



Company Announcements
ASX Limited
By Electronic Lodgement

31st October 2017

QUARTERLY UPDATE

Highlights

- **Foxleigh Mine produced 848kt of saleable production and shipped 564kt in the September quarter and 2,052kt 2017 YTD (100% basis).**
- **Maiden JORC Resource delivered for Roper Creek.**
- **September Quarter 2017 Benchmark low-volatile PCI coal price was set at US\$127.50/t (vs. US\$135/t in June quarter).**
- **Cash on hand at 30th September 2017 was A\$69 million.**
- **The Taurus Resources Fund No. 2 loan of A\$45m (together with capitalised interest) was repaid in full on 29 August 2017.**

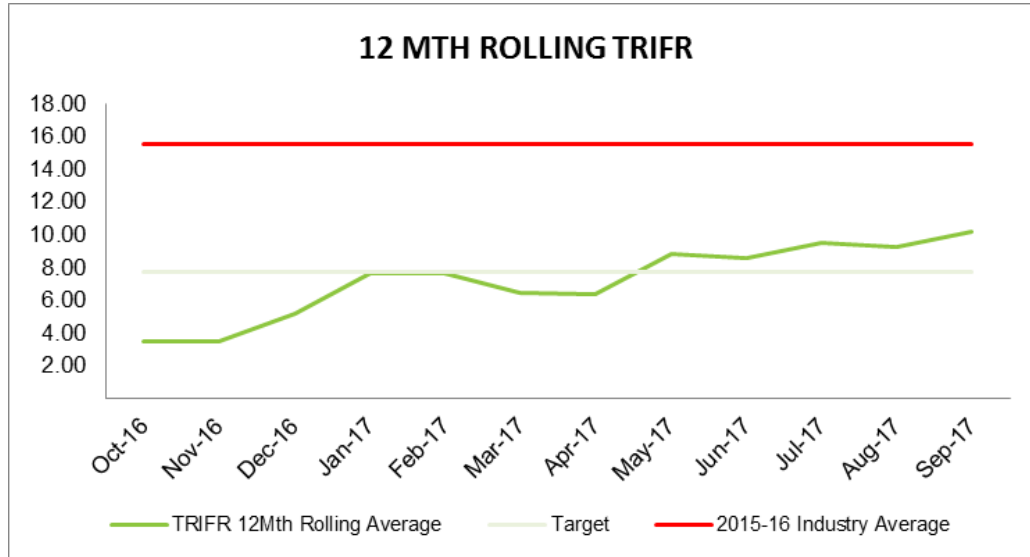
RealM Resources Ltd (ASX: RRP) (“RealM” or the “Company”) is pleased to provide an update on activities during the quarter.

Foxleigh Mine

Safety and Environment

- One lost time injury (LTI) and one medical treatment injury (MTI) during the September quarter.
- Safety Health Management System (SHMS) – Increased focus on the sites health program implementing the dust monitoring program to reduce potential coal mine worker pneumoconiosis (black lung) exposure.
- Rehabilitation works continued in the September quarter, with 34.5 hectares of the Pipeline out-of-pit dump reshaped and topsoiled. Seeding occurred over Carlo Pit rehab area, with 85 hectares remaining to be seeded across site.

Figure 1: - Total Recordable Injury Frequency Rate



Foxleigh Mine Production and Sales Statistics (100% basis)

Key operating results for the September quarter 2017 are shown in Table 1.

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

	JunQ17	SepQ17	% Change	YTD
ROM coal produced (kt)	920	956	4%	2,874
ROM strip ratio (bcm waste / ROM t)	7.9:1	11.3:1	43%	8.23:1
CHPP Feed (kt)	736	1,154	57%	2,907
CHPP Yield (%)	70.6%	73.5%	4%	73.9%
Saleable coal produced (kt)	519	848	63%	2,148
Total coal sales (kt)	790	564	-29%	2,052
ROM coal stockpile (Quarter end, kt)	199	17		17
Product coal stockpile (Quarter end, kt)	187	439		439

Production

With completion of the Cockatoo Creek Diversion and Levee, the Foxleigh mine commenced straightening the face of the Foxleigh Plains pit. This process led to the increased strip ratio during the quarter. The creek diversion materially extends the life of the Foxleigh Plains pit, the current source of coal from the mine.

