

Company Announcements
 ASX Limited
 By Electronic Lodgement

28 April 2017

QUARTERLY UPDATE

Highlights

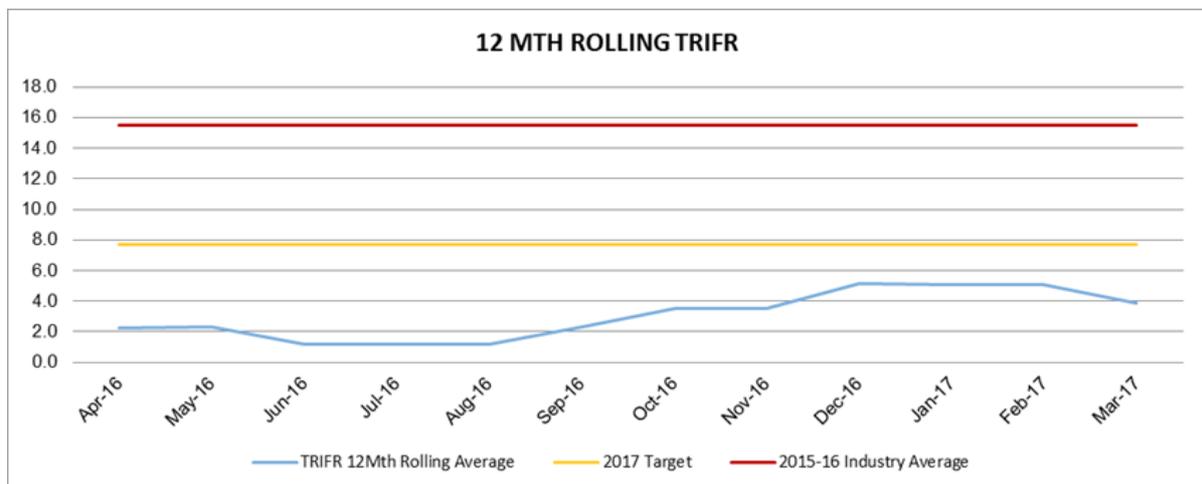
- Tropical Cyclone Debbie disrupts coal shipments
- Foxleigh produced 781t of saleable production and shipped 698kt in the March quarter
- March Quarter 2017 Benchmark low-volatile PCI coal price set at US\$180/t (vs. US\$133/t in December quarter).
- Realm’s cash on hand as at 31st March 2017 was A\$88 million.

Realm Resources Ltd. (ASX: RRP) (“Realm” or the “Company”) is pleased to provide an update on activities during the quarter.

Safety

Importantly, the focus on occupational health and safety (OH&S) and environmental, social and governance issues (ESG) continues. During the March quarter, there was one lost time injury (LTI) across the business.

Figure 1: - Foxleigh Safety Performance



Production and Sales

Key operating results for the March quarter 2017 and since acquisition on 29 August 2016 are shown in Table 1.

Table 1: - Foxleigh Coal Mine (100%) Operating Results

Thousands of tonnes	March Quarter	Since acquisition*
ROM coal produced	997	2,300
ROM strip ratio (bcm waste / ROM t)	5.6:1	6.7:1
Saleable coal produced	781	1,906
Total coal sales	698	1,679

* Note: - Realm acquired its share in Foxleigh Mine on 29 August 2016

Impact of Tropical Cyclone Debbie

Realm previously advised that Aurizon Holdings announced that the Goonyella rail system would re-open on 26th April, following repairs as a result of ex tropical cyclone Debbie. The system is initially operating with some speed restrictions, which will be reviewed as the rail network is further utilised.

While the rail network has been unserviceable, Foxleigh mine produced and stockpiled run of mine coal, while undertaking maintenance works in the coal handling and preparation plant. Washing of coal will resume as product stockpiles reduce with the recommencement of railing coal to Dalrymple Bay Coal Terminal for shipment to customers.

The Company is pleased to announce that during the hiatus in railing, the company's port stockpile was been shipped. Proceeds from this and an earlier shipment have delivered revenue during the stoppage period.

Creek Diversion

As part of ongoing operations, the mine needed to undertake civil works to complete a 4.1km creek diversion which includes the realignment of a public road and the construction of 5.6km of flood protection levees. This work was award to the AE Group and the expected total cost is \$15.6m and is planned to be completed in the June quarter 2017. This will extend the life of the Foxleigh Plains pit.

