

---

**ASX Announcement and Media Release**

29 April 2015

# *Third Quarter Activities Report Ending 31 March 2015*

**Key Points:**

**CORPORATE**

- A review of Lodestone (Braemar Iron and Olary Magnetite) iron ore assets is currently underway, with the potential to merge these into Royal's Braemar Regional exploration portfolio
- Royal surrenders non key tenements and looks at opportunities to divest others, so as to focus on the Braemar Region

**RAZORBACK PREMIUM IRON PROJECT**

- Review previous work and prepare new project strategy
- Optimisation work continues on some aspects of the Razorback Project
- Mines Department annual technical and environmental reporting

**EXPLORATION**

- Additional iron ore rights have been secured in the Braemar Region

## **CORPORATE**

### *Merger of Royal and Lodestone Assets*

As previously advised to the market, the Board of Directors of Royal Resources Limited (Company) has been considering the next phase of the development of the Razorback Premium Iron Project (RPIP), and as the first step in that process, Mr Gordon Toll was appointed as Executive Chairman in 2014.

Mr Toll is the founder of a group of private investment Companies (the Lodestone Group) which controls 22.5% of Royal. Mr Toll's associated entity, Braemar Infrastructure Pty Ltd ([www.braemarinfrastructure.com](http://www.braemarinfrastructure.com)), with whom the Company has a strategic alliance in the development of an iron concentrate export solution for the Braemar region on a multi user basis (Infrastructure Solution), and which has obtained Major Development Status from the South Australian Government. The Lodestone Group also controls Braemar Iron Pty Ltd, which owns or has the rights to significant iron ore tenements adjoining the Company's RPIP and Red Dragon Venture. This development is known as the Braemar Iron Project.

A Conceptual Feasibility Study has been completed by the Lodestone Group for the Braemar Iron Project which shows the conceptual feasibility of the proposed Infrastructure Solution having an initial capacity of 25 million tonnes per annum (Mtpa). The Infrastructure Solution envisages the subsequent expansion of infrastructure to achieve a capacity of up to 100 Mtpa. Royal advises that this conceptual feasibility study is not based on any assumptions of actual use of the Infrastructure Solution by Royal or any other users in the Braemar region, with the exception of the Braemar Iron Project.

Royal is analysing the pooling of its intellectual, physical, and geological assets with those of the Lodestone Group. The aim of the pooling is to secure the Lodestone Group asset base necessary to underpin the financing and development of the Braemar region of South Australia as a very substantial producer of high grade, low cost iron ore concentrates for supply to the global steel industry.

Analysis of the data of both the Royal and the Lodestone Group, together with discussions of the form and the structure of this pooling, commenced late 2014 and still continues. A due diligence report of Lodestone exploration tenements in the Braemar Region has been completed to assist in evaluation. The inclusion of these assets will enable Royal to have a strategic hold of several key magnetite exploration targets and be the dominant player within the region. In addition, the new Executive is examining the concept of an expanded capacity at the RPIP that will be the starting point of the development of the Braemar Iron Ore Province by the Company.

When the details and scope of the proposed transaction are finalised, further announcements will be made. Any proposed corporate transaction and or arrangement between the Company and the Lodestone Group will, as required, be subject to shareholder approval.

## RED DRAGON VENTURE

The Red Dragon Venture is located 250km NNE of Adelaide, South Australia and comprises a number of highly prospective iron ore areas. The Venture consists of four exploration licences: EL5432 (ex EL4267) and EL4811 are owned by the Company and cover the Razorback Ridge deposit and its extensions. EL5180 and EL5240 are exclusively optioned to Royal for iron ore exploration and development. Royal is focussing on the Razorback Premium Iron Project (RPIP), comprising the Razorback Ridge, Razorback West, Interzone and Iron Peak Prospects (Figure 1).

The extensive Braemar Iron Formation is the host rock to magnetite mineralisation in the project area. This formation has a strike length of approximately 110km within the ground controlled by Royal and has the potential to host an exploration target of **4.8 Billion tonnes to 8.0 Billion tonnes at 18% to 45% Fe<sup>1,2</sup>**. The potential quantity and grade of the exploration target is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. The estimate of an exploration target tonnage should not be construed as an estimate of Mineral Resource. It is noteworthy that of this target, Royal has defined and announced over **3.9 Billion tonnes** of resources<sup>3,4</sup> from testing approximately 27% of the prospective horizon. The RPIP contains a magnetite concentrate equivalent resource of **418 Million tonnes at 67.4% Fe<sup>4</sup>**.