Equipment upgrades

The Foxleigh Joint Venture (Realm 70%) has approved a significant upgrade to the mining fleet used at the Foxleigh Mine, at an approximate cost of \$24.5m (100% basis). Two Liebherr 9400 excavators and one Liebherr 996B excavator have been ordered to replace the (aged) equipment currently in use. The new excavators will be delivered and commissioned in 2017 and early 2018, which will greatly reduce the risk profile of the mining equipment and assist the site to efficiently meet its targeted production in future years.

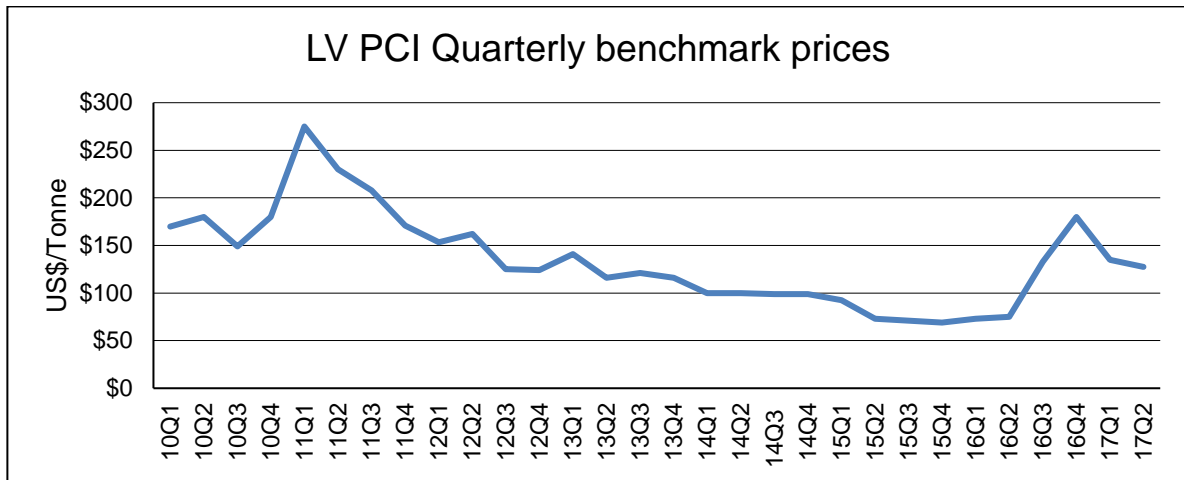
Sales

Shipments during the quarter were subdued despite robust customer demand. Tropical Cyclone Debbie has led to congestion at the Dalrymple Bay Coal Terminal. Difficulty securing port access during the quarter led to below budget coal sales.

Coal Market Update

The quarterly benchmark price for low-volatile PCI coal ("LV PCI") for the period July to September 2017 (i.e. JFY Q2) was agreed at US\$127.50/t versus US\$135/t in the June quarter, a decrease of 5.5%. The December quarter 2017 price has not yet been established. Hard Coking Coal is priced off indices, while PCI benchmark pricing continues to be established by negotiation.

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.



Note:- Dates as per Japanese Financial Year (JFY) starting 1 April

Exploration and Development

The Department of Natural Resources and Mines has renewed EPC 1139 in total (143 sub blocks) for a 5-year term with nil relinquishment for years 1-3. This is an important development as it provides the Foxleigh Joint Venture time to fully explore the remaining areas of EPC 1139 as previously announced to the market (see Figure 1 below).

The Company continued the exploration program on the existing mining leases and EPC's, including:

