

30 April 2014

AMENDED QUARTERLY UPDATE – PROGRESS UPDATE

- **Cooperation agreement with Jatenergy to jointly maximise the value of the company's adjoining coal resources in Central Kalimantan**
- **Jatenergy's coal project contains southern extensions of the JORC coal resources estimated by Realm and could, if combined, extend the size and/or life of a potential operation**
- **Ongoing efforts aimed at maximising the value of RRP's development ready Indonesian thermal coal project are being directed at supplying a proposed domestic power station development in the vicinity of the project;**
- **Coal market remains oversupplied with export prices for expected Katingan Ria coal quality at around \$37/t**
- **Business development activities are aimed at enhancing and/or realising the value of RRP's South African aluminium and platinum assets as well as seeking new resource sector investment opportunities**

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

The Company continues its focus on securing strategic off take partners and financing for its development ready thermal coal project in Central Kalimantan.

Despite robust demand growth, the thermal coal seaborne market has remained in oversupply; with the price of Katingan Ria 4,200kcal GAR coal falling to around US\$37/t. Strategic partner negotiations have therefore been focussed on domestic supply opportunities and specifically PLN's (Indonesian State owned Electricity Corporation) proposed 200Mw power station development in the vicinity of Kasongan.

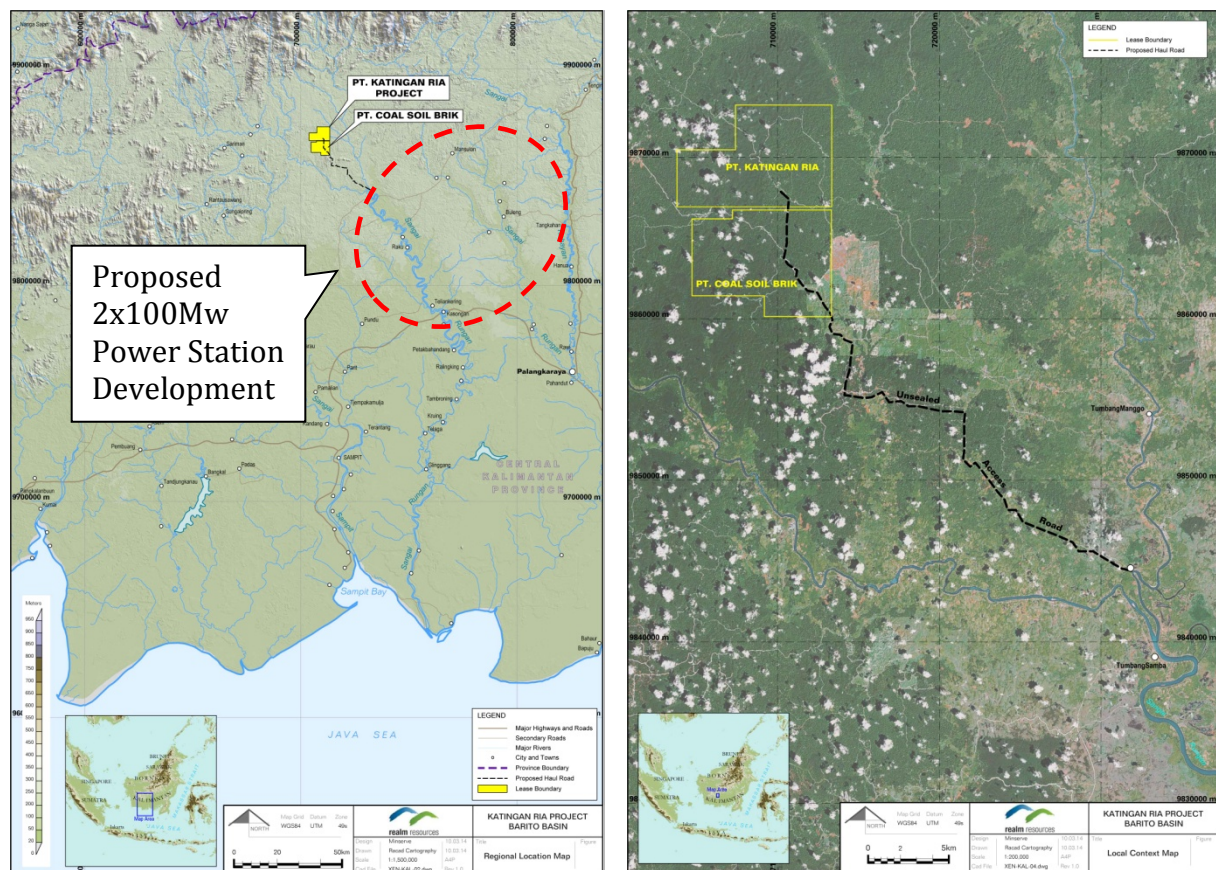
In South Africa, efforts have been focussed at improving the financial and operational performance of Alumicor, and investigating a range of opportunities in the aluminium re-cycling sector.