### RAZORBACK PREMIUM IRON PROJECT

Areas of activities at Razorback during the quarter include:

- Continued review of previous work and preparation of new project strategy
- Regulatory reporting to the State Government
- Continued work on aspects of optimisation of the Prefeasibility Study, in areas of mining and processing
- Improvements in the database structure

---

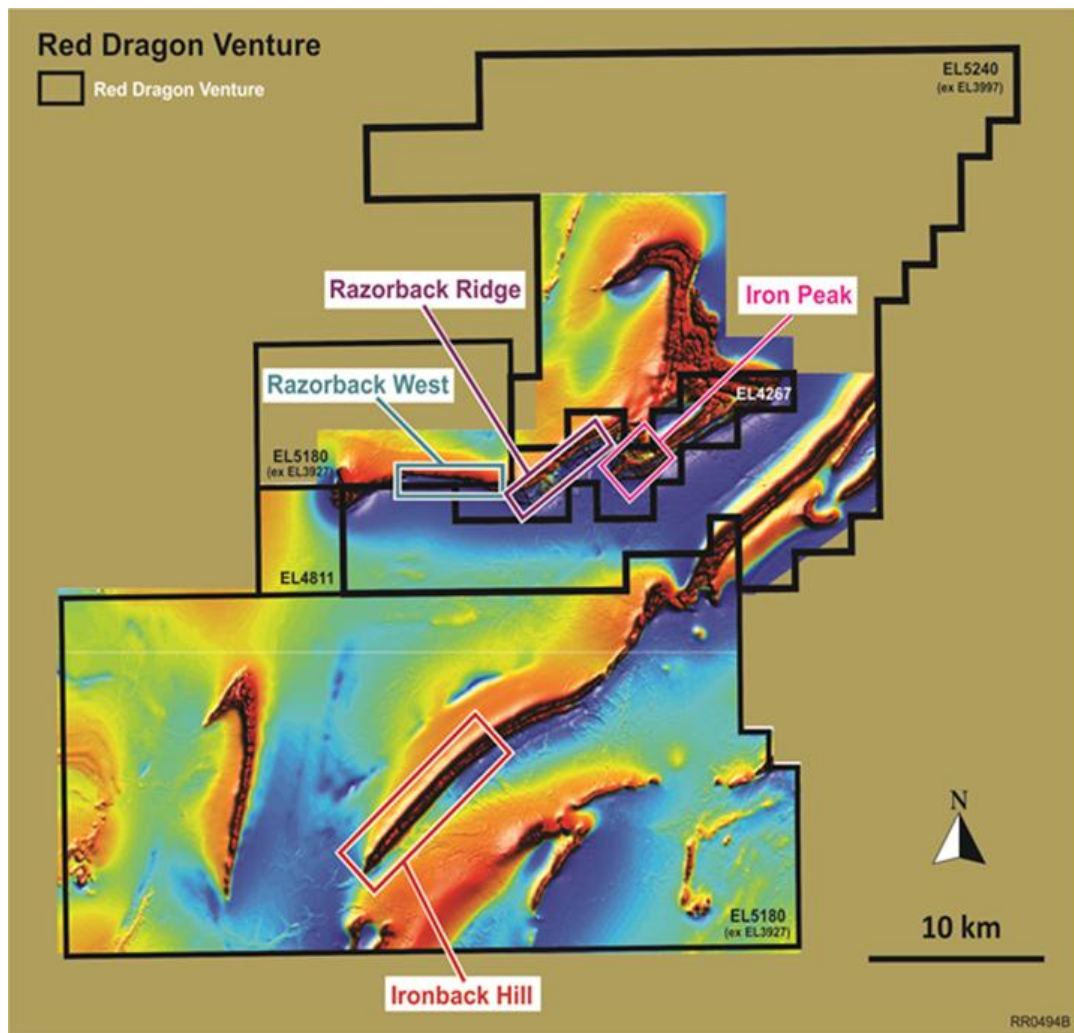
<sup>1</sup> Announced 24th March, 2011, “EXPLORATION TARGET AND DRILLING UPDATE FOR RAZORBACK”.

