Constitution specifies that the total amount of remuneration of non-executive Directors shall be fixed from time to time by a general meeting. The current maximum aggregate remuneration of non-executive Directors has been set at \$400,000 per annum. Directors may apportion any amount up to this maximum amount amongst the non-executive Directors as they determine. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as Directors. The remuneration of the Managing Director is determined by the non-executive Directors on the Board as part of the terms and conditions of his employment which are subject to review from time to time. The remuneration of other executive officers and employees is determined by the Managing Director subject to the approval of the Board.

Non-executive Director remuneration is by way of fees and statutory superannuation contributions. Non-executive Directors do not participate in schemes designed for remuneration of executives nor do they receive options or bonus payments and are not provided with retirement benefits other than statutory superannuation.

The Company's remuneration structure is based on a number of factors including the particular experience and performance of the individual in meeting key objectives of the Company. The Board is responsible for assessing relevant employment market conditions and achieving the overall, long term objective of maximising shareholder benefits, through the retention of high quality personnel.

In the past, the Company did not emphasise payment for results through the provision of cash bonus schemes or other incentive payments based on key performance indicators of Ramelius. However the Board could pay cash bonuses from time to time in order to reward individual executive performance in achieving key objectives as considered appropriate by the Board. The Company's remuneration policies are being reviewed in light of the employee incentive plans approved by shareholders in November 2007. Cash bonuses were paid during the financial year as disclosed in the Remuneration Report.

Employee Incentive Plan

The Company has an Employee Share Acquisition Plan and a Performance Rights Plan which have been approved by shareholders. The Share Acquisition Plan enables the Board to offer eligible employees ordinary fully paid shares in the Company and in accordance with the terms of the Plan, shares may be offered at no consideration unless the Board determines that market value or some other value is appropriate. Any consideration may be by way of interest free loans repayable in accordance with the terms and conditions of the Plan. The Performance Rights Plan enables the Board to grant Performance Rights (being entitlements to shares in the Company that are subject to satisfaction of vesting conditions) to selected key senior executives as a long-term incentive as determined by the Board in accordance with the terms and conditions of the Plan.

The objective of the Share Acquisition Plan is to align the interests of employees and shareholders by providing employees of the Company with the opportunity to participate in the equity of the Company as an incentive to achieve greater success and profitability for the Company and to maximise the long term performance of the Company. The objective of the Performance Rights Plan is to provide selected senior executives the opportunity to participate in the equity of the Company through the issue of Performance Rights as a long term incentive that is aligned to the long term interests of shareholders.

During the year ended 30 June 2008 a total of 152,420 shares with a fair value of \$174,961 were issued to employees under the Employee Share Acquisition Plan.

Directors' Report

Performance based remuneration

Key Management Personnel receive performance based remuneration as considered appropriate by the Board. The intention of this remuneration is to facilitate goal congruence between Key Management Personnel with that of the business and shareholders.

The remuneration policy of the Company has been tailored to increase goal congruence between shareholders, Directors and senior executives. Two methods have been used to achieve this aim.

The first method was the issue of options to Key Management Personnel. During the financial year a total of 800,000 options (each exercisable at \$1.90 by 30 June 2009) with a fair value of \$272,000 were issued to certain Key Management Personnel.

The second method was through a Performance Rights Plan based on Key Performance Indicators ("KPI's") set by the Board. The KPI conditions attached to the Performance Rights Plan include a vesting period of three years from grant date (7 April 2008) and a requirement for the Company's share price to be within the top 40% comparator group of companies as set by the Board. The Companies in the comparator group are as follows:

Avoca Resources Limited	Dioro Exploration NL
Alkane Resources Limited	Gryphon Minerals Limited
Apex Minerals NL	Integra Mining Limited
Barra Resources Limited	Monarch Gold Mining Company Limited
Bendigo Mining Limited	Norton Gold Fields Limited
Carrick Gold Limited	Silver Lake Resources Limited
Citigold Corporation Limited	Tanami Gold NL
Crescent Gold Limited	Troy Resources NL

During the financial year a total of 900,000 Performance Rights with a fair value of \$576,000 were granted under the Performance Rights Plan to selected Key Management Personnel. These Rights are recognised on a pro-rata basis over the vesting period. Any Rights that do not vest on the vesting date will lapse. The Rights are subject to performance conditions which are to be tested in future financial periods.

The employment conditions of executive Directors including the Managing Director, Mr Houldsworth and Key Management Personnel are formalised in contracts of employment. At the date of this report, the employment contracts of the Managing Director and the Chief Financial Officer/Company Secretary had expired and the Company has negotiated new agreements for these executives subject to documentation. Generally, employment contracts of senior executives enable the Company to terminate the contracts without cause by providing written notice or making a termination payment in lieu of notice including a minimum termination payment as provided for under the contracts. However any such termination payments to officers of the Company are subject to the requirements of ASX Listing Rule 10.19, and in the event that the value of termination benefits to be paid and the value of all other termination benefits that are or may be payable to all officers of the Company together exceed 5% of the equity interests of the Company as set out in the latest accounts given to the ASX, the payment shall be pro-rata based on the maximum total termination benefits allowable under ASX Listing Rule 10.19. Termination payments are not generally payable on resignation or dismissal for serious misconduct. Any performance rights or options not vested or exercised before the date of termination will lapse.



Directors' Report

Remuneration of Directors and Key Management Personnel

(a) *Directors and Key Management Personnel*

The names and positions held by Directors and Key Management Personnel of the Company during the financial year are:

Directors	Positions
Mr RM Kennedy	Chairman – Non-Executive
Mr RG Nelson	Director – Non-Executive
Mr JF Houldsworth	Managing Director – Executive
Mr IJ Gordon ¹	Director – Executive
Mr KJ Lines ²	Director – Non-Executive
Key Management Personnel	
Mr DA Francese	Chief Financial Officer/Company Secretary
Mr BT Kelty ³	Wattle Dam Mine Manager
Mr MI Svensson ⁴	Exploration Manager
Mr AP Webb ⁵	Burbanks Mill Process Manager

¹ Mr Gordon was appointed a Director on 18 October 2007.

² Mr Lines was appointed a Director on 9 April 2008.

³ Mr Kelty commenced as an employee of the Parent Entity on 1 July 2007 (he was previously employed as a consultant) and retired as the Wattle Dam Mine Manager on 31 July 2008 following the appointment of a qualified underground Mine Manager.

⁴ Mr Svensson was promoted to the position of Exploration Manager on 22 February 2008.

⁵ Mr Webb commenced as an employee of a subsidiary of the Parent Entity on 1 July 2007 (he was previously employed as a consultant).

Directors' Report

(b) Directors' Remuneration

2008 Primary Benefits	Directors' fees \$	Salary \$	Cash bonus \$	Super contributions \$	Non-cash benefits ³ \$	Total \$	Performance related %
Directors							
Mr RM Kennedy	135,841	–	–	12,226	–	148,067	–
Mr RG Nelson	67,095	–	–	6,039	–	73,134	–
Mr JF Houldsworth	–	329,358	114,000	39,902	25,775	509,035	27.45
Mr IJ Gordon	–	207,187	–	18,647	153,184	379,018	40.42
Mr KJ Lines	16,857	–	–	1,517	–	18,374	–
	219,793	536,545	114,000	78,331	178,959	1,127,628	
2007 Primary Benefits	Directors' fees \$	Salary \$	Cash bonus \$	Super contributions \$	Non-cash benefits \$	Total \$	Performance related %
Directors							
Mr RM Kennedy	106,859	–	–	9,617	–	116,476	–
Mr RG Nelson ¹	21,820	–	–	34,464	–	56,284	–
Mr JF Houldsworth ²	–	217,125	130,887	106,654	–	454,666	28.78
	128,679	217,125	130,887	150,735	–	627,426	

¹ Super contributions for Mr Nelson for 2007 include Directors' fees of \$29,817 sacrificed for super.

² Super contributions for Mr Houldsworth for 2007 include a cash bonus of \$69,113 sacrificed for super.

³ Non-cash benefits for 2008 are performance related rights to shares and in the case of Mr Gordon, also options as detailed in Note 21.

Performance income as a proportion of total remuneration

Executive Directors are paid performance based bonuses based on set monetary amounts rather than proportions of their fixed salary and also performance based rights to shares and options. This has resulted in the proportion of remuneration related to performance varying between individuals. The Board has set these bonuses in order to encourage the achievement of specific goals that have been given high levels of importance in relation to future growth and profitability of the Consolidated Entity.

(c) Director's service agreement

During the previous financial year the Company entered into an employment agreement with Mr Gordon in respect of his services as Manager Business Development commencing 15 June 2007. The initial salary of \$190,000 per annum inclusive of superannuation guarantee contributions is reviewed periodically. In May 2008, Mr Gordon was appointed to the role of Chief Operating Officer and his salary increased to \$318,000 per annum inclusive of superannuation. Mr Gordon is entitled to a termination payment equal to six months remuneration where in certain circumstances the employment agreement is terminated. At the date of this report, the employment agreement of Mr Houldsworth in respect of his services as Managing Director had expired and the Company has negotiated new employment agreements with both of the above Directors subject to documentation.

Apart from the potential termination payment referred to above, there are no other post-employment benefits payable to Directors.



Directors' Report

(d) Director related entities

During the year ended 30 June 2008 the Parent Entity made the following payments to Director related entities.

Director	Nature of payment	Amount
JF Houldsworth	Wages inclusive of superannuation paid to spouse of the Director during a period of six weeks due to illness of existing administrative assistant	6,863
	Wages inclusive of superannuation paid to a brother of the Director for mine security	79,804
	Living away from home expenses paid to a brother of the Director	11,216

(e) Key Management Personnel

2008 Primary Benefits	Salary	Cash bonus	Super contributions	Non-cash benefits ¹	Total	Performance related
	\$	\$	\$	\$	\$	%

Key Management Personnel excluding Directors

Mr DA Francese ²	205,994	10,000	19,439	24,151	259,584	7.16
Mr BT Kelty	203,670	–	18,330	–	222,000	–
Mr MI Svensson	141,988	–	12,779	–	154,767	–
Mr AP Webb	161,590	–	43,157	136,000	340,747	39.91
	713,242	10,000	93,705	160,151	977,098	

2007 Primary Benefits	Salary	Cash bonus	Super contributions	Non-cash benefits	Total	Performance related
	\$	\$	\$	\$	\$	%

Key Management Personnel excluding Directors

Mr IJ Gordon	12,417	–	1,117	–	13,534	–
Mr DA Francese ²	173,930	31,000	18,444	–	223,374	13.88
	186,347	31,000	19,561	–	236,908	

¹ Non cash benefits 2008 for employee shares, and in the case of Mr Francese, also performance related rights to shares and in the case of Mr Webb, also incentive options as detailed in Note 21.

² During the 2007 and part of the 2008 financial year Mr Francese acted as a Company Secretary and Chief Financial Officer of another listed entity. Refer to Note 26 for details of payments received from that listed entity in relation to his services.