Jatenergy Cooperation Agreement

Katingan Ria (“KR” - RRP 51%), which is located in Central Kalimantan Indonesia, is a simple, open-cut operation that will supply low ash and low sulphur coal ideally suited for modern coal power generation, both domestically and for export. Indicative product specifications are consistent with Indonesian 4,200kcal/kg (GAR) low sulphur (0.2%) coal.

The coal project is located near the town of Tumbang Samba in Central Kalimantan, Indonesia. Jatenergy Limited’s Coal Soil Brik deposit (“CSB”) is situated immediately to the south of KR and contains extensions of the coal resource defined in the KR Feasibility Study (Refer ASX:RRP announcement 30 April 2013; and Figure 1).

Figure 1 – Location of Katingan Ria and Coal Soil Brik Tenements and the Proposed Power Station Development



The KR project was planned as a 2.5Mt pa open cut mine with coal hauled approximately 40km - 45 km to a stockpiling and barge loading facility on the Katingan River. Barges will then transport coal 435 km from the stockpile area to the river mouth for transshipment into coal ships for delivery to market. Coal is planned to be sold “unwashed”, meaning there is no metallurgical treatment required to achieve a saleable product.

Proposed Power Station Development

Recent discussions, however, have focussed on the potential to supply a 200Mw power station development near the town of Kasongan in Central Kalimantan (exact location yet to be finalised). This has the potential to see the mine being developed largely as a domestic coal supplier; thereby eliminating a significant proportion of the logistics costs and issues associated with river seasonality. Coal supply could therefore be developed for both domestic and export markets (assuming export prices recover for coal from current lows of around US\$37/t for KR specifications).

PT PLN (PERSERO), the Indonesian State owned Electricity Corporation (“PLN”), issued a Request For Proposal (RFP) in 2013 for construction and operation of two 100 Mw power stations near Kasongan in 2016/17. Katingan Ria is the most developed and best defined coal project in the region and this together with the coal having the ideal specifications (as per the original RFP), places the project in good stead to be the preferred supplier of the proposed power station development. RRP is continuing to engage with several of the Power Station Consortia bidders and PLN as the process is still underway.

In addition, RRP is continuing with discussions with other potential strategic partners and off takers to commercialise the asset. The Cooperation Agreement with Jatenergy will only add to this process as networks and efforts are combined for mutual benefit.

Geology and Resources – likely extensions into CSB

The Katingan Ria deposit occurs as a series of flat lying seams ranging in thickness from 0.1m to 8m, interbedded with weathered sandstones. Structurally, the sequence is horizontal to shallow dipping and displays some gentle folding. The most laterally extensive seam is the Main Seam, which remains the predominant target seam for the project. The Main Seam typically ranges in thickness from 4.5m to 5.5m in areas to the southeast of the KR tenement.