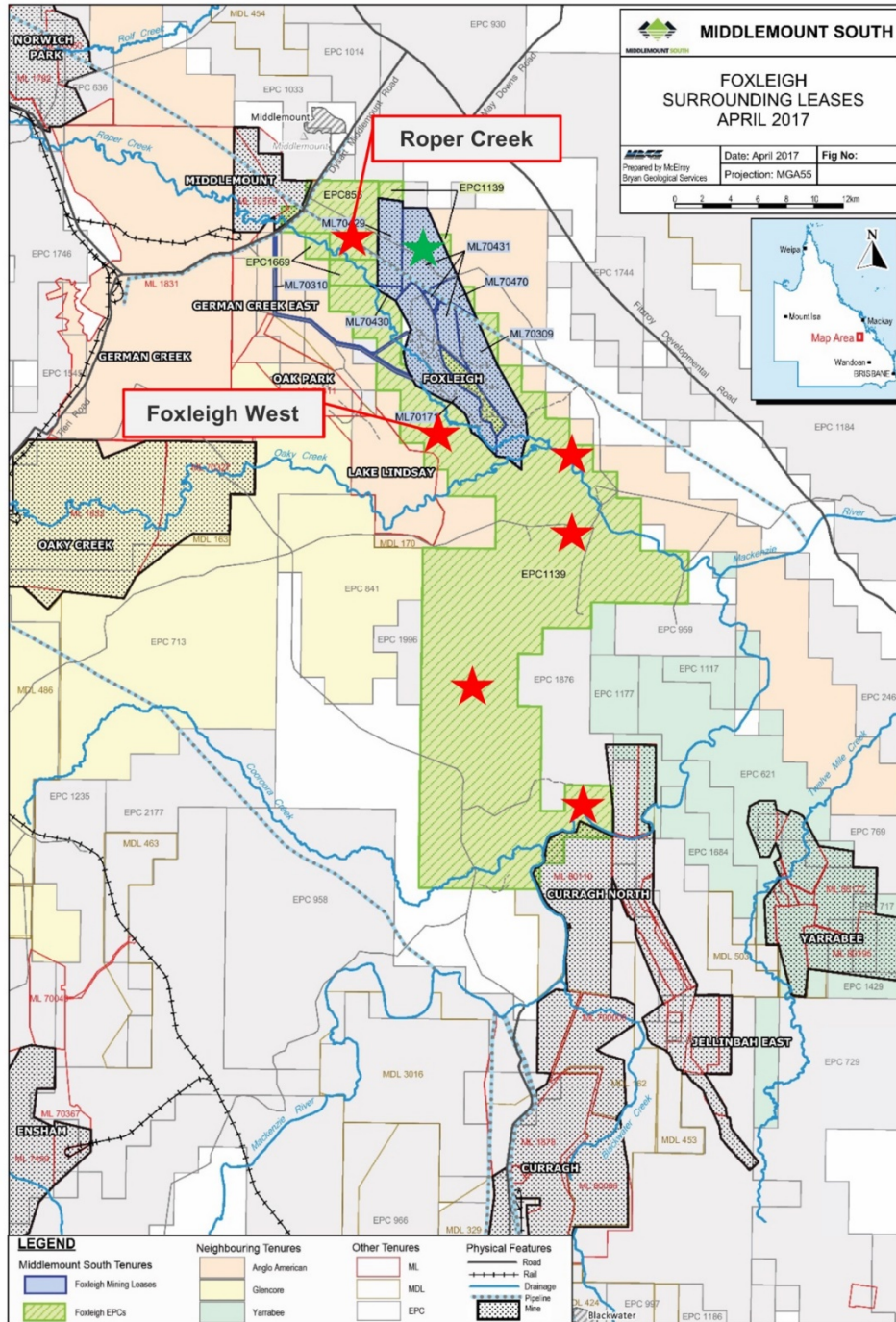
- Foxleigh Plains (Realm 70%) Stage 4 drilling has been concluded and indicates that the resource continues to the North, potentially allowing for an extension to the proposed "life of mine" pit shell. This area is under an existing Mining Lease (ML) which will greatly assist with future development of the area;
- Exploration drilling on the Eagles Nest (Realm 70%) tenement (also covered by an ML) commenced on 26 July 2017 and will provide additional information to assist develop this area of the Foxleigh site;
- Landholder access and compensation has been agreed allowing the Foxleigh West (Realm 70%) exploration program to commence. Cultural Heritage surveys have been concluded for the areas required; and
- Drilling was completed at Roper Creek Coal Project (**RCCP**) (Realm 100%) in June 2017 and an initial JORC coal resource estimate for this area was prepared by McElroy Bryan Geological Services as follows;
 - Coal Resources for RCCP, estimated as at 30 June 2017 and reported in accordance with the JORC Code 2012, are 48Mt (42Mt Indicated and 6Mt Inferred) to 200m vertical depth.
 - Coal seams in RCCP are the northerly extensions of seams in the Foxleigh Mine. With beneficiation, these seams can produce a Low Volatile PCI product.
 - RCCP Coal Resources are separate, and in addition to, the Foxleigh Mine Coal Resources (which includes Reserves) of 82.3Mt (33.3Mt Measured, 29Mt Indicated and 20Mt Inferred) and Reserves 52.7Mt (29.2Mt Proved and 23.5Mt Probable).

Realm holds a 70% interest in the Foxleigh Mine Coal Resources (Refer to ASX announcement 13th September 2017 for details).

