



For Immediate Release
11 May 2015

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ISSUED CAPITAL

Ordinary Shares: 469M

DIRECTORS

CHAIRMAN:
Robert Kennedy
NON-EXECUTIVE DIRECTORS:
Kevin Lines
Michael Bohm
CHIEF EXECUTIVE OFFICER:
Mark Zeptner

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GO AHEAD FOR KATHLEEN VALLEY GOLD MINE

Ramelius Resources Limited (**ASX:RMS**) is pleased to announce the commencement of the Kathleen Valley gold project, located 50km north of Leinster in Western Australia (refer Figure 1). Following receipt of the final outstanding statutory approval late last week, the Company will commence site mobilisation and infrastructure work immediately. Open pit mining is expected to commence by 1 July 2015 with first ore being trucked to the Checker mill at Mt Magnet later in the September 2015 Quarter.

Key aspects of the Kathleen Valley gold project include;

Physicals	
Mine Life	1.5 years
Mineral Resource	163koz
Ore Reserve	56koz
Reserve Grade	4.1g/t
Metallurgical Recovery	95%
Financials	
Up Front Capital	A\$1.5M
C1 Cash Cost	A\$925/oz
All-in Sustaining Cost (AISC)	A\$936/oz
Total Cost (incl. Up Front)	A\$975/oz
Undiscounted Cash Flow @ A\$1,500/oz	A\$27.8M

Ramelius Chief Executive, Mark Zeptner today said: *"As planned, a key element of our production strategy has fallen into place with final approvals received from the relevant authorities, allowing project commencement in the current June 2015 Quarter. Our selected open pit contractor, Watpac, has commenced mobilisation to site and we are now finalising other related contracts and agreements."*

"In the current environment, it is pleasing to be able to kick off a new project with the associated employment and royalty benefits for the state, as well as the strong early cashflows that a high grade, low cost gold project like Kathleen Valley will deliver. Ramelius also looks forward to finalising arrangements for the nearby Vivien gold project, to allow for formal underground mining commencement, in the near future".

For further information contact:

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Executive Director
Adelaide Equity Partners
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ABOUT RAMELIUS

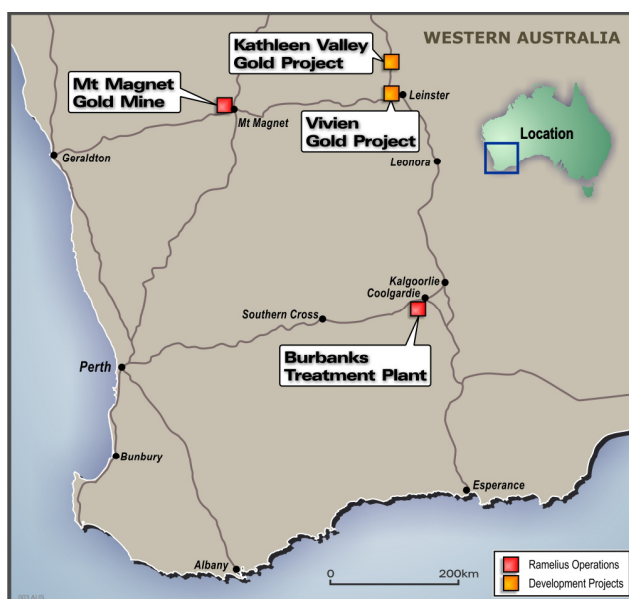


Figure 1: Ramelius' Operations & Development Project Locations

Ramelius owns the Mt Magnet Gold mining & processing operation and has acquired the high grade Vivien and Kathleen Valley gold projects near Leinster, in Western Australia. The Burbanks Treatment Plant is located approximately nine kilometres south of Coolgardie and is currently on care and maintenance.

PROJECT DEVELOPMENT

The high grade Vivien and Kathleen Valley gold projects are located 15km west and 50km north of the township of Leinster in Western Australia respectively (refer Figure 2). Both projects are situated close to sealed highway infrastructure. The Kathleen Valley project was acquired from Glencore subsidiary Xstrata Nickel Operations on the 1st September 2014.