<sup>2</sup> The details contained in the report dated 24 March, 2011 “EXPLORATION TARGET AND DRILLING UPDATE FOR RAZORBACK” that pertains the quoted exploration target is based upon information compiled by Mr Marcus Flis, BSc (Hons), MSc, a full-time employee of the Royal Resources Limited. Mr Flis is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code 2004). This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Mr Flis consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.

<sup>3</sup> Announced 21<sup>st</sup> November, 2012, “RED DRAGON VENTURE EXCEEDS 3 BILLION TONNES”.

<sup>4</sup> Announced 11<sup>th</sup> June, 2013, “ROYAL OPTIMISES RAZORBACK RESOURCE”.

\* <sup>c</sup>DTR or equivalent Davis Tube Recovery explained in ASX announcements on the 11<sup>th</sup> June 2013 and 10<sup>th</sup> July 2013.



**Figure 1: Red Dragon Venture showing prospect locations and area of the Razorback Premium Iron Project**

## BRAEMAR REGIONAL EXPLORATION

During the quarter, Royal Resources Limited (Royal) secured the exclusive right to explore for iron ore within a highly prospective area of the Braemar Region of South Australia. This agreement is in line with Royal's new long term strategy of becoming the dominant magnetite player in the region.

Royal has executed an Iron Ore Rights Agreement (Agreement) with Iluka Resources Limited (Iluka) granting Royal the exclusive right to explore for iron ore and carry on mining operations subject to the terms and conditions of the Agreement on tenement EL4842. The tenement adjoins Royal's Red Dragon Venture Exploration Leases that contain the Razorback Premium Iron Project (Figure 2).

The Sisters Dam Prospect, which is located within EL4842, is a concealed magnetic target in the Braemar Region of SA, untested by drilling (see Figure 2). Just 30km east of the Razorback Premium Iron Project and only a few kilometres from the proposed slurry pipeline of Braemar Infrastructure Pty Ltd, the Sisters Dam magnetic anomaly is interpreted as a highly prospective portion of Braemar Iron Formation, buried along the northern edge of the Murray Basin. The Braemar Iron Formation is known to contain magnetite and is the host formation for Royal's Razorback project and other deposits in the region.

The appeal of this prospect is that the Braemar Iron Formation at Sisters Dam appears to occur as a tight isoclinal fold, providing greater thickness of sequence. Interpretation from state government supplied regional aeromagnetic imagery (from 200m line-spacing in the area) suggests the primary target on the tenement is 6km in strike length, elongate with limited faulting, and 400 to 600m in thickness. The geometries of this prospect make it an ideal candidate for Royal's strategy of applying low cost mining methods (i.e. In Pit Crushing and Conveying).

The Braemar Iron Formation occurs as sub-crop 1km north of the main Sisters Dam Prospect, suggesting the sedimentary cover in this area is potentially thin. Drilling will be required to determine whether this is the case. Initial work will be to conduct a high resolution ground magnetic survey to improve the resolution of the magnetic target before any planned drilling.