Table 1:- Exploration Drilling since acquisition

Project	Open Hole (m)	Cored (m)	Total Drilling (m)
Foxleigh Plains	16,749	3,788	20,538
Eagles Nest	8,068	287	8,355
Foxleigh West	5,964	188	6,153
Roper Creek	1,232	444	1,676
One Tree west	707	183	890
Total	32,720	4,891	37,611

Figure 1: - Foxleigh Mine and Surrounding Leases showing Target Areas



Note:- Red stars represent priority targets

Katingan Ria Coal Project

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

At the time of writing the expected price in the export market for Katingan Ria coal is US\$45.75/t. In the case of a mine mouth power station, the expected price is governed by legislation and is set at a level based on agreed costs plus a 15% to 25% margin.

South African Projects

Aluminium Waste Toll Treating Business

Health and Safety

There was no disabling injury during the quarter. The focus on safety training and monitoring continues. The disabling injury frequency rate (DIFR – calculated on an annual basis) for the September quarter 2017 was 1.2% (1.2% in the prior quarter).

Smelting and recovery performance comparison

Alumicor	Q1 2016	Q2 2016	Q3 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	% change Q1 2017
Tonnes smelted	4,868	4,473	5,083	5,083	4,391	5,182	4,005	4,197	5%
Average recovery	57%	57%	60%	60%	59%	59%	61%	60%	-1%

Tonnes smelted were low during the quarter as a result of furnace refurbishments and Hulamin took a furnace down for refurbishment. Alumicor continues to operate profitably and deliver positive cash flow.

Platinum Group Metals

Realm owns 45m shares Chrometco (JSE:CMO refer <http://www.chrometco.co.za>). Realm is considering alternatives to realise value from this asset now that the Sail transaction has been finalised.

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

Business Development

Opportunities continue to be reviewed, with the focus directed at metallurgical coal projects or mines with near term cash generation capacity, largely in first world jurisdictions.

Corporate

During the quarter Mr Glen Lewis resigned for personal reasons. Mr Peter Briggs was appointed as interim CEO. A search process to find a new Managing Director has been commissioned.

Update on the re-instatement to official quotation

As previously advised, ASIC has confirmed that it does not intend to take any action in connection with the matters relating to the section 33 notice previously advised to shareholders.

Matters remaining before relisting (as previously advised) are:

- a) Finalising a prospectus to allow a capital raise (which will result in the issuance of sufficient new shares to satisfy the 20% free float condition prescribed by the ASX to re-comply with Chapters 1 and 2 of the Listing Rules) to proceed,
- b) Determining the most appropriate arrangements for the capital raise (structure and price), and
- c) Undertaking the capital raise successfully

Preparation of the prospectus is proceeding with updating of financial and reserves information. The recent resignation for personal (health related) reasons of former Managing Director (MD), Mr Glen Lewis, is relevant to part (c) of the above matters, because Directors believe that marketing of the Company will not be successful until investors know who will be leading the Company. A structured search for a new MD is underway, however this process is unlikely to be completed, with a new appointee in place, before the end of 2017. As a result, relisting on the ASX is unlikely to occur before early 2018.

A timetable will be released when available.

Repayment of Taurus Resources Fund No. 2 \$45m Debt

During the quarter the loan of A\$45m provided by Taurus Resources Fund No. 2, together with interest, was repaid on 29 August 2017. The repayment was made from available cash funds on the loan expiry date.

Following the repayment, the following facilities remain available from Taurus Mining Finance Fund:

- Performance Guarantee Facility with a limit of US\$78.5m – guarantees totalling US\$48.9m (A\$64.3m equivalent) have been issued; and
- Working Capital Facility with a limit of US\$20.0m – currently undrawn.

Financial results

Referring to the attached 5B schedule, net operating cash inflows were AUD\$11,977,000 for the quarter (inflow of AUD\$29,788,000 in the prior quarter).