Performance income as a proportion of total remuneration

Key Management Personnel are paid performance based bonuses based on set monetary amounts rather than proportions of their fixed salary and also performance based rights to shares and options. This has resulted in the proportion of remuneration related to performance varying between individuals. The Board has set these bonuses in order to encourage the achievement of specific goals that have been given high levels of importance in relation to future growth and profitability of the Consolidated Entity.

Directors' Report

Key Management Personnel service contracts

The Company has entered into employment agreements with Key Management Personnel in respect of their services. These agreements provide for the initial set salary per annum inclusive of superannuation guarantee contributions to be reviewed periodically. In the event that the Company terminates the agreements without notice, the Key Management Personnel are entitled to a termination payment including a minimum termination payment as provided for in the agreements. However any such termination payments to officers of the Company are subject to the requirements of ASX Listing Rule 10.19, and in the event that the value of termination benefits to be paid and the value of all other termination benefits that are or may be payable to all officers of the Company together exceed 5% of the equity interests of the Company as set out in the latest accounts given to the ASX, the payment shall be pro-rata based on the maximum total termination benefits allowable under ASX Listing Rule 10.19. At the date of this report, the employment agreement of Mr Francese in respect of his services as Chief Financial Officer/Company Secretary had expired and the Company has negotiated a new employment agreement with this executive subject to documentation.

There were no other termination benefits or other post employment benefits payable to Key Management Personnel other than those referred to above.

Key Management Personnel post employment/retirement benefits

There were no other post employment retirement benefits payable to Key Management Personnel other than those referred to above.

Options granted as remuneration

Apart from the incentive options and those granted under the Performance Rights Plan as detail above, no other options were granted to Directors or Key Management Personnel of the Company during the financial year.

Shares issued on exercise of remuneration options

Apart from shares granted under the Company's Employee Share Acquisition Plan and the Performance Rights Plan as detailed above, no other shares were granted to Directors or Key Management Personnel or as result of the exercise of remuneration options during the financial year.



Directors' Report

Options

At the date of this report unissued ordinary shares of the Company under option are:

Issue date	Expiry date*	Exercise price	Number of shares
17 August 2007	30 June 2009	\$1.00	13,716,263
25 January 2008	30 June 2009**	\$1.90	800,000
12 May 2008	30 June 2010	\$1.50	18,454,473

* All options may be exercised at any time before expiry. Option holders will receive one ordinary share in the capital of the Company for each option exercised.

** All options exercisable at \$1.90 by 30 June 2009 are unlisted non-transferable securities.

These options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

At various times during the financial year, the Company issued ordinary shares as result of the exercise of options as follows. There were no amounts unpaid on shares issued.

Number of shares	Amount paid on each share
2,208,756	\$1.00
3,529,960	\$0.18687
6,415,122	\$0.11187
<hr/>	
12,153,838	

Since the end of the financial year, the Company issued ordinary shares as result of the exercise of options as follows. There were no amounts unpaid on shares issued.

Number of shares	Amount paid on each share
1,191	\$1.00

During the financial year a total of 116,000 options with an exercise price of \$0.11187 expired as they had not been exercised by the 31 December 2007 expiry date.

Environmental regulation and performance statement

The Consolidated Entity's operations are subject to significant environmental regulations under both Commonwealth and Western Australian legislation in relation to discharge of hazardous waste and materials arising from any mining activities and development conducted by the Company on any of its tenements. In respect of the Wattle Dam Mine Development, the Consolidated Entity has the necessary licences and permits to carry out these activities and has provided unconditional Performance Bonds to the regulatory authorities to provide for any future rehabilitation requirements. In respect of the Processing Plant, the Consolidated Entity also has all the necessary licences and permits to operate this facility and has provided unconditional Performance Bonds to the regulatory authorities to provide for any future rehabilitation requirements. The Consolidated Entity's operations have been subjected to Environmental Audits both internally and by the various regulatory authorities and there have been no known breaches of any environmental obligations at any of the Consolidated Entity's operations.

Directors' Report

Indemnification and insurance of officers

Indemnification

The Company is required to indemnify the Directors and other officers of the Company against any liabilities incurred by the Directors and officers that may arise from their position as Directors and officers of the Company. No costs were incurred during the year pursuant to this indemnity.

Except for any alternate Director appointments, the Company has entered into deeds of indemnity with each Director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each Director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

Insurance premiums

Since the end of the previous year the Company has paid insurance premiums in respect of Directors' and officers' liability and legal expenses insurance contracts.

The terms of the policies prohibit disclosure of details of the amount of the insurance cover, the nature thereof and the premium paid.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. There were no such proceedings brought or interventions on behalf of the Company with leave from the Court under section 237 of the Corporations Act 2001.

Auditor of the Company

The auditor of the Company for the financial year was Grant Thornton.

Non-audit services

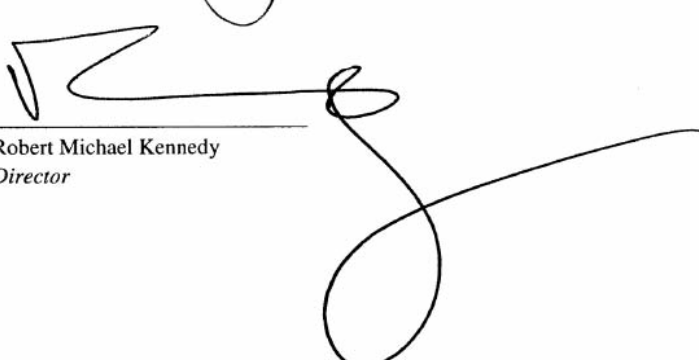
The Board of Directors, in accordance with advice from the Audit Committee, is satisfied that there was no provision of non-audit services during the year compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. No amounts were paid or payable to the Company's auditor for non-audit services.

Auditor's independence declaration

A copy of the auditor's independence declaration as required by section 307C of the Corporations Act 2001 for the year ended 30 June 2008 is set out immediately following the end of the Directors' report.

Dated at Ulugh this 29 day of September 2008.

Signed in accordance with a resolution of the directors:


Robert Michael Kennedy
Director

Auditor's Independence Declaration



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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF RAMELIUS RESOURCES LIMITED AND CONTROLLED ENTITIES

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Ramelius Resources Limited and Controlled Entities for the year ended 30 June 2008, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b No contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON
South Australian Partnership
Chartered Accountants

A handwritten signature in black ink, appearing to read "P S Paterson".

P S Paterson
Partner

Signed at Wayville on this 29 day of September 2008

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Our Ref: H/AR/INDEPENDENCE DEC/2008/RAMELIUS RESOURCES LIMITED & CONTROLLED ENTITIES_JUN 08.DOC

Income Statement

FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated Group		Parent Entity	
		2008 \$	2007 \$	2008 \$	2007 \$
Sales	2	14,856,597	14,471,128	14,856,597	14,061,088
Other revenues from ordinary activities	2	774,478	412,402	683,384	405,848
Total revenue		15,631,075	14,883,530	15,539,981	14,466,936
Administrative expenses		(1,135,645)	(267,401)	(1,087,237)	(239,953)
Change in inventories		(3,398,693)	1,506,676	(3,398,693)	1,506,676
Consultant expenses		(157,689)	(66,082)	(157,689)	(66,082)
Depreciation and amortisation		(822,945)	(364,144)	(822,945)	(364,144)
Employment expenses		(1,079,631)	(717,333)	(1,079,631)	(717,333)
Impairment of exploration assets		(802,670)	(481,450)	(802,670)	(478,307)
Gain on disposal of listed securities		-	2,457	-	2,457
Exploration costs written off		(1,725)	(2,702)	(1,725)	(2,702)
Listing expenses		(29,018)	(19,129)	(29,018)	(19,129)
Loss on disposal of assets		(2,704)	(215)	(2,704)	(215)
Mining and milling expenses		(7,059,942)	(5,974,016)	(7,017,256)	(5,449,783)
Occupancy expenses		(72,277)	(49,851)	(72,277)	(49,851)
Other expenses from ordinary activities		(30,164)	(17,672)	(30,164)	(17,673)
Profit/(loss) from ordinary activities before related income tax expense		1,037,972	8,432,668	1,037,972	8,570,897
Income tax (expense)/benefit relating to ordinary activities	3	(426,275)	(1,554,578)	(427,314)	(1,594,960)
Profit/(loss) from ordinary activities after related income tax expense		611,697	6,878,090	610,658	6,975,937
Total changes in equity other than those resulting from transactions with owners as owners		611,697	6,878,090	610,658	6,975,937
Basic earnings per share (cents)	8	0.4	7.2	0.4	7.3
Diluted earnings per share (cents)	8	0.4	4.2	0.4	4.2

The above Income Statement should be read in conjunction with the accompanying Notes.

Balance Sheet

AS AT 30 JUNE 2008

	Note	Consolidated Group		Parent Entity	
		2008 \$	2007 \$	2008 \$	2007 \$
Current assets					
Cash and cash equivalents	9	16,170,847	12,984,706	15,938,210	12,621,346
Trade and other receivables	10	667,674	931,548	590,024	881,770
Inventories	11	151,643	3,463,736	65,043	3,463,736
Other financial assets	12	353,823	120,733	353,824	120,734
Other current assets	13	162,940	71,860	109,110	44,526
Total current assets		17,506,927	17,572,583	17,056,211	17,132,112
Non-current assets					
Trade and other receivables	10	–	–	4,522,218	4,658,042
Property, plant, equipment and development assets	15	13,465,084	5,340,750	9,181,637	1,102,249
Exploration and evaluation expenditure	16	8,041,534	6,680,152	8,041,535	6,680,152
Deferred tax asset	17	2,879,980	448,947	2,838,559	408,565
Total non-current assets		24,386,598	12,469,849	24,583,949	12,849,008
Total assets		41,893,525	30,042,432	41,640,160	29,981,120
Current liabilities					
Trade and other payables	18	3,162,274	1,314,296	2,850,079	1,168,279
Short term provisions	19	257,858	914,038	221,898	900,896
Total current liabilities		3,420,132	2,228,334	3,071,977	2,069,175
Non-current liabilities					
Long term provisions	19	285,214	226,035	283,196	226,035
Deferred tax liability	17	4,556,099	1,992,046	4,556,099	1,992,046
Total non-current liabilities		4,841,313	2,218,081	4,839,295	2,218,081
Total liabilities		8,261,445	4,446,415	7,911,272	4,287,256
Net assets		33,632,080	25,596,017	33,728,888	25,693,864
Equity					
Issued capital	20	28,661,250	21,735,396	28,661,250	21,735,396
Share based payments reserve	21	555,412	56,900	555,412	56,900
Retained profits/(losses)		4,415,418	3,803,721	4,512,226	3,901,568
Total equity		33,632,080	25,596,017	33,728,888	25,693,864

The above Balance Sheet should be read in conjunction with the accompanying Notes.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2008