Exploration and Development

The Company commenced an initial three stage exploration program on the existing mining leases costing circa \$1.5m. Stages 1 and 2 were completed in early December and consisted of 35 boreholes including:

- 28 chip holes – defining coal structure;
- 6 x 4C cored holes – defining coal quality; and
- 1 x HQ cored hole – defining geotechnical properties.

The third stage commenced in December and is expected to be completed during H2. This stage includes a further 33 holes as follows:

- 20 chip holes – defining coal structure;
- 12 x 4C cored holes – defining coal quality; and
- 1 x HQ cored hole – defining geotechnical properties.

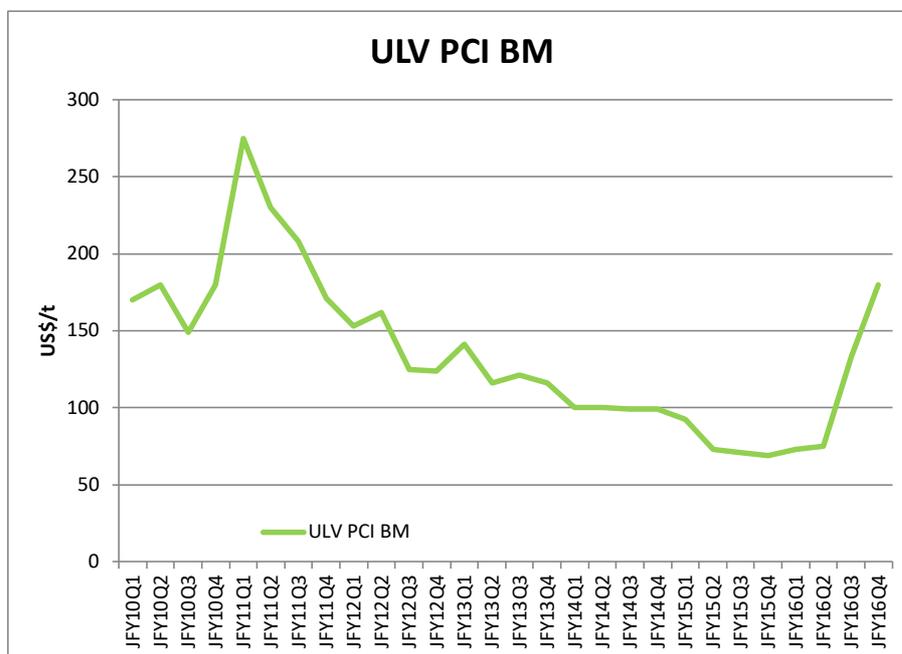
The results will be used to update the existing JORC resources and reserve statement. In addition, the Company has also commenced a review of existing drilling information on its 100% owned EPC's 855 and 1669 adjacent to the Foxleigh mine.

Coal Market Update

The quarterly benchmark price for low-volatile PCI coal ("LV PCI") for the period January to March 2017 (i.e. JFY Q4) has increased by 35% to US\$180/t (vs. US\$133/t for the December quarter) (Source IHS 16/12/16) (Figure 2).

Foxleigh's premium high quality LV PCI coal is sold to longstanding customers in key export markets including South Korea, Japan, and Taiwan, and the majority of sales are at the benchmark price.

Figure 2: - Quarterly Benchmark Coal Prices – for premium LV PCI Coals (Japanese FY)



Note: Japanese financial year starts 1st April

Discussions for the quarterly benchmark price for low-volatile PCI coal ("LV PCI") for the period April to June 2017 (i.e. JFY Q1), have not finalised, negotiations have been hampered by ex tropical cyclone Debbie.



Katingan Ria Coal Project

The Company continues to engage with PLN (Indonesian State owned Electricity Corporation) and other potential partners/buyers in order to progress its power station strategy. The Katingan Ria thermal coal project (Realm 51%) is ideally suited to supply a proposed mine mouth power station in the region.

At the time of writing the expected price for Katingan Ria coal is US\$40.00/t. This together with the downward revision of the forecast production costs for the project has encouraged management to reassess the viability of an export driven operation in addition to its power station strategy.