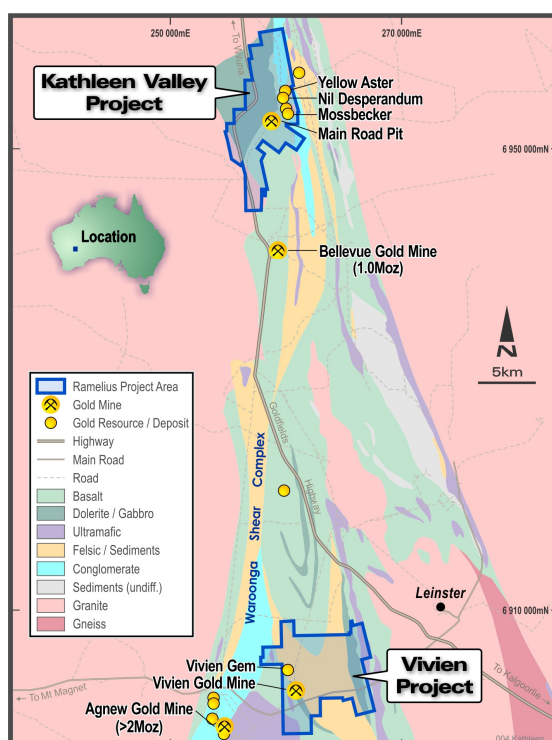


Figure 2: Vivien & Kathleen Valley Project Locations

Kathleen Valley Gold Project

Following acquisition in September 2014, infill drilling was carried out by Ramelius in November 2014 and a block model generated (refer Figure 3). This infill RC drilling upgraded the inherited Mineral Resource from a total of 1,440,000 tonnes @ 2.8g/t for 130,000 ounces to 1,814,000 tonnes @ 2.8g/t for 163,000 ounces.

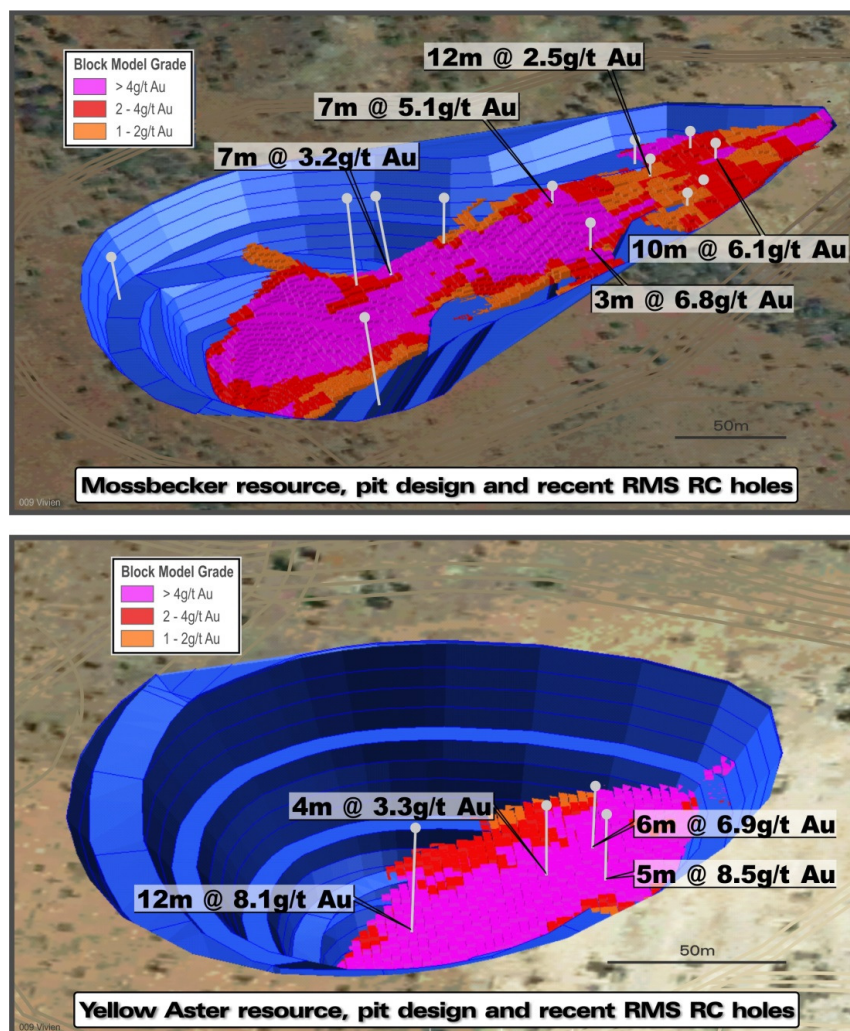


Figure 3: Mossbecker & Yellow Aster pits with recent drill holes & block models

A maiden Ore Reserve was generated and announced in January 2015, using a gold price of A\$1,400 per ounce. Two open pits, Mossbecker and Yellow Aster, were designed and are expected to produce a total of 418,000t @ 4.1 g/t for 56,000 oz of gold. A Feasibility Study was completed in February 2015 and forecasts an AISC of \$936 per ounce and undiscounted cash flow of \$27.8M.

For full details of the drilling, Mineral Resource and Ore Reserve refer ASX Release, 'Maiden Ore Reserve boosts Kathleen Valley Gold Project', 19 January 2015.

The March 2015 quarter saw significant activity on project permitting, with submissions to government departments - the DMP, DoW, DER and DAA being progressed and final approval received on the 7th May 2015. Ramelius expects mine development at the Kathleen Valley Gold Project to progress quickly, with very low capital startup costs. The Mossbecker deposit virtually extends to surface, meaning that there is no pre-strip required. At Yellow Aster, ore is reached at approximately 30m depth. Further drilling is planned at Nil Desperandum, once mining operations commence, with the aim of converting Inferred Resources to Ore Reserves (refer Figure 4.)