Consolidated Entity	Note	Share capital ordinary	Share based payments reserve	Retained profits/ (losses)	Total
		\$	\$	\$	\$
Balance as at 30 June 2006		10,005,636	2,150	(2,293,630)	7,714,156
Fair value of incentive options issued to consultants		–	54,750	–	54,750
Fair value of 100,000 shares issued as consideration for tenement acquisition		40,000	–	–	40,000
Transaction costs associated with the issue of shares net of tax		(26,783)	–	–	(26,783)
21,129,439 options exercised during the period at \$0.18687		3,948,519	–	–	3,948,519
44,388,706 options exercised during the period at \$0.175		7,768,024	–	–	7,768,024
Profit/(loss) attributable to shareholders		–	–	6,878,090	6,878,090
		21,735,396	56,900	4,584,460	26,376,756
Dividends provided for	7	–	–	(780,739)	(780,739)
Balance as at 30 June 2007		21,735,396	56,900	3,803,721	25,596,017
Fair value of 800,000 incentive options issued to executives		–	272,000	–	272,000
Fair value of 152,140 shares issued to employees		–	174,961	–	174,961
Fair value of unvested performance rights for executives		–	51,551	–	51,551
3,529,960 options exercised during the period at \$0.18687		659,642	–	–	659,642
6,415,122 options exercised during the period at \$0.11187		717,659	–	–	717,659
2,208,756 options exercised during the period at \$1.00		2,208,756	–	–	2,208,756
1,456 options exercised during the period at \$1.50		2,184	–	–	2,184
16,839,675 shares issued during the period at \$0.95		15,997,691	–	–	15,997,691
Transaction costs associated with the issue of shares net of tax		(684,262)	–	–	(684,262)
Return of capital to shareholders		(11,975,816)	–	–	(11,975,816)
Profit/(loss) attributable to shareholders		–	–	611,697	611,697
Balance as at 30 June 2008		28,661,250	555,412	4,415,418	33,632,080

The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2008

Parent Entity	Note	Share capital ordinary	Share based payments reserve	Retained profits/ (losses)	Total
		\$	\$	\$	\$
Balance as at 30 June 2006		10,005,636	2,150	(2,293,630)	7,714,156
Fair value of incentive options issued to consultants		–	54,750	–	54,750
Fair value of 100,000 shares issued as consideration for tenement acquisition		40,000	–	–	40,000
Transaction costs associated with the issue of shares net of tax		(26,783)	–	–	(26,783)
21,129,439 options exercised during the period at \$0.18687		3,948,519	–	–	3,948,519
44,388,706 options exercised during the period at \$0.175		7,768,024	–	–	7,768,024
Profit/(loss) attributable to shareholders		–	–	6,975,937	6,975,937
		21,735,396	56,900	4,682,307	26,474,603
Dividends provided for	7	–	–	(780,739)	(780,739)
Balance as at 30 June 2007		21,735,396	56,900	3,901,568	25,693,864
Fair value of 800,000 incentive options issued to executives		–	272,000	–	272,000
Fair value of 152,140 shares issued to employees		–	174,961	–	174,961
Fair value of unvested performance rights for executives		–	51,551	–	51,551
3,529,960 options exercised during the period at \$0.18687		659,642	–	–	659,642
6,415,122 options exercised during the period at \$0.11187		717,659	–	–	717,659
2,208,756 options exercised during the period at \$1.00		2,208,756	–	–	2,208,756
1,456 options exercised during the period at \$1.50		2,184	–	–	2,184
16,839,675 shares issued during the period at \$0.95		15,997,691	–	–	15,997,691
Transaction costs associated with the issue of shares net of tax		(684,262)	–	–	(684,262)
Return of capital to shareholders		(11,975,816)	–	–	(11,975,816)
Profit/(loss) attributable to shareholders		–	–	610,658	610,658
Balance as at 30 June 2008		28,661,250	555,412	4,512,226	33,728,888

The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated Group		Parent Entity	
		2008 \$	2007 \$	2008 \$	2007 \$
Cash Flows from operating activities					
Cash receipts in the course of operations		15,764,152	13,656,680	15,709,657	13,655,280
Cash payments in the course of operations		(9,032,494)	(6,830,138)	(4,792,480)	(6,557,049)
Interest received		541,525	259,763	525,615	254,481
Net cash provided by/(used in) operating activities	24	7,273,183	7,086,305	11,442,792	7,352,712
Cash Flows from investing activities					
Payments for property, plant, equipment and development		(7,295,640)	(4,283,586)	(6,678,854)	(255,310)
Proceeds from sale of investments		-	2,556	-	2,556
Proceeds from sale of property, plant and equipment		15,891	-	-	-
Payments for mining tenements and exploration		(2,224,604)	(2,797,858)	(2,224,604)	(2,797,858)
Net cash provided by/(used in) investing activities		(9,504,353)	(7,078,888)	(8,903,458)	(3,050,612)
Cash Flows from Financing activities					
Proceeds from issue of shares		19,585,934	11,716,542	19,585,934	11,716,542
Transaction costs from issue of shares		(821,268)	(78,202)	(821,268)	(78,202)
Loan to subsidiary		-	-	(4,639,781)	(4,658,043)
Payments for hedge options		(590,800)	(122,475)	(590,800)	(122,475)
Payment of dividend to shareholders		(780,739)	-	(780,739)	-
Return of capital to shareholders		(11,975,816)	-	(11,975,816)	-
Net cash provided by/(used in) financing activities		5,417,311	11,515,865	777,530	6,857,822
Net increase/(decrease) in cash held		3,186,141	11,523,282	3,316,864	11,159,922
Cash at the beginning of the financial year		12,984,706	1,461,424	12,621,346	1,461,424
Cash at the end of the financial year	9	16,170,847	12,984,706	15,938,210	12,621,346



The above Cash Flow Statement should be read in conjunction with the accompanying Notes.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

1 Statement of significant accounting policies

This financial report includes the consolidated financial statements and notes of Ramelius Resources Limited and controlled entities ('Consolidated Entity' or 'Group'), and the separate financial statements and notes of the individual parent entity, Ramelius Resources Limited ('Parent Entity'). Ramelius Resources Limited is a listed public company, incorporated and domiciled in Australia.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the Corporation Act 2001.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the consolidated financial statements and notes of Ramelius Resources Limited comply with International Financial Reporting Standards (IFRS).

Historical cost convention

The financial statements have been prepared on an accruals basis under the historical cost convention, modified where applicable by the measurement at fair value of relevant non current assets, financial assets and financial liabilities.

Accounting Policies

The material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Ramelius Resources Limited as at 30 June 2008 and the result of all subsidiaries for the year then ended. Ramelius Resources Limited and its subsidiaries together are referred to in this financial report as the Group or Consolidated Entity.

Subsidiaries are all those entities (including special purpose entities) over which the group has the power to control the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

All inter-group balances and transactions between entities in the Consolidated Group, including any realised profits or losses, have been eliminated on consolidation.

A list of controlled entities is contained in Note 14 to the financial statements. All controlled entities have a 30 June financial year end.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

1 Statement of significant accounting policies (continued)

(c) Income Tax

The Group adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any non-assessable or disallowed items.

Current and deferred income tax (expense)/benefit is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of mining stocks includes direct materials, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciation of all fixed assets is depreciated on a straight line basis over the asset's useful life to the Consolidated Entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Plant and equipment	1% – 50%



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

1 Statement of significant accounting policies (continued)

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(f) Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are transferred to development assets (refer Note 1(g) below).

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs are determined on the basis that the restoration will be completed within one year of abandoning the site.

(g) Development assets

Development costs are amortised over the life of the area of interest according to the rate of depletion of the economically recoverable reserves.

(h) Leases

Leased payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(i) Financial instruments

Recognition: Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Derivative instruments: Derivative instruments are measured at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. Gains and losses arising from changes in fair value are taken to the income statement.

Impairment: At each reporting date, the Group assess whether there is objective evidence that a financial instrument has been impaired.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

1 Statement of significant accounting policies (continued)

(j) Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(k) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year are measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made for those benefits.

Superannuation contributions: Employees may nominate their own superannuation fund into which the Group pays superannuation contributions. The Group currently contributes 9% of employee's salary to each employee's nominated fund or where a fund is not nominated by an employee, to a superannuation fund chosen by the Group.

Share-based payments: The Group has an Employee Share Acquisition Plan and a Performance Rights Plan where employees and senior executives may be provided with shares or rights to shares in the Parent Entity. The Company may also grant performance related options over shares to Key Management Personnel. The bonus element over the exercise price of the employee services rendered in exchange for the grant of options and/or shares is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined to the fair value of the shares granted. The fair value of options is ascertained using the Black-Scholes pricing model which incorporates all market vesting conditions.

(l) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(m) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(n) Revenue

Revenue from sale of goods or rendering of a service is recognised upon delivery of the goods or service to customers as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement with those goods.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of goods and services tax (GST).

(o) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated in the Balance Sheet inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

1 Statement of significant accounting policies (continued)

(p) Transaction costs on the issue of equity instruments

Transaction costs arising from the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

(q) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(r) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting periods. The Company's assessment of the impact of these new standards and interpretations is that there would be no material impact on the reported results of the Company for the year ended 30 June 2008.

(s) Earnings per share

(i) Basic earning per share

Basic earnings per share is calculated by dividing the profit attributed to equity holders of the entity, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issues during the year.

(ii) Diluted Earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account after income tax effect of interest and other financial costs associated with the dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(t) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

	Note	Consolidated Group		Parent Entity	
		2008 \$	2007 \$	2008 \$	2007 \$
2 Revenue from ordinary activities					
Revenues:					
From operating activities					
Refined gold sales		14,825,205	14,254,602	14,825,205	13,844,562
Gold nugget sales		31,392	216,526	31,392	216,526
Total revenue		14,856,597	14,471,128	14,856,597	14,061,088
Other income					
Interest received from other parties		665,460	272,329	648,264	267,046
Gain on gold hedge options		–	129,658	–	129,658
Other revenue		109,018	10,415	35,120	9,144
Total other income		774,478	412,402	683,384	405,848

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
3 Income tax expense				
(a) The components of tax expense comprise:				
Current tax	–	–	–	–
Deferred tax	461,539	1,554,578	461,539	1,594,960
Recoupment of prior year tax losses	–	–	–	–
Under provision in respect of prior years	(35,264)	–	(34,225)	–
	<u>426,275</u>	<u>1,554,578</u>	<u>427,314</u>	<u>1,594,960</u>
(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:				
Prima facie tax payable on profit from ordinary activities before income tax at 30%				
– Consolidated Group	311,391	2,529,800	–	–
– Parent Entity	–	–	311,391	2,571,269
Add:				
Tax effect of:				
– Share based payments	149,554	–	149,554	–
– costs of capital raising	–	11,479	–	11,479
– other non-allowable items	594	13,643	594	12,556
Deferred tax asset in respect of tax losses not previously brought to account	–	–	–	–
	<u>461,539</u>	<u>2,554,922</u>	<u>461,539</u>	<u>2,595,304</u>
Less:				
Tax Effect of:				
– Recognition of timing differences not previously brought to account	–	1,000,344	–	1,000,344
Under/(over) provision in respect of prior years	(35,264)	–	(34,225)	–
	<u>426,275</u>	<u>1,554,578</u>	<u>427,314</u>	<u>1,594,960</u>
The applicable weighted average effective tax rates are as follows:	41%	18%	41%	18%