South African Projects

Aluminium Waste Toll Treating Business

Health and Safety

There were no disabling injuries during the quarter. The focus on safety training and monitoring continues. The disabling injury frequency rate (DIFR) for the March quarter 2017 was 0.0% (0.0% in the prior quarter).

Smelting and recovery performance comparison

Alumicor	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q3 2016	Q4 2016	Q1 2017	% change Q4 2016
Tonnes smelted	4,364	5,412	4,868	4,473	5,083	5,083	4,391	5,182	18%
Average recovery	53%	56%	57%	57%	60%	60%	59%	59%	0%

Alumicor continues to operate profitably and deliver cash flow with management's attention focussed on running the business safely and efficiently.

The Company is pleased to announce that constructive discussions with Hulamin are continuing with the aim of securing a mutually beneficial long term processing agreement in the near term.

The Company continues to engage with Hulamin and other parties and will make further announcements when additional information becomes available.



Platinum Group Metals

Chrometco (JSE:CMO), in which Realm owns 45m shares, and the Sail Group of Companies "Sail" have entered into conditional agreements that could result in Sail acquiring just less than 90% of Chrometco. In return, Chrometco will receive: cash, a controlling stake in two fully financed chrome projects and a stake in Sail Minerals. By joining the respective strengths of Sail and Chrometco as well as the potential of two exceptionally good chrome projects, the new entity will be well placed to become a significant player in the chrome market (Refer <http://www.chrometco.co.za/>).

The Company continues to keep its mineral rights situated in the Eastern Limb of the Bushveld Igneous Complex in good standing.

Platinum prices remain subdued with recent prices with the quarter ending at US\$950/oz. At the time of writing the platinum price was US\$954/oz.

Business Development

On the business development front, numerous coal opportunities continue to be reviewed, with the focus directed at projects or mines with near term cash generation capacity, largely in first world jurisdictions.

Financial results

Referring to the attached 5B schedule, net operating cash inflows were AUD\$29,788,00 for the quarter (inflow of AUD\$7,395,000 in the prior quarter).

Realm's cash on hand as at 31st March 2017 was A\$88 million.

About Realm

Information on Realm Resources Limited is available on the Company's website at www.realmresources.com.au.

For further information, please contact:

Gemma Yeates
Financial & Corporate Relations (FCR)
T: +61 2 8264 1005
g.yeates@fcr.com.au

Appendix 1: - Foxleigh Mine

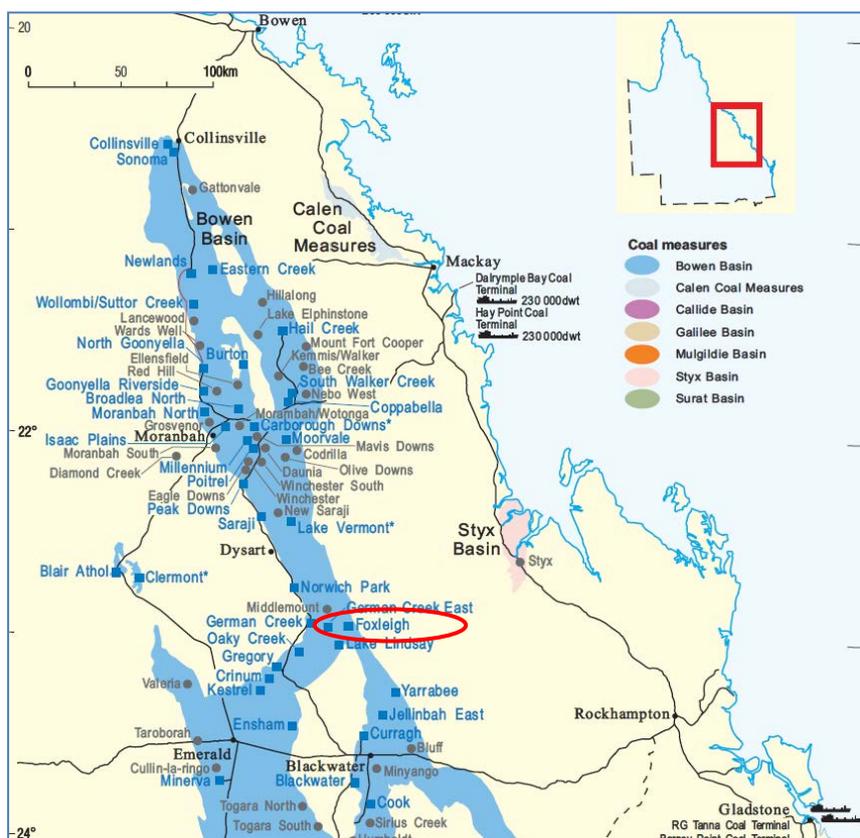
Realm's 99.9% held subsidiary, Middlemount South Pty Ltd ("**Middlemount**") owns 70% of the Foxleigh Mine ("**Foxleigh**").

