



5 May 2010

For Immediate Release

5 May 2010

ISSUED CAPITAL

Ordinary Shares: 291M
Options: 18.45M

DIRECTORS

Chairman:
Robert Kennedy
Non Executive Directors:
Reg Nelson
Kevin Lines
Joe Houldsworth
Chief Executive Officer:
Ian Gordon

www.rameliusresources.com.au
info@rameliusresources.com.au

RAMELIUS RESOURCES LTD

Registered Office

140 Greenhill Road
Unley Adelaide
South Australia 5061
Tel +61 8 8373 6473
Fax +61 8 8373 5917

Exploration Office

Suite 3
14 The Avenue
Midland WA 6056
Tel 08 9250 6644
Fax 08 9250 6699

CAPITAL RETURN OF FIVE CENTS PER SHARE

The Directors of Ramelius Resources Limited are pleased to announce a return of capital to shareholders of 5 cents per share.

The capital return is subject to shareholder approval and a favourable class ruling from the Australian Taxation Office "ATO" in regards to the taxation treatment of the payment.

Based on Ramelius' current 291.3 million ordinary shares on issue, the proposed capital return to shareholders totals A\$14.5 million.

The Ramelius Directors have recently reviewed the ongoing excellent performance of the Wattle Dam underground gold mine in Western Australia since production commenced in the December 2009 quarter. During the period to 31 March 2010, gold production was 36,497 ounces at an average grade of 28.35g/t (including low grade ore) which generated total gold sales of \$33 million for the period to 31 March 2010.

The Directors believe that the proposed capital return is appropriate for the following reasons.

1. As detailed above, the excellent performance of the underground mine at Wattle Dam has outperformed the expected mine plan and as at 31 March 2010, total gold sales from the mine exceeded all capital and operating costs since the underground mine development commenced in May 2009.
2. The Company does not presently have any substantial capital expenditure requirements in its future plans that cannot be funded from internal cash flows.
3. Ramelius does not currently have any significant franking credits to allow for a franked dividend to be paid in the near future.

At this time, the Company is still pursuing a quality acquisition in the gold sector, and therefore intends to hold a significant cash balance to enable Ramelius to participate in any such opportunities that may arise. However



Ramelius will only make such an acquisition if it can demonstrate significant upside potential beyond the nominal acquisition price.

In the meantime, the Company will continue with its strategy to extend the mine life at Wattle Dam and work towards making a significant gold discovery in world-class gold regions in Australia or overseas. The Company currently has approximately A\$80 million in cash and gold on hand and remains debt free.

The Company plans to hold a meeting of shareholders as soon as possible to approve the capital return and to then apply immediately thereafter for a class ruling from the ATO. The capital return will be paid as soon as possible after a favourable class ruling is received from the ATO.

Further details of the capital return and a Notice of Meeting will be sent to all shareholders in the near future.

For further information contact:

Ian Gordon
Chief Executive Officer
Ramelius Resources Limited
Mob: 0448 330 160

Duncan Gordon
Investor Relations
Adelaide Equity Partners
Mob: 0404 006 444