The significantly lower effective tax rate in 2007 is impacted by the first time recognition of timing differences.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
4 Profit from ordinary activities before income tax expense has been determined after Expenses				
Depreciation and amortisation of non-current assets				
Plant and equipment – depreciation	18,911	10,502	18,911	10,502
Mining operation – depreciation and amortisation	804,034	353,642	804,034	353,642
	822,945	364,144	822,945	364,144
Finance costs				
Interest paid to external entities	592	831	509	831
Rental expense on operating leases				
Minimum lease payments	84,510	20,781	84,510	20,781
Write off of capitalised exploration and evaluation expenditure	802,670	481,450	802,670	478,307
Diminution in value of gold hedge put options	307,460	81,000	307,460	81,000
Impairment of exploration and evaluation assets	1,725	2,702	1,725	2,702
Provision in employee entitlements	183,738	55,484	158,902	55,484
Other revenue and expenses				
Consideration on disposal of listed securities	–	2,557	–	2,557
Carrying amount of listed securities sold	–	(100)	–	(100)
Net gain on disposal	–	2,457	–	2,457
Consideration on disposal of assets	1,818	215	1,818	215
Carrying amount of assets disposed	(4,522)	–	(4,522)	–
Net loss on disposal	(2,704)	215	(2,704)	215

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

5 Directors and Key Management Personnel Remuneration

Remuneration of Directors and Key Management Personnel

(a) Directors and Key Management Personnel

The names and positions held by Directors and Key Management Personnel of the Company during the financial year are:

Directors	Positions
Mr RM Kennedy	Chairman – Non-Executive
Mr RG Nelson	Director – Non-Executive
Mr JF Houldsworth	Managing Director – Executive
Mr IJ Gordon ¹	Director – Executive
Mr KJ Lines ²	Director – Non-Executive
Key Management Personnel	
Mr DA Francese	Chief Financial Officer/Company Secretary
Mr BT Kelty ³	Wattle Dam Mine Manager
Mr MI Svensson ⁴	Exploration Manager
Mr AP Webb ⁵	Burbanks Mill Process Manager

¹ Mr Gordon was appointed a Director on 18 October 2007.

² Mr Lines was appointed a Director on 9 April 2008.

³ Mr Kelty commenced as an employee of the Parent Entity on 1 July 2007 (he was previously employed as a consultant) and retired as the Wattle Dam Mine Manager on 31 July 2008 following the appointment of a qualified underground Mine Manager.

⁴ Mr Svensson was promoted to the position of Exploration Manager on 22 February 2008.

⁵ Mr Webb commenced as an employee of a subsidiary of the Parent Entity on 1 July 2007 (he was previously employed as a consultant).



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

5 Directors and Key Management Personnel Remuneration (continued)

Key Management Personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

(b) Directors and Key Management Personnel equity holdings and transactions

Shares	Balance 1/7/07	Received as Remuneration	Options Exercised	Net Change Other ¹	Balance 30/6/08
Held by Directors in own name					
Mr RM Kennedy	–	–	–	–	–
Mr RG Nelson	100,217	–	–	5,263	105,480
Mr JF Houldsworth	4,565,318	–	–	5,263	4,570,581
Mr IJ Gordon	–	–	–	10,263	10,263
Mr KJ Lines	–	–	–	–	–
	4,665,535	–	–	20,789	4,686,324
Held by Directors' personally related entities					
Mr RM Kennedy	7,685,484	–	–	15,789	7,701,273
Mr RG Nelson	3,411,808	–	1,800,000	5,263	5,217,071
Mr JF Houldsworth	30,000	–	–	5,263	35,263
Mr IJ Gordon	–	–	–	–	–
Mr KJ Lines	–	–	–	–	–
Total held by Directors	15,792,827	–	1,800,000	47,104	17,639,931
Key Management Personnel excluding Directors					
Mr DA Francese	795,217	13,530*	–	5,263	814,010
Mr BT Kilty	600,000	13,420*	–	(274,737)	338,683
Mr MI Svensson	500,000	8,400*	–	5,263	513,663
Mr AP Webb	–	12,310*	–	–	12,310
Total	17,688,044	47,660	1,800,000	(217,107)	19,318,597

* These shares were issued under the Employee Share Plan on 15 April 2008 and vest at the earliest of three years from the date of issue or the time of ceasing to be an employee.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

5 Directors and Key Management Personnel Remuneration (continued)

Performance Rights to Shares	Balance 1/7/07	Received as Remuneration	Options Exercised	Net Change Other ¹	Balance 30/6/08	Total Vested 30/6/08
Held by Directors in own name						
Mr RM Kennedy	-	-	-	-	-	-
Mr RG Nelson	-	-	-	-	-	-
Mr JF Houldsworth	-	450,000*	-	-	450,000	-
Mr IJ Gordon	-	300,000*	-	-	300,000	-
Mr KJ Lines	-	-	-	-	-	-
	-	750,000	-	-	750,000	-
Held by Directors' personally related entities						
Mr RM Kennedy	-	-	-	-	-	-
Mr RG Nelson	-	-	-	-	-	-
Mr JF Houldsworth	-	-	-	-	-	-
Mr IJ Gordon	-	-	-	-	-	-
Mr KJ Lines	-	-	-	-	-	-
Total held by Directors	-	750,000	-	-	750,000	-
Key Management Personnel excluding Directors						
Mr DA Francese	-	150,000*	-	-	150,000	-
Mr BT Kelty	-	-	-	-	-	-
Mr MI Svensson	-	-	-	-	-	-
Mr AP Webb	-	-	-	-	-	-
Total	-	900,000	-	-	900,000	-

* These Rights to shares were granted under the Performance Rights Plan on 7 April 2008. The KPI conditions attached to the Performance Rights include a vesting period of three years from the grant date and a requirement for the Company's share price to be within the top 40% comparator group of companies as set by the Board. The Companies in the comparator group are set out in the Remuneration Report section of the Directors' Report.



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

5 Directors and Key Management Personnel Remuneration (continued)

Options exercisable at \$0.18687* by 31 December 2007	Balance 1/7/07	Received as Remuneration	Options Exercised	Net Change Other ¹	Balance 30/6/08	Total Vested 30/6/08	Total Exercisable 30/6/08
Held by Directors in own name							
Mr RM Kennedy	-	-	-	-	-	-	-
Mr RG Nelson	-	-	-	-	-	-	-
Mr JF Houldsworth	-	-	-	-	-	-	-
Mr IJ Gordon	-	-	-	-	-	-	-
Mr KJ Lines	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Held by Directors' personally related entities							
Mr RM Kennedy	-	-	-	-	-	-	-
Mr RG Nelson	1,800,000	-	(1,800,000)	-	-	-	-
Mr JF Houldsworth	-	-	-	-	-	-	-
Mr IJ Gordon	-	-	-	-	-	-	-
Mr KJ Lines	-	-	-	-	-	-	-
Total held by Directors	1,800,000	-	(1,800,000)	-	-	-	-
Key Management Personnel excluding Directors							
Mr DA Francese	-	-	-	-	-	-	-
Mr BT Kelty	-	-	-	-	-	-	-
Mr MI Svensson	-	-	-	-	-	-	-
Mr AP Webb	-	-	-	-	-	-	-
Total	1,800,000	-	(1,800,000)	-	-	-	-

* The exercise price of these options was reduced during the reporting period from \$0.18687 to \$0.11187 in accordance with the terms of the options and ASX Listing Rules following the Record Date of 3 August 2007 for a Return of Capital of 7.5 cents per ordinary share paid to all eligible shareholders on 28 September 2007.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

5 Directors and Key Management Personnel Remuneration (continued)

Options exercisable at \$1.00 by 30 June 2009	Balance 1/7/07	Received as Remuneration	Options Exercised	Net Change Other ²	Balance 30/6/08	Total Vested 30/6/08	Total Exercisable 30/6/08
Held by Directors in own name							
Mr RM Kennedy	-	-	-	-	-	-	-
Mr RG Nelson	-	-	-	10,022	10,022	10,022	10,022
Mr JF Houldsworth	-	-	-	456,532	456,532	456,532	456,532
Mr IJ Gordon	-	-	-	-	-	-	-
Mr KJ Lines	-	-	-	-	-	-	-
	-	-	-	466,554	466,554	466,554	466,554
Held by Directors' personally related entities							
Mr RM Kennedy	-	-	-	768,549	768,549	768,549	768,549
Mr RG Nelson	-	-	-	421,182	421,182	421,182	421,182
Mr JF Houldsworth	-	-	-	3,000	3,000	3,000	3,000
Mr IJ Gordon	-	-	-	-	-	-	-
Mr KJ Lines	-	-	-	-	-	-	-
Total held by Directors	-	-	-	1,659,285	1,659,285	1,659,285	1,659,285
Key Management Personnel excluding Directors							
Mr DA Francese	-	-	-	79,522	79,522	79,522	79,522
Mr BT Kelty	-	-	-	54,000	54,000	54,000	54,000
Mr MI Svensson	-	-	-	50,000	50,000	50,000	50,000
Mr AP Webb	-	-	-	-	-	-	-
Total	-	-	-	1,842,807	1,842,807	1,842,807	1,842,807



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

5 Directors and Key Management Personnel Remuneration (continued)

Options exercisable at \$1.50 by 30 June 2010	Balance 1/7/07	Received as Remuneration	Options Exercised	Net Change Other ³	Balance 30/6/08	Total Vested 30/6/08	Total Exercisable 30/6/08
Held by Directors in own name							
Mr RM Kennedy	-	-	-	-	-	-	-
Mr RG Nelson	-	-	-	10,548	10,548	10,548	10,548
Mr JF Houldsworth	-	-	-	457,059	457,059	457,059	457,059
Mr IJ Gordon	-	-	-	1,027	1,027	1,027	1,027
Mr KJ Lines	-	-	-	-	-	-	-
	-	-	-	468,634	468,634	468,634	468,634
Held by Directors' personally related entities							
Mr RM Kennedy	-	-	-	770,128	770,128	770,128	770,128
Mr RG Nelson	-	-	-	521,708	521,708	521,708	521,708
Mr JF Houldsworth	-	-	-	3,527	3,527	3,527	3,527
Mr IJ Gordon	-	-	-	-	-	-	-
Mr KJ Lines	-	-	-	-	-	-	-
Total held by Directors	-	-	-	1,763,997	1,763,997	1,763,997	1,763,997
Key Management Personnel excluding Directors							
Mr DA Francese	-	-	-	81,402	81,402	81,402	81,402
Mr BT Kelty	-	-	-	33,869	33,869	33,869	33,869
Mr MI Svensson	-	-	-	51,367	51,367	51,367	51,367
Mr AP Webb	-	-	-	2,071	2,071	2,071	2,071
Total	-	-	-	1,932,706	1,932,706	1,932,706	1,932,706

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

5 Directors and Key Management Personnel Remuneration (continued)

Options exercisable at \$1.90 by 30 June 2009	Balance 1/7/07	Received as Remuneration	Options Exercised	Net Change Other ³	Balance 30/6/08	Total Vested 30/6/08	Total Exercisable 30/6/08
Held by Directors in own name							
Mr RM Kennedy	-	-	-	-	-	-	-
Mr RG Nelson	-	-	-	-	-	-	-
Mr JF Houldsworth	-	-	-	-	-	-	-
Mr IJ Gordon	-	-	-	-	-	-	-
Mr KJ Lines	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Held by Directors' personally related entities							
Mr RM Kennedy	-	-	-	-	-	-	-
Mr RG Nelson	-	-	-	-	-	-	-
Mr JF Houldsworth	-	-	-	-	-	-	-
Mr IJ Gordon	-	400,000	-	-	400,000	400,000	400,000
Mr KJ Lines	-	-	-	-	-	-	-
Total held by Directors	-	400,000	-	-	400,000	400,000	400,000
Key Management Personnel excluding Directors							
Mr DA Francese	-	-	-	-	-	-	-
Mr BT Kelty	-	-	-	-	-	-	-
Mr MI Svensson	-	-	-	-	-	-	-
Mr AP Webb	-	400,000	-	-	400,000	400,000	400,000
Total	-	800,000	-	-	800,000	800,000	800,000

¹ Net change other in respect of shares and \$0.18687 options refers to shares and/or options purchased and/or sold during the financial year.

