



Offer Booklet

Realm Resources Limited

ABN 98 008 124 025

Details of a 1 for 4 non-renounceable pro-rata entitlement offer of new fully paid ordinary shares in RRP at a price of \$0.002 per new share to raise up to approximately \$966,000.

The Entitlement Offer closes at 5.00pm AEST on 24 October 2014 (unless extended). Valid applications must be received before that time.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

THIS IS AN IMPORTANT DOCUMENT WHICH IS ACCOMPANIED BY A PERSONALISED ENTITLEMENT AND ACCEPTANCE FORM AND BOTH SHOULD BE READ IN THEIR ENTIRETY. PLEASE CALL YOUR STOCKBROCKER, ACCOUNTANT, FINANCIAL ADVISER, TAXATION ADVISER OR OTHER INDEPENDENT PROFESSIONAL ADVISER OR THE RRP INFORMATION LINE IF YOU HAVE ANY QUESTIONS.

Corporate Directory

Realm Resources Limited
ABN 98 008 124 025

Registered office

Suite 2
Level 40
88 Phillip Street
Sydney NSW 2000

Website

www.realmresourceslimited.com.au

Stock exchange listing

RRP's Shares are listed on ASX (code 'RRP')

Registry

Computershare Investor Services Pty Limited

Level 2
45 St Georges Terrace
Perth WA 6000

RRP Offer Information Line

Within Australia: 1300 850 505

Outside Australia: +61 (03) 9415 5000

Open 8.30am to 5.00pm AEST Monday to Friday during the Entitlement Offer Period

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Before making a decision about investing in the Entitlement Offer, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs.

If you have any questions on how to:

- (a) complete the personalised Entitlement and Acceptance Form accompanying Offer Booklet which Eligible Shareholders may use to apply for New Shares; or
- (b) new take up the New Shares offered to you under the Entitlement Offer, either in full or in part,

please call the RRP Offer Information line between 8.30am and 5.00pm AEST Monday to Friday during the period from and including the date on which the Entitlement Offer opens until and including the date on which it closes:

Within Australia: 1300 850 505

Outside Australia: +61 (03) 9415 5000

If you have lost your Entitlement and Acceptance Form and would like a replacement form, please call the applicable number above.

Website

To view annual reports, shareholder information and company information about the RRP Group, announcements, background information on the RRP Group's operations and historical information, visit RRP' website at www.realmresources.com.au.

1 Chairman's letter

1 October 2014

Dear Shareholder,

On behalf of Realm Resources Limited (**Realm**), I would like to invite you to participate in a 1 for 4 pro-rata non-renounceable entitlement offer of new fully paid ordinary shares in RRP at an offer price of A\$0.002 per new share to raise up to approximately A\$966,000 (**Entitlement Offer**).

The offer price of A\$0.002 per New Share represents parity to the closing price on 30 September 2014 (being the last trading day before the entitlement offer) and the volume weighted average market price of Shares for the five trading days up the close of trade.

The Offer Booklet contains important information about the Entitlement Offer under the following headings:

- Key Dates and Summary Information
- Details of the Offer
- Company Overview
- Risk Factors
- How to Apply; and
- Important Information

Accompanying this Offer Booklet is your Entitlement and Acceptance Form which contains details of your entitlement. Your entitlement may have value and it is important that you determine whether to take up your entitlement. The Entitlement Offer closes at 5.00pm AEST on 24 October 2014. To participate, you need to ensure that you have completed your application by paying application monies by BPAY®, or by lodging your Entitlement and Acceptance Form with your application monies paid by cheque, bank draft or money order, so that they are received before this time in the manner described in this Offer Booklet. The Directors reserve the right to issue any New Shares which are not subscribed for by Eligible Shareholders at their discretion within three months after the Closing Date.

The net proceeds of the Entitlement Offer will be used to progress efforts to maximise the value of Realm's development ready Indonesian thermal coal project, accelerate business development activities, and cover general corporate costs.

Further information on the Entitlement Offer and Realm's business is detailed in this Offer Booklet. You should read the entirety of this Offer Booklet carefully, in particular the 'Key risks' section included in this Offer Booklet, before deciding whether to participate in the Entitlement Offer. If you would like further information regarding the Entitlement Offer, please call the Realm Entitlement Offer Information line on 1300 850 505 (within Australia)

or +61 (03) 9415 5000 (from outside Australia). For other questions, you should consult your broker, solicitor, accountant, taxation adviser, financial adviser or other professional adviser.

Realm's largest shareholder Taurus Funds Management has indicated its support for the Entitlement Offer and will subscribe for its allocation only. On behalf of the Board and management team of Realm, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely



Richard Rossiter
Executive Chairman

2 Key dates and Summary Information for the Entitlement Offer

Key dates

Event	Date
Announcement of the Entitlement Offer and lodgement of Appendix 3B and Cleansing Notice	1 October 2014
Notice to Shareholders to inform them of the Entitlement Offer and Indicative timetable	2 October 2014
'Ex' date.	3 October 2014
Record date for the Entitlement Offer.	8 October 2014
RRP despatches Offer Booklet, Entitlement Offer opens.	13 October 2014
Entitlement Offer closes at 5pm.	24 October 2014
Securities quoted on a deferred settlement basis.	27 October 2014
Company notifies ASX of under-subscriptions.	29 October 2014
Despatch date.	31 October 2014
New Shares issued under the Entitlement Offer expected to commence trading on ASX on a normal settlement basis.	3 November 2014

Dates and times in this Offer Booklet are indicative only and subject to change. All times and dates refer to AEST.

RRP reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary any or all of the dates and times of the Entitlement Offer without prior notice, including extending the Entitlement Offer or accepting late applications, either generally or in particular cases, or to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible. No cooling-off rights apply to applications submitted under the Entitlement Offer.