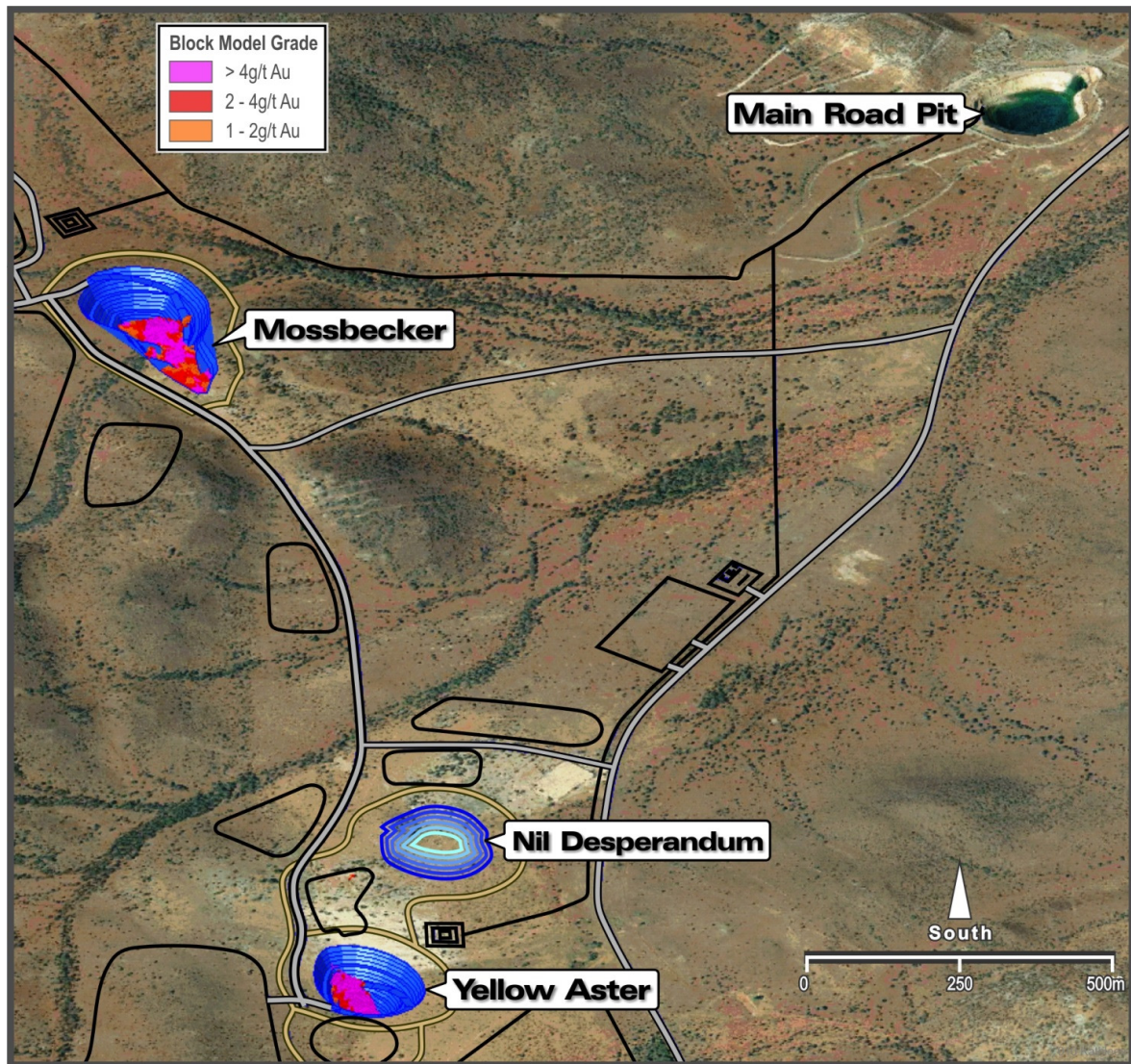


Figure 4: Oblique view south, Kathleen Valley pits

Watpac Civil & Mining Pty Ltd (Watpac) has been awarded the open pit contract at the project, building on the work currently being carried out at Mt Magnet for Ramelius. Other contracts and agreements are currently being finalised with preferred providers in the areas of fuel supply, flights & accommodation, ore haulage, grade control drilling and sample assaying.

COMPETENT PERSONS

The Information in this report that relates to Mineral Resources and Ore Reserves is based on information compiled by Rob Hutchison (Mineral Resources) and Mark Zeptner (Ore Reserves), who are Competent Persons and Members of The Australasian Institute of Mining and Metallurgy. Rob Hutchison and Mark Zeptner are full-time employees of the company. Rob Hutchison and Mark Zeptner have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Rob Hutchison and Mark Zeptner consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.