² Net change other in respect of \$1.00 options refers to options over unissued shares which were issued in August 2007 to all shareholders on the basis of one free Bonus Option for every ten Shares held at 3 August 2007. The options are exercisable at \$1.00 each and have an expiry date of 30 June 2009.

³ Net change other in respect of \$1.50 options refers to options over unissued shares which were issued in May 2008 to all shareholders on the basis of one free Bonus Option for every ten Shares held at 5 May 2008. The options are exercisable at \$1.50 each and have an expiry date of 30 June 2010.



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Note	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
6 Auditors' remuneration				
Audit services:				
Auditors of the Company – Grant Thornton				
Audit and review of the financial reports	45,000	20,000	45,000	20,000
Other regulatory audit services	–	–	–	–
	<u>45,000</u>	<u>20,000</u>	<u>45,000</u>	<u>20,000</u>
7 Dividends				
Maiden dividend of 0.5 cent per share declared on 9 May 2007 out of 2006/7 profits was paid on 3 August 2007	–	780,739	–	780,739
8 Earnings per share				
(a) Classification of securities				
All ordinary shares have been included in basic earnings per share.				
(b) Classification of securities as potential ordinary shares				
All of the following options on issue at the end of the financial year are included as potential ordinary shares.				
	Number of Options	Exercise Price	Exercise Date	
	13,716,263	\$1.00	30/6/2009	
	18,454,473	\$1.50	30/6/2010	
	800,000	\$1.90	30/6/2009	
Note	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
(c) Earnings used in the calculation of earnings per share				
Profit/(loss) from ordinary activities after related income tax expense	633,527	6,878,090	632,488	6,975,937
(d) Weighted average number of shares used as the denominator				
Number for basic earnings per share				
Ordinary shares	168,246,390	95,387,724	168,246,390	95,387,724
Number for dilutive earnings per share				
Ordinary shares	168,246,390	95,387,724	168,246,390	95,387,724
Options	18,202,618	69,664,091	18,202,618	69,664,091
	<u>186,449,008</u>	<u>165,051,815</u>	<u>186,449,008</u>	<u>165,051,815</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated Group		Parent Entity	
		2008 \$	2007 \$	2008 \$	2007 \$
9 Cash and cash equivalents					
Cash		870,178	6,557,458	863,540	6,504,099
Deposits at call*		15,300,669	6,427,248	15,074,670	6,117,247
		<u>16,170,847</u>	<u>12,984,706</u>	<u>15,938,210</u>	<u>12,621,346</u>
<p>* Includes deposits of \$428,900 for the Consolidated Group (\$252,900 for the Parent Entity) provided as security against unconditional bank guarantees in favour of the Western Australian Government in respect of restoration costs required for the Wattle Dam Mine and Burbanks Gold Processing Mill; and in respect of the Burbanks Gold Processing Mill, bank guarantees to secure supply of gas and electricity.</p>					
10 Trade and other receivables					
Current					
Trade debtors		72,825	653,732	30,068	653,732
Other debtors		594,849	192,548	559,956	142,770
Amounts receivable from Director related entities	26	–	85,268	–	85,268
		<u>667,674</u>	<u>931,548</u>	<u>590,024</u>	<u>881,770</u>
Non-current					
Amounts receivable from subsidiary		–	–	4,522,218	4,658,042
11 Inventory					
Current					
Gold Nuggets at cost		1,862	1,757	1,862	1,757
Raw Materials – unprocessed gold ore at cost		–	3,461,979	–	3,461,979
Finished goods – gold bullion at cost		28,414	–	28,414	–
Other		121,367	–	34,767	–
		<u>151,643</u>	<u>3,463,736</u>	<u>65,043</u>	<u>3,463,736</u>
12 Other financial assets					
Current					
Gold Hedge		353,823	120,733	353,823	120,733
Investments in subsidiary		–	–	1	1
		<u>353,823</u>	<u>120,733</u>	<u>353,824</u>	<u>120,734</u>
13 Other current assets					
Current					
Prepayments		162,940	71,860	109,110	44,526

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

14 Controlled Entities

	Country of Incorporation	Percentage owned %*			
		2008	2007		
(a) Controlled entities consolidated					
Parent Entity:					
Ramelius Resources Ltd	Australia				
Subsidiaries of Ramelius Resources Ltd:					
Ramelius Milling Services Pty Ltd	Australia	100	100		
* Percentage of voting power is in proportion to ownership.					
(b) Acquisition of controlled entities					
On 16 November 2006 Ramelius Resources Limited incorporated a wholly owned subsidiary, Ramelius Milling Services Pty Ltd, for the purpose of acquiring and operating the Burbanks Gold Processing Mill.					
		Consolidated Group		Parent Entity	
Note		2008 \$	2007 \$	2008 \$	2007 \$

15 Property, plant, equipment and development assets

Plant and equipment

At cost		5,304,276	4,623,399	655,124	356,151
Accumulated depreciation/amortisation		(465,714)	(65,598)	(100,009)	(36,851)
Net book value	(i)	4,838,562	4,557,801	555,115	319,300

Development expenditure

Production phase at cost		9,810,255	1,183,733	9,810,255	1,183,733
Accumulated amortisation		(1,183,733)	(400,784)	(1,183,733)	(400,784)
Net book value	(ii)	8,626,522	782,949	8,626,522	782,949
Total property, plant and equipment		13,465,084	5,340,750	9,181,637	1,102,249

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Note	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
15 Property, plant, equipment and development assets (continued)				
Reconciliations				
Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:				
(i) Reconciliation				
Plant and equipment				
Carrying amount at beginning of year	4,557,801	84,978	319,300	84,978
Additions	701,768	4,525,108	303,972	257,861
Disposals	(20,412)	(215)	(4,522)	(215)
Depreciation/amortisation	(400,595)	(52,070)	(63,635)	(23,324)
Carrying amount at end of year	4,838,562	4,557,801	555,115	319,300
(ii) Reconciliation				
Development expenditure*				
Carrying amount at beginning of year	782,949	1,125,419	782,949	1,125,419
Transfer from Exploration and Evaluation Expenditure	7,039,673	–	7,039,673	–
Phase 2 Development	1,586,848	–	1,586,848	–
Amortisation	(782,948)	(342,470)	(782,948)	(342,470)
Carrying amount at end of year	8,626,522	782,949	8,626,522	782,949
* Development assets relate to Phase 2 of the Wattle Dam Mine with production from the pit cut-back and underground development expected to commence in September/October 2008. Amortisation of capitalised development costs will commence at that date and continue over the estimated life of the mine.				
16 Exploration and evaluation expenditure				
Costs carried forward in respect of areas of interest in:				
Exploration and/or evaluation (i)	8,041,534	6,680,152	8,041,535	6,680,152
Total Exploration and evaluation expenditure	8,041,534	6,680,152	8,041,535	6,680,152
The ultimate recoupment of costs carried forward for exploration phase is dependent on the successful development and commercial exploitation or sale of the respective areas.				
(i) Reconciliation				
A reconciliation of the carrying amount of exploration and/or evaluation phase expenditure is set out below.				
Carrying amount at beginning of year	6,680,152	4,117,469	6,680,152	4,117,469
Additional costs capitalised during the year	9,203,725	3,043,692	9,203,726	3,043,692
Exploration costs written off during the year	(802,670)	(481,009)	(802,670)	(481,009)
Amounts transferred to development expenditure	(7,039,673)	–	(7,039,673)	–
Carrying amount at end of year	8,041,534	6,680,152	8,041,535	6,680,152

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Parent Entity		
	2008 \$	2007 \$	2008 \$	2007 \$	
17 Tax					
Consolidated Entity					
Liabilities					
Current					
Income tax	-	-	-	-	
Parent Entity					
Liabilities					
Current					
Income tax	-	-	-	-	
Assets and liabilities					
Non-current					
	Opening Balance	Adjustment	Charged to Income	Charged Directly to Equity	Closing Balance
	\$	\$	\$	\$	\$
Consolidated Group					
Deferred tax liability					
Exploration and evaluation	1,992,046	12,000	2,520,316	-	4,524,362
Development	-	-	31,737	-	31,737
Balance at 30 June 2008	1,992,046	12,000	2,552,053	-	4,556,099
Deferred tax asset					
Issued Equity Transaction Costs	53,215	(6,870)	(740)	209,778	255,383
Provisions	107,801	-	55,121	-	162,922
Future income tax benefits attributable to tax losses	265,619	55,028	2,110,276	-	2,430,923
Other	22,312	(895)	9,335	-	30,752
Balance at 30 June 2008	448,947	47,263	2,173,992	209,778	2,879,980
Parent Entity					
Deferred tax liability					
Exploration and evaluation	1,992,046	12,000	2,520,316	-	4,524,362
Development	-	-	31,737	-	31,737
Balance at 30 June 2008	1,992,046	12,000	2,552,053	-	4,556,099
Deferred tax asset					
Issued Equity Transaction Costs	53,215	(6,870)	(740)	209,778	255,383
Provisions	103,858	-	47,670	-	151,528
Future income tax benefits attributable to tax losses	234,265	53,094	2,120,889	-	2,408,248
Other	17,227	-	6,173	-	23,400
Balance at 30 June 2008	408,565	46,224	2,173,992	209,778	2,838,559