Foxleigh Mine is located in Queensland's Bowen Basin coalfield, 12km south of Middlemount and 272km northwest of Rockhampton (see Figure 1). The mine was established in 1999 as an open cut operation producing benchmark quality, LV PCI coal for the export market. Saleable production in CY 2016 (100% basis) was ~3.1 million tonnes.

Mining is undertaken using the truck and shovel method with raw coal delivered to Foxleigh's coal handling and preparation plant ("**CHPP**") for washing. The CHPP has processing capacity in excess of 4Mtpa of raw coal.

Product coal is hauled 27km on a private haul road to a dedicated train loading facility located alongside the Capcoal rail loop and is then railed 280km to the Dalrymple Bay Coal Terminal ("**DBCT**") at the Port of Hay Point near Mackay, Queensland.

Figure 1: Foxleigh Location and Infrastructure Map



Source: Queensland Government – Department of Mines and Energy

Appendix 2: - Interests in mining tenements

PROJECT/LOCATION	TENEMENT	INTEREST AT THE BEGINNING OF THE QUARTER	INTEREST AT THE END OF THE QUARTER
Marikat District, Katingan Regency, Central Kalimantan Province, Indonesia	IUP Operasi Produksi No. 545/222/KPTS/VIII/2011 In Prinsip Izin Pinjam Pakai No. S.515/Menhut- VII/2012	51%	51%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1021 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1028 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1030 PR.	70.3%	70.3%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1020 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 958 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1105 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1029 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1060 PR.	74%	74%

Central Queensland Australia	ML 70171	0%	70%
Central Queensland Australia	ML 70309	0%	70%
Central Queensland Australia	ML 70310	0%	70%
Central Queensland Australia	ML 70429	0%	70%
Central Queensland Australia	ML 70430	0%	70%
Central Queensland Australia	ML 70431	0%	70%
Central Queensland Australia	ML 70470	0%	70%
Central Queensland Australia	EPC 855	0%	100%
Central Queensland Australia	EPC 1669	0%	100%

Further; Realm did not have any interest in any farm-in or farm-out agreements at the end of the quarter. Realm did not acquire or dispose of any farm-in or farm-out interests during the quarter

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Realm Resources Limited

ABN

98 008 124 025

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3.months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	94,312	94,312
1.2 Payments for		
(a) exploration & evaluation	(886)	(886)
(b) development	(1,858)	(1,858)
(c) production	(41,389)	(41,389)
(d) staff costs	(17,518)	(17,518)
(e) administration and corporate costs	(623)	(623)
1.3 Dividends received (see note 3)		
1.4 Interest received	121	121
1.5 Interest and other costs of finance paid	(2,244)	(2,244)
1.6 Income taxes paid	(127)	(127)
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	29,788	29,788
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets	(8,086)	(8,086)

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3.months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	69,160	69,160
4.2	Net cash from / (used in) operating activities (item 1.9 above)	29,788	29,788
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8,086)	(8,086)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		
4.5	Effect of movement in exchange rates on cash held	(2,669)	(2,669)
4.6	Cash and cash equivalents at end of period	88,193	88,193

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	87,481	68,433
5.2 Call deposits	190	190
5.3 Bank overdrafts		-
5.4 Other (provide details)	522	542
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	88,193	69,165

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	42
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	76,164	48,000
8.2 Credit standby arrangements		
8.3 Performance Guarantee Facility	102,694	63,000
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

--

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(614)
9.2 Development	(1,800)
9.3 Production	(42,234)
9.4 Staff costs	(6,523)
9.5 Administration and corporate costs	(675)
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	51,846

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 28 April 2017

Print name: Theo Renard

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.