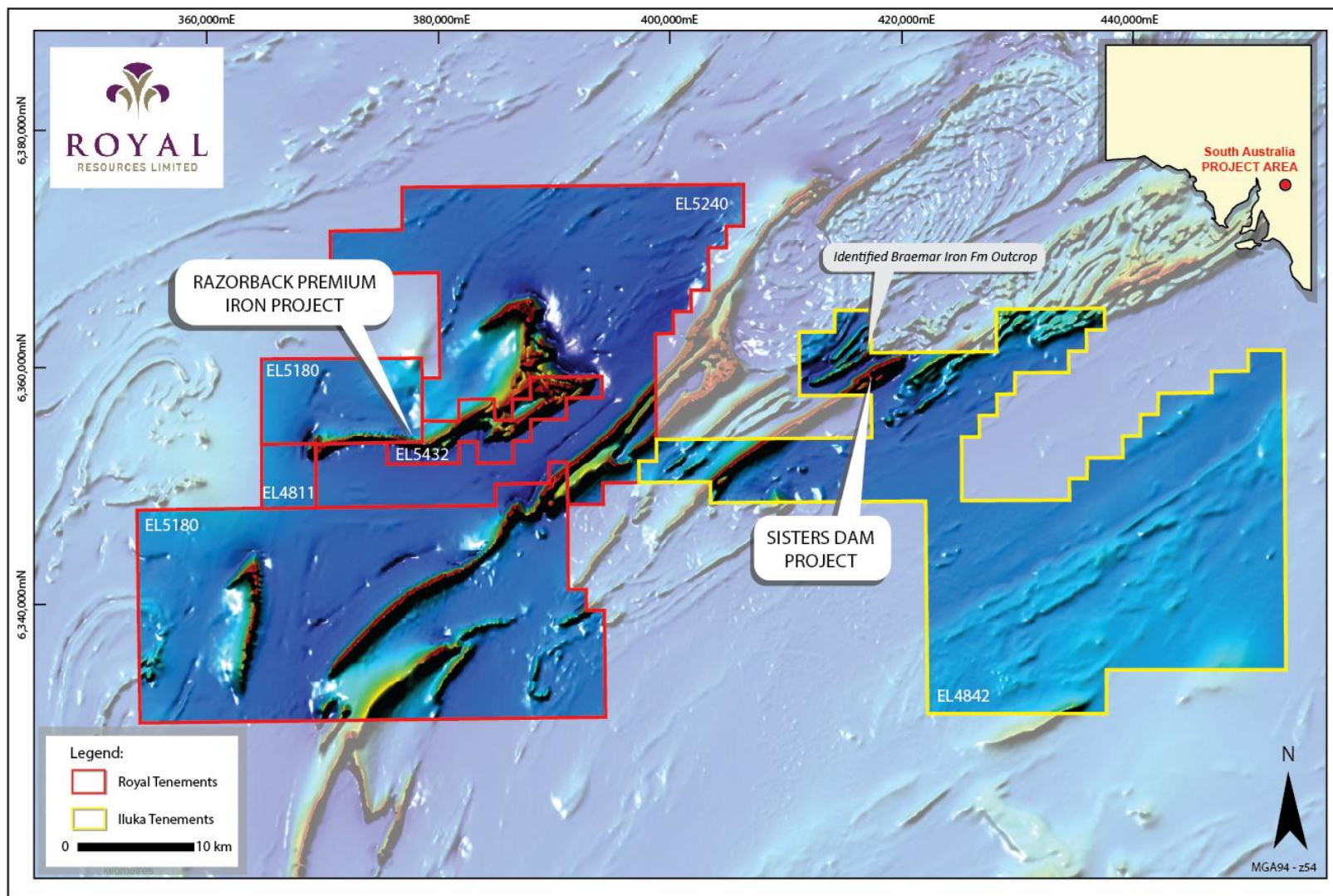
The Agreement is conditional upon the South Australian Minister for Mineral Resources and Energy consenting pursuant to section 83 of the Mining Act to grant the Iron Ore Licence by Iluka to Royal and several other standard conditions. The term of the Agreement is for each subsequent 12 month period from the commencement date unless not extended by Royal or on expiry or termination of the Iron Ore Licence. Royal is also required to comply with existing Native Title Agreements executed by Iluka in relation to the tenement. Royal must spend a minimum of \$250,000 within the first 12 months before an election to withdraw can be made.

If the project reaches the stage where the Royal Board makes a decision to mine on EL4842:

- (a) before a decision to mine is made by the Iluka Board, then Royal has agreed to pay Iluka \$1,000,000 (exclusive of GST); or
- (b) after a decision to mine is made by the Iluka Board, then Royal must pay Iluka the amount of \$500,000 (exclusive of GST).

If at any time (whether during or after the expiry or termination for whatever reason of the Term) after Royal has paid Iluka the amount of \$1,000,000 (exclusive of GST), a decision to mine is made by the Iluka Board, Iluka must pay Royal the amount of \$500,000 (exclusive of GST). Royal will also pay a 3.5% gross revenue royalty.





**Figure 2: TMI RTP aeromagnetic image identifying the new Sisters Dam Prospect, within EL4842**

## OTHER COMMODITY PROJECTS

### NORTHERN TERRITORY – George Gold, Uranium (EL24550 & EL27354)

The George Project is located approximately 100 kilometres southeast of Darwin, in the Northern Territory (Figure 3). The project contains known uranium and gold mineralisation, hosted in Early Proterozoic-aged sedimentary rocks of the Pine Creek Geosyncline. Close to the Adelaide River Township, the two granted tenements that make up the project cover 88 km<sup>2</sup>. An additional 137 km<sup>2</sup> of contiguous tenement to the east is also under Application. Royal Resources has 100% ownership of the George Project.

Royal is currently looking at opportunities to divest this asset.