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Note	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
18 Trade and other payables				
Trade creditors	2,874,480	903,956	2,685,277	846,708
Other creditors and accruals	287,794	410,340	164,802	321,571
	<u>3,162,274</u>	<u>1,314,296</u>	<u>2,850,079</u>	<u>1,168,279</u>
19 Provisions				
Current				
Employee entitlements	257,858	133,299	221,898	120,157
Dividend declared	–	780,739	–	780,739
	<u>257,858</u>	<u>914,038</u>	<u>221,898</u>	<u>900,896</u>
Non current				
Employee entitlements	102,314	43,135	100,296	43,135
Restoration costs	1(f) 182,900	182,900	182,900	182,900
	<u>285,214</u>	<u>226,035</u>	<u>283,196</u>	<u>226,035</u>
20 Issued capital				
Issued and paid-up share capital				
156,147,567 (2007: 90,529,422) ordinary shares, fully paid	20(a) 28,661,250	21,735,396	28,661,250	21,735,396
(a) Ordinary shares				
Balance at the beginning of year	21,735,396	10,005,636	21,735,396	10,005,636
Shares issued during the year				
11,578,948 shares placed at \$0.95	11,000,000	–	11,000,000	–
5,260,727 shares issued through share purchase plan at \$0.95	4,997,691	–	4,997,691	–
Less transaction costs arising from share issues for cash net of tax	(684,262)	(26,783)	(684,262)	(26,783)
3,529,960 shares issued to Option-holders on exercise of options at \$0.18687 in cash	659,642	3,948,519	659,642	3,948,519
100,000 shares issued as consideration for tenement acquisition	–	40,000	–	40,000
44,388,706 shares issued to Option-holders on exercise of options at \$0.175 in cash	–	7,768,024	–	7,768,024
6,415,122 shares issued to Option-holders on exercise of options at \$0.11187 cash	717,659	–	717,659	–
2,208,756 shares issued to Option-holders on exercise of options at \$1.00 cash	2,208,756	–	2,208,756	–
1,456 shares issued to Option-holders on exercise of options at \$1.50 cash	2,184	–	2,184	–
Return of capital of \$0.075 cash per share on 159,677,527 shares	(11,975,816)	–	(11,975,816)	–
Balance at end of year	<u>28,661,250</u>	<u>21,735,396</u>	<u>28,661,250</u>	<u>21,735,396</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

In the event of winding up of the Company ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

(b) Options^{(i), (ii)}

At 30 June 2008, there were 32,970,736 (30 June 2007: 10,061,082) unissued shares for which options were outstanding. 13,716,263 options are exercisable at \$1.00 by 30 June 2009; 18,454,473 options are exercisable at \$1.50 by 30 June 2010 and 800,000 options are exercisable at \$1.90 by 30 June 2009 (30 June 2007: all options were exercisable at \$0.18687 by 31 December 2007).

- (i) For information relating to the Ramelius Resources Limited Incentive Options issued to Key Management Personnel including details of any options issued, exercised and lapsed during the financial year, refer to Note 21.
- (ii) For information relating to share options issued to Key Management Personnel during the financial year refer to Note 5.

21 Share based payments

The following share-based payments arrangements existed:

- On 15 April 2008, 152,140 shares were issued to employees at no consideration pursuant to the Employee Share Acquisition Plan which was approved by shareholders in November 2007. The fair value of these shares at the date of issue was \$174,961. Vesting of these shares occurs three years after the issue date or the time the holder ceases to be an employee, whichever is the earlier. Given that vesting is certain to occur, the market value of the shares at the issue date was used to determine their fair value.
- On 7 April 2008, a total of 900,000 Performance Rights were granted to three senior executives and Key Management Personnel pursuant to a Performance Rights Plan which was approved by shareholders in November 2007. The Performance Rights, being an entitlement to shares in the Company, will vest in three years after the grant date subject to satisfaction of certain performance conditions at which time shares will be issued to the executives. The fair value of these Performance Rights at grant date was \$576,000 of which \$51,551 was recognised at 30 June 2008 in Share Based Reserves. At balance date, none of the 900,000 Performance Rights had vested. The fair value was determined using the market price of the underlying shares at the date the Performance Rights were granted and assuming that all holders continue to be employees of the Group until the end of the vesting period and that the performance condition, which requires the Company's share price to be within the top 40% of the comparator group as detailed in the Remuneration Report section of the Directors' Report, is met and the Rights vest.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

21 Share based payments (continued)

Performance Rights granted by the Parent Entity during the 2007/08 financial year

Name	Number of Rights ¹	Grant Date	Fair Value per Right at grant date ² \$	Exercise price per Right \$	Rights expiry date	Rights first exercise date	Rights last exercise date	Performance measurement period
JF Houldsworth	450,000	7 April 2008	288,000	–	7 April 2011	7 April 2011	7 April 2011	3 years
IJ Gordon	300,000	7 April 2008	192,000	–	7 April 2011	7 April 2011	7 April 2011	3 years
DA Francese	150,000	7 April 2008	96,000	–	7 April 2011	7 April 2011	7 April 2011	3 years
Total	900,000		576,000					

¹ Each Right is issued for no consideration. Once exercisable, a Right entitles the holder to one fully paid ordinary share in the Parent Entity on payment of the exercise price.

² The aggregate value of Rights at the grant date is \$576,000 of which \$51,551 has been expensed in the 2007/08 year and \$524,449 to be expensed in subsequent years. In accordance with the requirements of the Australian Accounting Standards, remuneration includes a proportion of the notional value of equity compensation granted or outstanding during the year. The notional value of equity instruments which do not vest during the reporting period is determined as at the grant date and is progressively allocated over the vesting period. The amount included as remuneration is not related to or indicative of the benefit (if any) that individuals may ultimately realise should the Rights vest. The notional value of Rights as at grant date has been determined in accordance with AASB2. The calculations are performed using an appropriate valuation methodology. The total minimum value of Rights, if the performance conditions are not met, is nil.

- On 25 January 2008, a total of 800,000 incentive share options were granted to two Key Management Personnel to take up ordinary shares at an exercise price of \$1.90 each by 30 June 2009. The options were non-transferable and not quoted securities. The fair value of the 800,000 options was \$272,000. At balance date, none of the 800,000 share options had been exercised. The fair value of these options was determined using the Black-Scholes Pricing model as detailed below.

Options and Performance Rights granted to Key Management Personnel are over ordinary shares in Ramelius Resources Limited, which confer a right of one ordinary share for every option held.

	2008		2007	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	–	–	2,000,000	0.18687
Granted	800,000	1.90	750,000	0.18687
Forfeited	–	–	–	–
Exercised	–	–	(2,750,000)	0.18687
Expired	–	–	–	–
Outstanding at year-end	800,000	1.90	–	–
Exercisable at year-end	800,000	1.90	–	–



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

21 Share based payments (continued)

The weighted average fair value of the options granted during the year was \$0.34. This price was calculated by using Black Scholes option pricing model applying the following inputs:

Weighted average exercise price	\$1.90
Weighted average life of the option (days)	522
Underlying share price	\$0.99
Expected share price volatility	107%
Risk free interest rate	7.75%

The life of the options is based on the days remaining until expiry.

Included under employee benefits expense in the income statement is \$524,287 (2007: \$54,750), and relates, in full, to equity-settled share-based payment transactions.

22 Financial risk management policies

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payables. The main risks the group is exposed to through its financial instruments are interest rate risk, credit risk, liquidity risk and treasury risk.

(a) Treasury risk management

The Board meets on a regular basis to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst maintaining the effects on financial performance.

(b) Interest rate risk

The Group has no long term financial assets or liabilities upon which it earns or pays interest. Cash is held in an interest yielding cheque account and on short term call deposits where the interest rate can vary from day to day.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

22 Financial risk management policies (continued)

(i) Risk management

Interest rate risk is managed with a mixture of fixed and floating rate cash deposits. At 30 June 2008 approximately 94.6% of group deposits are fixed.

Consolidated Group	Weighted average effective interest rate		Effective interest rate		Interest bearing		Non-Interest bearing		Total	
	2008 %	2007 %	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Financial assets										
Cash at bank	5.43	3.57	869,678	6,556,958	869,678	6,556,958	500	500	870,178	6,557,458
Deposits	6.03	6.17	15,300,669	6,427,248	15,300,669	6,427,248	-	-	15,300,669	6,427,248
Receivables	-	-	-	-	-	-	667,674	931,548	-	-
Total financial assets			16,170,347	12,984,206	16,170,347	12,984,206	668,174	932,048	16,170,847	12,984,706
Financial liabilities										
Payables	-	-	-	-	-	-	(3,162,274)	(1,314,296)	(3,162,274)	(1,314,296)
Total financial liabilities			-	-	-	-	(3,162,274)	(1,314,296)	(3,162,274)	(1,314,296)
Total net financial assets			16,170,347	12,984,206	16,170,347	12,984,206	(2,494,100)	(382,248)	13,008,573	11,670,410

(ii) Sensitivity analysis

Interest rate and price risk

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result in a change in these risks. It should be noted that the group does not have borrowings and any impacts would be in relation to deposit yields on cash assets.

Interest rate sensitivity analysis

At 30 June 2008, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Change in profit				
Increase in interest rate by 2%	323,417	259,694	318,764	252,427
Decrease in interest rate by 2%	(323,417)	(259,694)	(318,764)	(252,427)
Change in equity				
Increase in interest rate by 2%	323,417	259,694	318,764	252,427
Decrease in interest rate by 2%	(323,417)	(259,694)	(318,764)	(252,427)

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

22 Financial risk management policies (continued)

(c) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets of the entity which have been recognised in the Balance Sheet, is the carrying amount, net of any provision of doubtful debts.

In respect to the Parent Entity, credit risk also incorporates the exposure of Ramelius to the liabilities of all members of the Group.

(d) Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows.

(e) Net fair values of financial assets and liabilities

Valuation approach

Net fair values of financial assets and liabilities are determined by the entity on the following bases:

Recognised financial instruments

Monetary financial assets and financial liabilities not readily traded in an organised financial market are carried at book value and where relevant adjusted for any changes in exchange rates. Other than listed investments, the Company did not have any financial assets or liabilities that are readily traded on organised markets in a standardised form. The net fair values of listed investments are valued at the quoted market bid price at balance date.

Consolidated Group		Parent Entity	
2008	2007	2008	2007
\$	\$	\$	\$

23 Commitments and contingent liabilities

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the State Government of Western Australia. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report and are payable as follows:

Within one year	643,580	503,284	613,580	457,865
One year or later and no later than five years	2,295,160	1,149,061	2,175,160	967,861
Later than five years	7,836,000	2,285,153	7,586,000	1,795,955
	10,774,740	3,937,498	10,374,740	3,221,681

The Company sub-leases a serviced office in Adelaide under a non-cancellable annual operating lease expiring in October 2008 and leases two properties in Kambalda WA expiring in July and September 2008. The Company also leases office accommodation in Perth under a non-cancellable operating lease expiring in March 2009. The lease generally provides the Company with a right of renewal for a further year after which time all terms are renegotiated. Lease payments comprise a base amount plus an incremental contingent rental. Contingent rentals are based on movements in the Consumer Price Index and operating criteria.

