

15 October 2009

Dear Option holder

On 2 October 2009 Ram Resources Ltd ACN 108 456 444 ("**Company**") announced that the Company will be conducting a pro-rata non-renounceable rights issue to shareholders of approximately 94,722,815 new Options (each exercisable at \$0.03 and expiring on 30 March 2012) at an issue price of \$0.001 each, on the basis of 1 new Option for every 3 Shares held on the record date of 23 October 2009 ("**Rights Issue**"). The Company also announced that it would be making a placement of up to 60,000,000 new Options (each exercisable at \$0.03 and expiring on 30 March 2012) at an issue price of \$0.001 each ("**Placement Offer**"). Together, the Rights Issue and Placement Offer will raise up to \$154,723.

The Placement Offer will be made to clients of Indian Ocean Capital Pty Ltd.

To exercise your options and thereby participate in the Rights Issue you will need to deliver to the registered office of the Company the following:

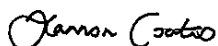
1. a notice in writing to the directors of the Company specifying the number of options to be exercised;
2. your option certificate covering that number of options; and
3. payment for the exercise price for those options by way of a cheque made payable to the Company.

Each share allotted as a result of the exercise of an option will rank pari passu with all other issued ordinary shares of the Company.

Option Exercise Notices and funds must be received by no later than 5.00 p.m. (Western Standard Time) on 21 October 2009.

For further information please contact Shannon Coates on +61 8 9322 6424.

Yours faithfully

A handwritten signature in black ink that reads 'Shannon Coates'.

Shannon Coates
Company Secretary

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