**Figure 3: Project Locations, Northern Territory uranium, gold and iron**



### SOUTH AUSTRALIA – Cooper Hill Gold, Nickel, Copper (EL5340)

The Cooper Hill Tenement is located on the western edge of the Gawler Craton, South Australia, and is prospective for ultramafic-mafic complex related Ni-Cu deposits and IOCG (Au-Cu) style mineralisation (Figure 4). No activities were completed during the Quarter. Royal is currently looking at opportunities to divest this asset.

**Figure 4: South Australia Tenement Locations**



*SOUTH AUSTRALIA – Eyre IOCG Project*

Recent work by a competitor in the Region (i.e. ASX: MOX release 30<sup>th</sup> November 2014) has identified potential kimberlite pipes from regional magnetic data supplied by the SA mines department. Kimberlite pipes can be the host for diamonds. Desktop studies of regional magnetic data from Royal's Tenement EL5441 have identified a magnetic anomaly of interest, which the Company will further investigate with ground magnetics in coming months.

The details contained in this report that pertains to ore and mineralisation and the resource underpinning the production target is based upon information compiled by Gavin England BSc (Hons), PhD, a full-time employee of the Royal Resources Limited and Mr Lynn Widenbar BSc(Hons), MSc, DIC, Principal Consultant Widenbar and Associates Pty Ltd . Dr England is a member of Australian Institute of Geosciences (AIG). These two people have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the December 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC 2004 Code). Dr England, and Mr Widenbar consent to the inclusion in this report of the matters based upon their information in the form and context in which it appears.

The information for the Razorback Premium Iron Project was prepared and first disclosed under the JORC Code 2004. The information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

**For further information contact:**

**Gordon Toll**

Executive Chairman & CEO

+61 8 9427 0516



## Appendix 1

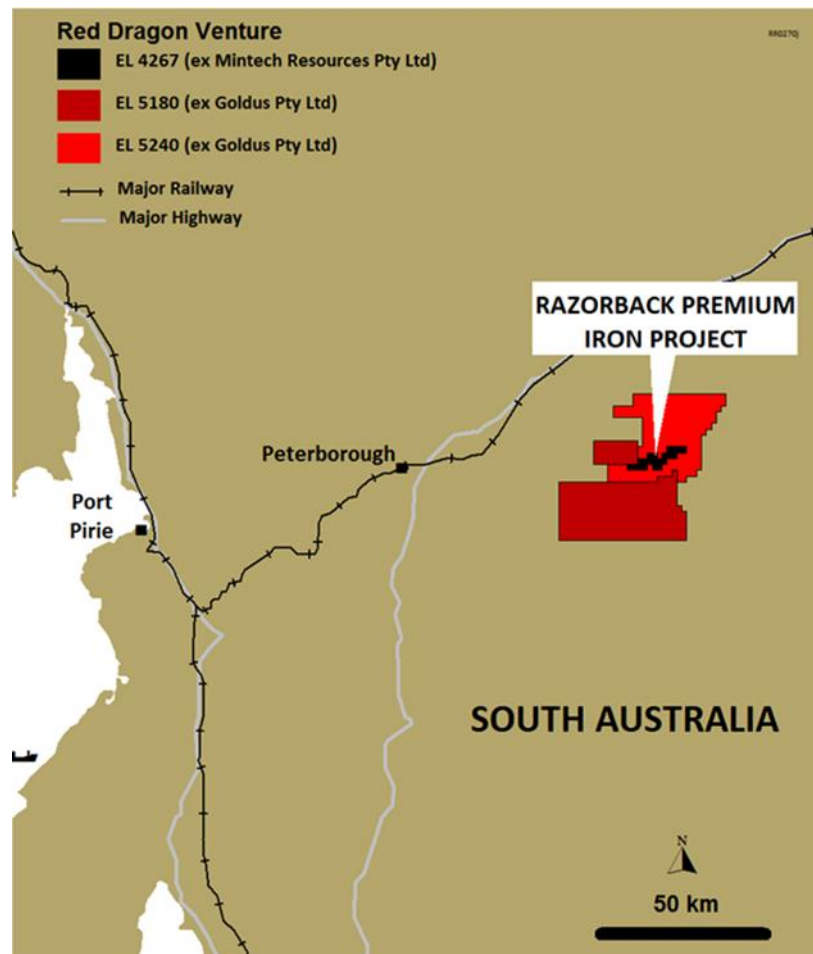
The Mineral Resource information below for the project was prepared and first disclosed under the JORC Code 2004 and the information has not been updated since to comply with the JORC Code 2012 on the basis the information has not materially changed since it was last reported. The Resource was first announced on 11<sup>th</sup> June 2013.