Tenement acquisitions

At 30 June 2008 the Company had contracted to acquire certain tenements at West Wattle Dam for a consideration of 100,000 shares in the Parent Entity. The fair value of the consideration shares was \$80,000.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Parent Entity		
	2008 \$	2007 \$	2008 \$	2007 \$	
23 Commitments and contingent liabilities (continued)					
Non-cancellable operating lease expense commitments					
Future operating lease commitments not provided for in the financial statements and payable:					
Within one year	36,131	30,040	36,131	30,040	
One year or later and no later than five years	–	16,445	–	16,445	
Later than five years	–	–	–	–	
	<u>36,131</u>	<u>46,485</u>	<u>36,131</u>	<u>46,485</u>	
<p>The details and estimated maximum amounts of contingent liabilities (excluding unquantifiable royalties) that may become payable are set out below. The contingent liabilities arise from certain agreements for acquisition/earning of interests in mining tenements that are subject to certain precedent conditions being satisfied. At the date of this report there is no certainty that these liabilities will crystallise and therefore no provisions are included in the financial statements in respect of these matters. Exploration expenditure obligations may be subject to renegotiation, farm-out or relinquishment. In addition to the contingent liabilities detailed below, the Company is also required under various agreements to maintain tenements in good standing and pay all rates, rents and taxes and do all things necessary to renew tenements during the conditions precedent period.</p>					
Contingent liabilities					
Termination benefits	22(a)	218,727	250,000	166,815	250,000
Exploration expenditure to earn mineral rights on tenements in addition to minimum exploration expenditure commitment disclosed above	22(b)	251,824	–	251,824	–
		<u>470,551</u>	<u>250,000</u>	<u>418,639</u>	<u>250,000</u>
Gold royalties and gold production payments					
Within one year		1,145,989	688,188	1,145,989	688,188
One year or later and no later than five years		562,819	–	562,819	–
	22(c)	<u>1,708,808</u>	<u>688,188</u>	<u>1,708,808</u>	<u>688,188</u>
(a) Termination benefits					
Service Agreements exist with the Managing Director and executive officers under which termination benefits may, in appropriate circumstances, become payable. The maximum contingent liability at 30 June 2008 under the service agreements is the amount disclosed above.					
(b) Exploration expenditure					
Exploration expenditure relates to periods up to 4 years in accordance with terms set out in relevant agreements. During the earning period the Parent Entity is associated with another entity in a joint venture whereby the Parent Entity sole funds certain exploration expenditure of not less than \$1 million which at 30 June 2008 had substantially been spent with only the sum disclosed above yet to be incurred.					
(c) Gold royalties and gold production payments					
Gold royalties and gold production payments relate to royalties payable to the Western Australian Government and production payments to Native Title Parties in accordance with gold production agreements.					

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

23 Commitments and contingent liabilities (continued)

Performance guarantees

Unconditional bank guarantees have been provided by the Consolidated Entity's bankers in favour of the Western Australian Government in respect of restoration costs required for the Wattle Dam Mine and Burbanks Gold Processing Mill; and in respect of the Burbanks Gold Processing Mill, to secure supply of gas and electricity. Deposits of \$428,900 for the Consolidated Group (\$252,900 for the Parent Entity) have been provided as security against these unconditional bank guarantees (refer Note 9).

Note	Consolidated Group		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
24 Notes to the statement of cash flow				
Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities				
Profit/(loss) from ordinary activities after income tax	611,697	6,878,090	610,658	6,975,937
Add/(less) non-cash items				
Depreciation	377,843	51,885	39,518	23,139
Amortisation of development expenditure	782,948	342,470	782,948	342,470
(Increase)/decrease in prepayments	(88,585)	(39,766)	(62,089)	(12,432)
(Increase)/decrease in receivables	470,560	(736,524)	5,223,994	(690,212)
(Increase)/decrease in inventories	3,312,093	(1,506,676)	3,398,693	(1,506,676)
(Increase)/decrease in non-current assets	647,014	477,711	689,318	477,711
(Increase)/decrease in other financial assets	357,710	1,742	357,710	1,742
(Increase)/decrease in investments	–	(2,456)	–	(2,456)
(Increase)/decrease in deferred tax assets	(2,431,033)	(448,947)	(2,429,994)	(408,565)
(Decrease)/increase in accounts payable	(306,622)	(58,126)	(682,685)	38,294
(Decrease)/increase in provisions	183,738	68,627	158,901	55,485
(Decrease)/increase in deferred tax liability	2,564,053	1,992,046	2,564,053	1,992,046
(Decrease)/increase in reserves	498,512	66,229	498,512	66,229
(Decrease)/increase in issued capital transaction costs – tax effect	293,255	–	293,255	–
Net cash provided by/(used in) operating activities	7,273,183	7,086,305	11,442,792	7,352,712
25 Employee entitlements				
Aggregate liability for employee entitlements, including on-costs				
Current	19	257,858	133,299	221,898
Non-current	19	102,315	43,135	100,296
		360,173	176,434	322,194
Number of employees				
Number of employees at year end		28	25	17
				14

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

26 Related parties

Directors' transactions with the Company

A number of Directors of the Company, or their Director related entities, held positions in other entities during the financial year that result in them having control or significant influence over the financial or operating policies of those entities.

The terms and conditions of the transactions with Directors and their Director related entities were no more favourable to the Directors and their Director related entities than those available, or which might reasonably be expected to be available, on similar transactions to non Director related entities on an arm's length basis.

The aggregate amounts recognised during the year (excluding re-imbusement of expenses incurred on behalf of the Company) relating to Directors and their Director related entities were as follows:

Director	Transaction	Note	Consolidated Group		Parent Entity	
			2008 \$	2007 \$	2008 \$	2007 \$
RM Kennedy and RG Nelson	Amount received from a Director related entity for Company Secretarial services and associated costs.	(i)	86,839	173,120	86,839	173,120
RM Kennedy	Amount received from a Director related entity for the sale of a gold gravity bar (2007 gold nuggets) at market value.		37,535	2,375	37,535	2,375
JF Houldsworth	Amount paid to spouse of the Director in respect of wages inclusive of superannuation during a period of six weeks due to illness of existing administrative assistant.		6,863	–	6,863	–
	Amount paid to a relative of the Director in respect of wages inclusive of superannuation in respect of mine security and living away from home expenses.		91,020	42,810	91,020	42,810
	Amount paid to an entity of which the Director is a Director in respect of labour hire.		–	79,000	–	79,000
	Amount received from a relative of the Director in respect of the sale of a second hand vehicle.		2,000	–	2,000	–
	Amount received from a relative of the Director in respect of the sale of gold nuggets.		–	750	–	750
	Amount paid to a relative of the Director in respect of the purchase of a second hand vehicle.		–	5,000	–	5,000

- (i) This amount relates to the services of Mr Francese who was a Company Secretary and Financial Officer of listed entity, Monax Mining Limited between December 2005 and August 2007 (a Company associated with RM Kennedy and RG Nelson). Monax Mining Limited reimbursed the Company 50% of his remuneration, on-costs and other associated expenses relating to secretarial and financial services provided to it.



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Key Management Personnel	Transaction	Note	Consolidated Group		Parent Entity	
			2008 \$	2007 \$	2008 \$	2007 \$
BT Kelty	Amount paid to a related entity for mine security and field staff costs		26,412	–	26,412	–
	Amount received from spouse and relatives for sale of gold nuggets		680	–	680	–
<p>Amounts receivable from and payable to Directors and their Director related entities at balance date arising from these transactions were as follows:</p>						
Current receivables						
	Trade debtors		–	85,268	–	85,268
	Loan to subsidiary		–	–	5,828,600	4,658,042
27 Segment reporting						
The Company operates in the mineral exploration and mining business segment located in Australia.						
28 Interests in joint ventures						
(a) The Company has a direct interest in a number of unincorporated joint ventures, the details of which are disclosed in the Review of Operations section of the Annual Report.						
(b) The Company's share of assets in unincorporated joint ventures is as follows:						
Non current assets						
	Exploration and evaluation expenditure (included in Note 16)		4,484,503	3,135,737	4,484,503	3,135,737
Total assets employed in joint ventures			4,484,503	3,135,737	4,484,503	3,135,737

29 Events subsequent to balance date

Since 30 June 2008, the Company;

- announced that RC drilling had intersected Wattle Dam style mineralisation at Golden Orb with intercepts of 7 metres at 10.8 g/t gold from 117 metres (including 2 metres at 27 g/t gold) and 4 metres at 6.9 g/t gold from 103 metres (including 2 metres at 12.2 g/t gold) which with previous drilling, had defined a new gold zone on the same contact as Wattle Dam that was open to the north, south and down dip and which had the potential to add to the existing Wattle Dam resources as a low cost, high grade gold operation.
- acquired West Wattle Dam tenements PL15/4381 and MLA15/1474 through the issue of 100,000 shares in the Company as consideration at a fair value of \$80,000.
- sold Parker Range tenements EL77/1403, PLs 77/3481, 77/3740, 77/3764, 77/3765 and MLA77/1085 for a cash consideration of \$100,000 and a 1% royalty on the sale of any precious metals from the tenements capped at \$500,000.
- surrendered a small insignificant tenement holding, EL15/718 which the Controlling Entity elected not to convert to a mining lease.

Apart from the above, there has not arisen in the interval between 30 June 2008 and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future years.

30 Company details

The registered office and principal place of business of the Company is:

140 Greenhill Road
UNLEY SA 5061

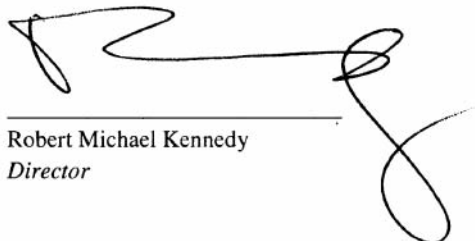
Directors' Declaration

FOR THE YEAR ENDED 30 JUNE 2008

- 1 In the opinion of the Directors of Ramelius Resources Limited:
 - (a) the financial statements and notes, as set out on pages 47 to 80, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of the Company and Consolidated Entity; and
 - (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 2 The Chief Executive Officer and Chief Financial Officer have given the Directors the declarations required by section 295A of the Corporations Act 2001.

Dated at Unley this 29 day of September 2008.

Signed in accordance with a resolution of the directors:



Robert Michael Kennedy
Director

Independent Audit Report

FOR THE YEAR ENDED 30 JUNE 2008



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMELIUS RESOURCES LIMITED AND CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying financial report of Ramelius Resources Limited (the company) which comprises the balance sheet as at 30 June 2008 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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Our Ref: H/IAR/2008/RAMELIUS RESOURCES LTD & CONTROLLED ENTITIES_JUN 08.DOC

Independent Audit Report

FOR THE YEAR ENDED 30 JUNE 2008



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMELIUS RESOURCES LIMITED AND CONTROLLED ENTITIES Cont

Auditor's Responsibility Cont

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we complied with applicable independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion:

- a the financial report of Ramelius Resources Limited is in accordance with the *Corporations Act 2001*, including:
 - i giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2008 and of their performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Independent Audit Report

FOR THE YEAR ENDED 30 JUNE 2008



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RAMELIUS RESOURCES LIMITED AND CONTROLLED
ENTITIES Cont**

Report on the Remuneration Report

We have audited the Remuneration Report (marked audited) included in the directors' report for the year ended 30 June 2008. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Ramelius Resources Limited for the year ended 30 June 2008 complies with section 300A of the *Corporations Act 2001*.

