

UPDATE ON KYRGYZSTAN PROJECT FARM -IN

ANNOUNCEMENT

25 FEBRUARY 2009

As previously reported, Ram Resources Limited's ("Ram" or "the Company") Farm-In Agreement with Pangaea Energy Ltd (Pangaea) has not proceeded as intended due to funding difficulties as a result of the crisis affecting world financial markets.

Ram has been working to resolve this matter and is pleased to announce that it has entered into an agreement whereby the Company will unwind the existing Farm-In Agreement and has agreed to transfer its uranium projects in Kyrgyzstan for the cancellation of \$1.58 million in debt owed by the Company.

Pangaea Farm-In Agreement

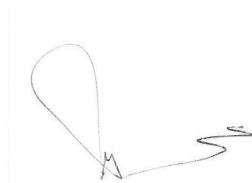
In June 2008, the Company announced a Farm-In Agreement over its Kyrgyzstan projects with Pangaea, a private UK-based energy sector investment group. Under the terms of the joint venture, Pangaea was to contribute up to US\$1.75 million in cash and US\$2.3 million in exploration spending on the Kyrgyzstan projects to earn an 80% interest. To date a total of US\$550,000 has been paid and Pangaea is in default under that agreement.

The global financial crisis has affected Pangaea's access to funds and as a result the Company and Pangaea have agreed to terminate the June Farm-in Agreement and will have no further obligation to each other under that agreement.

Asset /Debt Swap

The Company has agreed to transfer to Pangaea all of the issued capital of its subsidiary IMC Resource Holdings Limited, which in turn owns the Kamushanovskoe and Jetym uranium projects, for the extinguishment of interest bearing debt of \$1.58 million. The Company is currently working its way through a restructure of its affairs and this reduction in external debt is an important part of that process.

AUTHORISED BY



Michael Drew
Managing Director