**Table 1: Total JORC<sub>(2004)</sub> Mineral Resource from the Razorback Premium Iron Project (11%  $\epsilon$ DTR cutoff).**

Prospect	JORC Resource Classification	Million Tonnes <sup>*</sup>	$\epsilon$ DTR% <sup>#</sup>	Fe%	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P%
Razorback	Indicated	833	16.0	21.7	45.2	7.3	0.20
	Inferred	1,532	14.6	16.1	50.2	8.5	0.17
Iron Peak	Indicated	203	16.8	20.0	45.0	7.67	0.18
	Inferred	163	15.6	17.1	46.7	8.0	0.16
<b>Total</b>	<b>Mineral Resources</b>	<b>2,732</b>	<b>15.3</b>	<b>18.2</b>	<b>48.1</b>	<b>8.0</b>	<b>0.18</b>
<b>CONTAINED CONCENTRATE EQUIVALENT</b>		<b>418</b>		<b>67.4</b>	<b>4.74</b>	<b>0.54</b>	<b>0.016</b>

\* Tonnages rounded to significant values; total may not appear correct as a result. The resource has been estimated in accordance with the JORC (2004) Code.

<sup>#</sup>  $\epsilon$ DTR is determined by DTR and SATMAGAN magnetite estimated % data (see ASX announcement 11<sup>th</sup> June 2013)



## Appendix 2

### JORC Code (2012)

#### Reporting of Exploration Results – Sisters Dam Prospect

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li><b>EL4842</b> is owned by Iluka Resources Limited. Royal has an agreement with Iluka for the 100% rights to the iron interests of this tenement.</li> <li><b>EL4842</b> tenement is active and will be up for renewal in March 2016.</li> <li><b>EL4842</b> area occurs over a Pastoral Lease and thus is affected by Native Title.</li> <li>Iluka Resources Limited has a Native Title Agreement with Ngadjuri and Wiljakali Claim groups for tenement EL4842. Royal agrees to abide by the requirements of this agreement.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Previous exploration on <b>EL4842</b> has focused on uranium, heavy minerals and base metals exploration.</li> <li>No or very limited iron exploration has taken place on this ground previously, and the target area has not been drilled.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Sisters Dam Prospect consists of a magnetic anomaly interpreted as the Braemar Iron Formation, covered by an unknown thickness of Murray Basin Cainozoic sedimentary rocks.</li> <li>Target geology is meta-sedimentary Fe precipitate within the Braemar Iron Formation, Sturtian Neoproterozoic - Adelaide Geosyncline.</li> <li>Classified as 'Raptian-type' iron formation. Geology typically interbedded to interlaminated ironstone with tillitic and massive ironstone subunits within interstitial to sub-economic siltstone subunits.</li> <li>The Braemar Iron Formation is known to contain magnetite</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>

	<ul style="list-style-type: none"> <li>○ hole length.</li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>• All diagrams are to scale, contain MGA94 Zone 54 co-ordinates and display a north arrow</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>• The geophysical information used to identify the Sisters Dam Prospect is derived from 200 metre line-spaced aeromagnetic data sourced from an open file regional dataset download from the SA Government SARIG website. This data was reprocessed by an external consultant working on behalf of Royal. The true depth, thickness, strike length or grade of the target area is of an early stage interpretation, and can only be determined by drilling and sampling the Sisters Dam Prospect.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>• The next stage of exploration for the Sisters Dam Prospect is a detailed ground magnetic survey, followed by a preliminary RC drilling program.</li> </ul>

## 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, 01/05/2013

Name of entity

**Royal Resources Limited**

ABN

**34 108 102 432**

Quarter ended ("current quarter")

**31 March 2015**

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(104)	(572)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(356)	(1,595)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	12	72
1.5	Interest and other costs of finance paid	-	-
1.6	Income tax benefit – R&D refund	-	-
1.7	Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>		<b>(448)</b>	<b>(2,095)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(11)	(18)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	1
1.10	Loans to other entities	(26)	(125)
1.11	Loans repaid by other entities	-	-
1.12	Other – Redemption of security bonds	(10)	(10)
<b>Net investing cash flows</b>		<b>(47)</b>	<b>(152)</b>
1.13	Total operating and investing cash flows (carried forward)	(495)	(2,247)