Overall, the KR project is estimated to contain a JORC compliant resource of 89Mt with 63.3Mt in the Main Seam. The Resource has a total of 5.7Mt in the Measured category, 44.1Mt in the Indicated category and the remaining 39.0Mt in the Inferred category. Probable coal reserves of 29Mt have been estimated after applying realistic mining, metallurgical, economic, marketing, legal, environmental, and government factors to the coal resources. The resources and reserves referred to, were 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

Source:- Jatenergy Ltd



Resource and Coal Quality

BLOCK NAME	SEAM	TOTAL VOLUME	PLAN AREA	MASS	TRUE VERT THK	RD (adb)	PRD	TM (%)	IM (%adb)	ASH (%adb)	VM (%adb)	FC (%adb)	TS (%adb)	CV (kcal/kg adb)
SOUTH														
Measured	MAIN	4,432,798	97	5,704,925	4.58	1.38	1.29	32	17	9.0	37.7	36.4	0.20	5105
Indicated	B	1,187,782	103	1,553,286	1.15	1.41	1.31	32	17	15.2	39.9	34.7	0.25	5144
Indicated	MAIN	14,582,725	339	18,632,573	4.30	1.37	1.28	32	17	9.7	40.6	33.0	0.21	5056
Inferred	C	1,304,474	72	1,739,533	1.82	1.45	1.33	32	17	24.6	33.1	30.3	0.21	4091
Inferred	B	112,619	17	147,492	0.67	1.41	1.31	32	17	16.2	39.4	33.6	0.24	5041
Inferred	MAIN	6,208,389	223	8,096,233	2.78	1.40	1.30	32	17	10.2	38.8	35.2	0.19	5038
Inferred	2	1,838,380	395	2,357,366	0.46	1.38	1.28	32	17	13.6	44.4	24.9	0.21	4993
Inferred	3	1,793,146	496	2,311,673	0.36	1.40	1.29	32	17	10.5	36.9	35.6	0.29	5054
NORTH														
Indicated	B	4,191,124	298	5,415,794	1.40	1.40	1.29	32	17	14.3	37.2	33.0	0.23	4837
Indicated	MAIN	14,446,981	379	18,443,029	3.82	1.37	1.28	32	17	11.9	40.2	33.6	0.21	5120
Inferred	C	5,093,573	305	6,870,969	1.67	1.48	1.35	32	17	22.6	33.1	30.3	0.21	4091
Inferred	B	2,730,083	218	3,534,324	1.25	1.40	1.29	32	17	14.5	37.7	33.1	0.24	4899
Inferred	A2	870,063	202	1,120,158	0.43	1.38	1.29	32	17	16.6	41.7	29.6	0.37	4985
Inferred	A1	347,258	144	433,338	0.24	1.32	1.25	32	17	9.3	39.9	37.0	0.28	5422
Inferred	MAIN	9,667,136	261	12,394,227	3.70	1.38	1.28	32	17	11.2	40.3	33.4	0.21	5084
Grand Total		68,806,531		88,754,920										

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 was 0.0% (0.0% in the prior quarter).

Smelting and recovery performance comparison

Alumicor	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	% change Q3 2013
Tonnes smelted	3,739	4,527	5,172	4,505	4,411	4,528	4,150	4,649	12%
Average recovery	56%	60%	63%	62%	64%	65%	65%	65%	0%

The Company has concluded a new two year pricing agreement with Hualamin for the treatment of their aluminium waste. The tolling fee increase is CPI linked and started on 1st January 2014. In addition, the parties have entered into formal discussion to start a joint initiative aimed at better utilising the spare waste treatment capacity (about 300t/month) at Alumicor by acquiring third party aluminium waste material. This has the potential to benefit both parties through improvements to Alumicor's efficiency and profitability and increase supply of low cost aluminium feedstock to Hualamin.

Alumicor continues to operate profitably and deliver cash flow with management's attention focussed on concluding negotiations with Hulamin aimed at a mutually beneficial arrangement which will see additional metal units being processed at the facility, thereby reducing unit costs due to economies of scale and ultimately improved cash flow generation. In addition, management is assessing a number of growth projects in the rapidly expanding aluminium recycling space, and has embarked on a process to seek funders and/or partners seeking exposure to or interested in developing the business.