GRANT THORNTON
South Australian Partnership
Chartered Accountants

A handwritten signature in black ink, appearing to read "P S Paterson".

P S Paterson
Partner

Signed at Wayville on this *29* day of *September* 2008

Shareholder Information

FOR THE YEAR ENDED 30 JUNE 2008

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholdings as at 12 September 2008

Substantial shareholders

The number of shares held by substantial shareholders and their associates as disclosed in substantial holding notices given to the Company are set out below:

Substantial shareholder	Number of fully paid ordinary shares held
-------------------------	---

Beach Petroleum Limited	20,100,003
Sprott Asset Management Inc.	34,267,648

Voting rights

Fully paid ordinary shares

Subject to any rights or restrictions attached to any class of shares, at a meeting of members, on a show of hands, each member present (in person, by proxy, attorney or representative) has one vote and on a poll, each member present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

Options

Details of options on issue by the Company as at 12 September 2008 are as follows:

Expiry date	Exercise price	Number of options
30/06/2009	\$1.00	13,716,263
30/06/2009	\$1.90	800,000
30/06/2010	\$1.50	18,453,282

Option holders will be entitled on payment of the exercise price shown above to be allotted one ordinary fully paid share in the Company for each Option exercised. Options are exercisable in whole or in part at any time until the expiry dates. Any Options not exercised before expiry will lapse.

Distribution of equity security holders

Category	Holders of ordinary shares	Holders of 30 June 2009 \$1.00 options	Holders of 30 June 2009 \$1.90 options	Holders of 30 June 2010 \$1.50 options
1 – 1,000	477	1,223	0	2,111
1,001 – 5,000	1,073	632	0	1,043
5,001 – 10,000	690	158	0	212
10,001 – 100,000	1,319	165	0	178
100,001 and over	194	20	2	17
Total Number of security holders	3,753	2,198	2	3,561

The number of shareholders holding less than a marketable parcel of ordinary shares is 326.

Shareholder Information

FOR THE YEAR ENDED 30 JUNE 2008

On market buy-back

There is no current on-market buy-back.

Twenty largest shareholders

The names of the 20 largest holders of fully paid ordinary shares constituting a class of quoted equity securities on the Australian Securities Exchange Limited including the number and percentage held by those holders at 12 September 2008 are as follows:

Name	Number of fully paid ordinary shares held	Percentage held
Beach Petroleum Limited	20,100,003	10.84
HSBC Custody Nominees (Australia) Limited	19,824,316	10.69
Citicorp Nominees Pty Ltd	17,642,440	9.52
ANZ Nominees Limited	10,878,725	5.87
Mandurang Pty Ltd	6,420,380	3.46
Aurelius Resources Pty Ltd	5,322,551	2.87
Joseph Fred Houldsworth	4,570,581	2.47
Goldfields Hotels Pty Ltd	2,530,263	1.36
Mr Stig Hakan Helsing	2,000,000	1.08
Mr Stig Hakan Helsing Mrs Patricia Anne Helsing <Helsing S/F A/C >	1,875,000	1.01
Rosalind Mary Smart	1,500,000	0.81
Mrs Marie Helen Harrex	1,274,190	0.69
Sasse Pty Ltd <Avago Super/Fund A/C>	1,203,338	0.65
RMK Super Pty Ltd <RMK Personal S/F A/C>	1,135,413	0.61
Sasse Pty Ltd <Avago Superannuation A/C>	1,020,526	0.55
Mr Charles Randolph Caskey <CRC S/F A/C>	1,000,000	0.54
Mr David Ian Kerr Mrs Cheryl Dorothea Kerr	1,000,000	0.54
B & J O'Shannassy Management Pty Ltd <Josco Pty Ltd S/F No 1 A/C>	937,563	0.51
Warman Investments Pty Ltd	921,739	0.50
RBC Dexia Investor Services Australia Nominees Pty Limited MLCI A/C	704,239	0.38
	101,861,267	54.95

Shareholder Information

FOR THE YEAR ENDED 30 JUNE 2008

Twenty largest RMSOB option holders

The names of the 20 largest holders of options exercisable at \$1 by 30 June 2009 constituting a class of quoted equity securities on the Australian Securities Exchange Limited including the number and percentage held by those holders as at 12 September 2008 are as follows:

Name	Number of options held	Percentage held
Beach Petroleum Limited	2,010,001	14.65
ANZ Nominees Limited	693,606	5.06
Mandurang Pty Ltd	641,512	4.68
Joseph Fred Houldsworth	456,532	3.33
Aurelius Resources Pty Ltd	431,204	3.14
Mr Stig Hakan Hellsing	292,290	2.13
Goldfields Hotels Pty Ltd	280,250	2.04
Mr Stig Hakan Hellsing Mrs Patricia Anne Hellsing <Hellsing S/F A/C >	200,000	1.46
Colin John Hough	185,000	1.35
Rosalind Mary Smart	150,000	1.09
Mr Brian Burg	147,500	1.08
Mr Richard Anthony Yelash	139,121	1.01
Mrs Marie Helen Harrex	125,893	0.92
Mr Shane Francis Kennedy	124,141	0.91
Citicorp Nominees Pty Ltd	119,396	0.87
RMK Super Pty Ltd <RMK Personal S/F A/C>	113,015	0.82
RBC Dexia Investor Services Australia Nominees Pty Limited <MLCI A/C>	110,027	0.80
Mr David Ian Kerr Mrs Cheryl Dorothea Kerr	104,000	0.76
B & J O'Shannassy Management Pty Ltd <Josco Pty Ltd S/F No 1 A/C>	100,093	0.73
Hawgood Pty Ltd	100,000	0.73
	6,523,581	47.56



Shareholder Information

FOR THE YEAR ENDED 30 JUNE 2008

Twenty largest RMSOC option holders

The names of the 20 largest holders of options exercisable at \$1.50 by 30 June 2010 constituting a class of quoted equity securities on the Australian Securities Exchange Limited including the number and percentage held by those holders as at 12 September 2008 are as follows:

Name	Number of options held	Percentage held
Beach Petroleum Limited	2,010,001	10.89
HSBC Custody Nominees (Australia) Limited	1,970,285	10.68
Citicorp Nominees Pty Ltd	1,770,029	9.59
Mandurang Pty Ltd	642,038	3.48
ANZ Nominees Limited	554,653	3.01
Aurelius Resources Pty Ltd	532,256	2.88
Joseph Fred Houldsworth	457,059	2.48
PAN Australian Nominees Pty Limited	429,118	2.33
Mr Peter Cecil Langsford <Nipponerrow A/C>	376,565	2.04
Goldfields Hotels Pty Ltd	260,527	1.41
Mr Stig Hakan Hellsing	222,027	1.20
Mr Stig Hakan Hellsing Mrs Patricia Anne Hellsing <Hellsing S/F A/C >	193,027	1.05
Colin John Hough	170,000	0.92
Rosalind Mary Smart	150,000	0.81
Mrs Marie Helen Harrex	127,619	0.69
RMK Super Pty Ltd <RMK Personal S/F A/C>	113,542	0.62
Mr David Ian Kerr Mrs Cheryl Dorothea Kerr	100,000	0.54
B & J O'Shannassy Management Pty Ltd <Josco Pty Ltd S/F No 1 A/C>	93,757	0.51
Warman Investments Pty Ltd	92,174	0.50
TTF Maintenance Co Pty Ltd	71,040	0.38
	10,335,717	56.01

Shareholder Information

FOR THE YEAR ENDED 30 JUNE 2008

Unquoted and Restricted Equity Securities

Fully paid ordinary Shares

Details of fully paid ordinary shares on issue as at 12 September 2008 which are unquoted restricted securities are as follows.

Date until securities are restricted	Number of unquoted fully paid ordinary shares on issue	Number of holders
15 April 2011*	152,140	27

* These securities are issued to employees and do not vest until 3 years from the date of issue of 15 April 2008 or the holder ceases as an employee, whichever occurs first.

Options

Details of options exercisable at \$1.90 by 30 June 2009 on issue as at 12 September 2008 which are unquoted restricted securities are as follows.

Date until securities are restricted	Number of unquoted options on issue	Number of holders
N/A*	800,000	2

* These securities are restricted in that they are non-transferable securities and may only be exercised by the holders.

The names of holders with more than 20% of this a class of unquoted equity securities as at 12 September 2008 are as follows.

Name	Number of options held	Percentage held
Ian James Gordon	400,000	50
Antony Philip Webb	400,000	50
	800,000	100



Corporate Directory

Principal Registered Office

Ramelius Resources Limited
140 Greenhill Road UNLEY SA 5061
GPO Box 1373 ADELAIDE SA 5001
Telephone: (08) 8373 6473 / (08) 8373 5588
Facsimile: (08) 83735917
Email: info@rameliusresources.com.au
Website: www.rameliusresources.com.au

Perth Exploration Office

Suite 3, 14 The Avenue
MIDLAND WA 6056
P.O. BOX 1527 MIDLAND WA 6936
Telephone: (08) 9250 6644
Facsimile: (08) 9250 6699
Email: rameliuswa@tpg.com.au

Directors, Senior Management and Consultants

ROBERT MICHAEL KENNEDY
ASIT, Grad. Dip. (Systems Analysis)
FCA, ACIS, FAIM, FAICD
Non-Executive Chairman

JOSEPH FRED HOULDSWORTH
Chief Executive Officer
Managing Director

REGINALD GEORGE NELSON
BSc (MATHS), FAusIMM, FAICD
Non-Executive Director

IAN JAMES GORDON
BCom, MAICD
Chief Operating Officer

KEVIN JAMES LINES
BSc (Geology), MAusIMM.
Non-Executive Director

DOMENICO ANTONIO FRANCESE
BEc, FCA, FFin, ACIS
Company Secretary and
Chief Financial Officer

DANNY DOHERTY
BSc, Applied (Mining Engineering)
MAusIMM, Registered
Mine Manager, WA
Operations Manager

ANTONY WEBB
BSc. (Metallurgy)
Process Manager

Australian Securities Exchange Code

RMS: Shares
RMSOB: Options
RMSOC: Options
Listed on Australian Securities
Exchange Limited
Home Exchange: Adelaide
Level 25, 91 King William Street
Adelaide SA 5000

Share Registrar

Location of Share Register
Computershare Investor
Services Pty Limited
Level 5, 115 Grenfell Street
ADELAIDE SA 5000
Telephone: (08) 8236 2300 or
1300 556 161
Facsimile: (08) 8236 2305
Email: info@computershare.com.au

Auditors

Grant Thornton
Chartered Accountants
67 Greenhill Road
WAYVILLE SA 5034

Lawyers

DMAW Lawyers
Level 3, 80 King William Street
ADELAIDE SA 5000

Annual Report.2008.Ramelius Resources Limited.