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(495)	(2,247)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	214
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Share issue costs	-	(21)
	<b>Net financing cash flows</b>	<b>-</b>	<b>193</b>
	<b>Net increase (decrease) in cash held</b>	<b>(495)</b>	<b>(2,054)</b>
1.20	Cash at beginning of quarter/year to date	2,112	3,671
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>1,617</b>	<b>1,617</b>

### Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'ooo
1.23	Aggregate amount of payments to the parties included in item 1.2	51
1.24	Aggregate amount of loans to the parties included in item 1.10	26
1.25	Explanation necessary for an understanding of the transactions	
	None	

### Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
- None
- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest
- None

+ See chapter 19 for defined terms.



### **Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'ooo	Amount used \$A'ooo
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### **Estimated cash outflows for next quarter**

	\$A'ooo
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	-
4.4 Administration	240
<b>Total</b>	<b>290</b>

### **Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	317	362
5.2 Deposits at call	1,300	1,750
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,617</b>	<b>2,112</b>

---

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-

#### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	-	-	-	-
7.2	-	-	-	-
7.3	353,979,539	353,979,539	-	-
7.4	-	-	-	-
7.5	-	-	-	-

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-  -	-  -	-  -	-  -
7.7	<b>Options</b> (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	2,100,000	-		\$0.225	09/07/2015
	500,000	-		\$0.19	29/07/2015
	5,750,000	-		\$0.28	29/11/2015
	500,000	-		\$0.075	25/03/2016
	2,700,000	-		\$0.049	01/07/2016
	6,750,000	-		\$0.21	27/11/2016
	1,450,000	-		\$0.07	01/07/2017
	6,500,000	-		\$0.16	27/11/2017
	6,500,000	-		\$0.10	31/10/2018
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	<b>Debentures</b> (totals only)	-	-		
7.12	<b>Unsecured notes</b> (totals only)	-	-		

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:  
(Company Secretary)

Date: 29 April 2015

Print name: Frank DeMarte

## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==

---

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

---

The following tenements held by Royal (and its controlled entities) as at 31 March 2015

Tenement/ Project Name	Tenement Number	Interest at Beginning of Quarter	Interest at End of Quarter	Acquired during the Quarter	Disposed during the Quarter	Joint Venture Partner/Farm-In Party
<b>NORTHERN TERRITORY</b>						
GEORGE	EL24550	100%	100%	-	-	-
WATERHOUSE WEST	EL24563	100%	-	-	100%	-
AMANGAL	EL27354	100%	100%	-	-	-
<b>SOUTH AUSTRALIA</b>						
PUALCO <sup>(1)</sup>	EL5180	-	-	-	-	-
RED DRAGON <sup>(1)</sup>	EL5240	-	-	-	-	-
RAZORBACK RIDGE <sup>(2)</sup>	EL5432	100%	100%	-	-	-
DRAGON'S TAIL	EL4811	100%	100%	-	-	-
COOPER HILL	EL5340	100%	100%	-	-	-
LAKE EYRE	EL5441	100%	100%	-	-	-
TWO SISTERS <sup>(3)</sup>	EL4842	-	-	-	-	-

- Note 1 As announced by Royal on 24 December 2013, Royal has negotiated the final acquisition payments to an Option Deed for exclusive right to explore for iron only from Goldus Pty Ltd. On 10 July 2014, Royal negotiated an extension of time with Goldus Pty Ltd to complete the acquisition from 1 July 2014 to 3 November 2014. Although Royal has not satisfied the 3 November 2014 extended deadline, neither party has terminated the variation deed and therefore the revised terms and condition are on going.
- Note 2 As announced by Royal on 24 December 2013, Royal has negotiated the final acquisition payments to purchase the tenement from Mintech Resources Pty Ltd. On 10 July 2014, Royal negotiated an extension of time with Mintech Resources Pty Ltd to complete the acquisition from 1 July 2014 to 3 November 2014. Although Royal has not satisfied the 3 November 2014 extended deadline, neither party has terminated the variation deed and therefore the revised terms and condition are on going.
- Note 3 Pursuant to an Iron Ore Rights Agreement with Iluka Resources Limited, Royal has been granted exclusive rights to explore for iron ore and carry on mining operations subject to the terms and conditions of the Agreement.

---

+ See chapter 19 for defined terms.