Platinum Exploration Projects

The platinum market has remained depressed despite the forecast 2013 deficit rising to over 600k oz due to strong off take by ETF investors and industrial users (Johnson Matthey 2013). After rising to above \$1,700/oz in February 2013, prices have fallen below \$1,400/oz in parallel with a weakening gold price. This together with the continuing industrial unrest in the South African mining sector has hampered the Company's ability to progress the projects at this stage.



The Rooderand transaction continues towards completion with Chrometco (CMO) responsible for advancing the transaction together with the consolidation of the chrome and PGM mineral rights. On completion, RRP will receive 35m additional shares in CMO (10m received to date).

The Eastern Limb platinum properties are being kept in good standing while management continues to explore a number of corporate alternatives aimed at realising value for RRP shareholders.

Financial results

Referring to the attached 5B schedule, net operating cash outflows were AUD\$128,000 for the quarter (outflow of AUD\$802,000 in the prior quarter).

Group cash position as at 31 March 2014 was AUD\$632,000

For further information please contact:

Richard Rossiter (Chairman) or Theo Renard (FD) on +61 2 92522186 or visit the Company's website at <http://www.realmresources.com.au/>

About Realm

Realm's strategy is to create shareholder value through exploration and development of bulk commodity projects, primarily in coal. In addition, the Company has platinum group metals, advanced exploration projects and an aluminium dross treatment plant in South Africa.

Competent Persons Statement – Katingan Ria Project The information in this announcement that relates to Exploration Results, Mineral Resources at the "Katingan Ria" Project is based on information compiled by Mr Troy Turner, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Turner is a full-time employee of Xenith Consulting Pty Ltd. Mr Turner is a qualified geologist 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Turner consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears. Competent Persons Statement – Katingan Ria Project

The information in this announcement that relates to Ore Reserves at the “Katingan Ria” Project is based on information compiled by Mr Grant Walker, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Walker is a full-time employee of Xenith Consulting Pty Ltd. Mr Walker 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 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Walker consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

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%

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, 01/05/2013

Name of entity

Realm Resources Limited

ABN

98 008 124 025

Quarter ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	950	950
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(637) (575)	(637) (575)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	3	3
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid	131	131
1.7	Other (provide details if material)		
Net Operating Cash Flows		(128)	(128)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(50)	(50)
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
Net investing cash flows		(50)	(50)
1.13	Total operating and investing cash flows (carried forward)	(178)	(178)

+ 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)	(178)	(178)	
	Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.			
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 (provide details if material)			
	Net financing cash flows	0	0	
	Net increase (decrease) in cash held	(178)	(178)	
1.20	Cash at beginning of quarter/year to date	847	847	
1.21	Exchange rate adjustments to item 1.20	(37)	(37)	
1.22	Cash at end of quarter	632	632	

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	228
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

N/A

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

N/A

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	250	250
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production (<u>Note – production costs absorbed by operations</u>)	(650)
4.4 Administration (<u>Note – portion of Administration costs absorbed by operations</u>)	(527)
Total	(1,177)

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'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	24	174
5.2 Deposits at call	60	60
5.3 Bank overdraft		
5.4 Other (provide details)	548	613
Total: cash at end of quarter (item 1.22)	632	847

+ See chapter 19 for defined terms.

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	N/A		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A		

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	Preference securities			
7.2	(description) Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	1,943,840,077	1,943,840,077	N/A
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities	N/A		
	(description)			

+ 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	Options (description and conversion factor)	1,000,000 100,000,000	Nil Nil	Exercise price \$0.15 \$0.05	Expiry date 30 January 2015 12 February 2018
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

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 /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:
(Director/Company secretary)

Date: 30 April 2014

Print name: T N 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly 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.

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+ See chapter 19 for defined terms.