Realm's cash on hand as at 30 September 2017 was A\$69 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:

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SEPTEMBER QUARTERLY UPDATE

Appendix 1: Foxleigh Mine

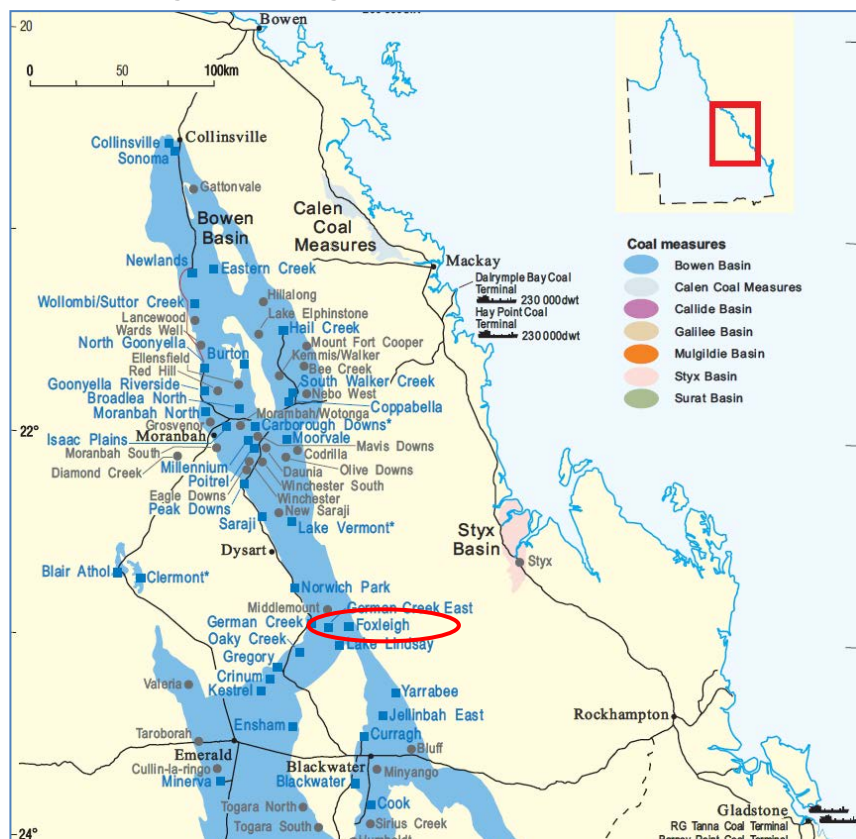
Realm’s 99.9% held subsidiary, Middlemount South Pty Ltd (“**Middlemount**”) owns 70% of the Foxleigh Mine (“**Foxleigh**”).

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	70%	70%
Central Queensland Australia	ML 70309	70%	70%
Central Queensland Australia	ML 70310	70%	70%
Central Queensland Australia	ML 70429	70%	70%
Central Queensland Australia	ML 70430	70%	70%
Central Queensland Australia	ML 70431	70%	70%
Central Queensland Australia	ML 70470	70%	70%
Central Queensland Australia	EPC 1139	70%	70%
Central Queensland Australia	EPC 855	100%	100%
Central Queensland Australia	EPC 1669	100%	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")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	85,622	261,732
1.2 Payments for		
(a) exploration & evaluation	(1,570)	(2,910)
(b) development	-	-
(c) production	(29,350)	(74,210)
(d) staff costs	(6,590)	(22,410)
(e) administration and corporate costs	(15,593)	(55,105)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	144	351
1.5 Interest and other costs of finance paid	(1,718)	(5,786)
1.6 Income taxes paid	(4,769)	(4,769)
1.7 Research and development refunds	-	-
1.8 Other – Royalties State Government	(10,130)	(27,797)
Other – Royalties	(4,069)	(7,943)
1.9 Net cash from / (used in) operating activities	11,977	61,153
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(2,850)	(5,450)
(b) tenements (see item 10)	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(c) investments	-	-
	(d) other non-current assets	-	-
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	(2,850)	(5,450)

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	(46,138)	(50,733)
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	(46,138)	(50,733)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	106,899	69,160
4.2	Net cash from / (used in) operating activities (item 1.9 above)	11,977	61,153
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,850)	(5,450)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(46,138)	(50,733)

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(440)	(4,682)
4.6	Cash and cash equivalents at end of period	69,448	69,448

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	68,780	106,151
5.2	Call deposits	190	190
5.3	Bank overdrafts		
5.4	Other (provide details)	478	558
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	69,448	106,899

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter \$A'000
62

7. Payments to related entities of the entity and their associates

- 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

Current quarter \$A'000

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	-	-
8.2 Working capital	20,000	-
8.3 Performance Guarantee Facility	100,641	62,663
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.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(510)
9.2 Development	-
9.3 Production	(31,600)
9.4 Staff costs	(9,990)
9.5 Administration and corporate costs	(3,840)
9.6 Other – Non-current assets and Tenements	(27,000)
9.7 Total estimated cash outflows	(72,940)

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: 31 October 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.