The commencement of quotation New Shares is subject to confirmation from ASX.

Summary Information

Issue Price	A\$0.002
Entitlement	1 New Share for every 4 Shares held on Record Date (rounded up to the nearest whole number of Shares)
Maximum number of Shares to be issued under the Entitlement Offer	Approximately 483,000,000 New Shares
Maximum amount which may be raised under the Entitlement Offer (before costs and expenses)	Approximately A\$966,000
Maximum number of Shares on issue after the Entitlement Offer	Approximately 2,414,000,000 Shares

3 Details of Offer

3.1 Offer

The Company offers for subscription approximately 483,000,000 New Shares pursuant to a pro-rata non-renounceable entitlement issue to Eligible Shareholders of 1 New Share for every 4 Shares held on the Record date at an issue price of \$0.02 per Share. Fractional entitlements will be rounded up to the nearest whole number.

All of the New Shares offered under this Offer Booklet will rank equally with the Shares on issue at the date of this Offer Booklet.

The Company currently has 1,931,090,077 Shares on issue. The Company has 100,000,000 options on issue. Based on the capital structure of the Company, the maximum number of New Shares that may be issued pursuant to the Offer is approximately 483,000,000 New Shares (subject to rounding), which would increase the total number of Shares on issue in the Company to approximately 2,414,000,000 Shares after the close of the Offer, if the Offer is fully subscribed or all Shortfall Shares are issued.

3.2 Use of Funds

The net proceeds of the Entitlement Offer will be used to:-

- progress efforts to maximise the value of Realm's development ready Indonesian thermal coal project. Funding is required to meet increased statutory holding costs, progression of final permitting, and targeted efforts aimed at securing strategic investors or buyers looking to position themselves for the development of domestic power station(s);
- accelerate business development activities. Management is devoting significant

time and effort at reviewing a range of resource sector opportunities, with the focus directed at near term cash flow and turn around opportunities in the coal, base and precious metals sectors, particularly in Australia. The extended resource sector downturn has prompted both large and small companies to review their asset bases with numerous projects becoming available at significantly reduced prices. Realm's major shareholder, Taurus Funds Management, is supportive of the strategy and additionally, via its own network, is providing deal flow opportunity; and

- general corporate costs.

Proceeds of the Offer	\$828,000 Raised	\$966,000 Raised
Indonesian coal power project	\$ 345,000	\$345,000
Business Development – Existing and New Projects	\$ 283,000	\$ 396,000
General Working Capital	\$ 175,000	\$ 200,000
Expenses of the Offer	\$ 25,000	\$ 25,000
Total	\$ 828,000	\$ 966,000

The expenditures shown above may be subject to change, and will be contingent upon results, circumstances and other opportunities. The Board reserves the right to alter the way that funds are applied on this basis. The Directors are of the opinion that, on completion of the Offer, there will be sufficient working capital for the Company to meet its stated objectives.

3.3 Entitlements and Acceptance

Details of how to apply under the Offer are set out in Section 6 below.

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date and shown on the Entitlement and Acceptance Form accompanying this Offer Booklet. You may accept for a lesser number of Shares should you wish to take up only part of your Entitlement.

The Directors reserve the right to issue Shortfall Shares.

3.4 Minimum Subscription

There is no minimum subscription for the Offer.

3.5 Shortfall Offer

Any Shares not taken up by Eligible Shareholders may become available as Shortfall Shares which may be placed by the Company. It is possible that there will be few or no Shortfall Shares available, depending on the level of acceptance of Entitlements by Eligible Shareholders.

The offer of any Shortfall Shares is a separate offer made pursuant to this Offer Booklet (**Shortfall Offer**). Shortfall shares will be issued at the same issue price as the New Shares offered to Eligible Shareholders under the Offer being A\$0.002.

3.6 Details of Substantial Holders

Shareholder	No. of shares	%
Taurus Funds Management Pty Ltd	1,656,518,721	85.78%

Taurus Funds Management Pty Ltd has confirmed they will be taking up their entitlement, they also advise they will not apply for Shares in excess of their Entitlements.

3.7 Effect on Control of the Company

If all Shareholders take up all of their Entitlement under the Offer, the percentage interests in the Company held by the major Shareholder (as set out in the above table would not change and there would be no effect on the control of the Company.

However, if some or all shareholders do not take up some or all of their Entitlements under the Offer, then the control of the major Shareholder may increase, while the interests of Shareholders that do not participate in the Offer will correspondingly decrease.

Current Issued Capital: 1,931,090,077	
Acceptance by existing shareholders	TFM Shareholding and percentage of issued capital assuming up-to \$966,000 raised
0%	2,070,648,401 Ordinary Shares 88.29%

15%	2,070,648,401 Ordinary Shares 87.91%
25%	2,070,648,401 Ordinary Shares 87.65%
50%	2,070,648,401 Ordinary Shares 87.02%
75%	2,070,648,401 Ordinary Shares 86.40%
100%	2,070,648,401 Ordinary Shares 85.78%

3.8 Issue

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and the timetable set out in this Offer Booklet.

3.9 Rights and Liabilities attached to New Shares

New Shares issued pursuant to this Offer Booklet will be fully paid ordinary shares in the capital of the Company. The New Shares will rank equally with and have the same rights in all other respects as the Shares including for any dividend issued after the date of this Offer Booklet.

The rights and liabilities attaching to New Shares are set out in the Company's Constitution (a copy of which is available for inspection at the Company's registered office during normal business hours) and are regulated by the Corporations Act, the general law and the ASX Listing Rules.

3.10 Continuous Disclosure Obligations

The Company is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. In particular, the Company is required under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities. All announcements made by the Company are available from its website www.realmresources.com or from ASX's website www.asx.com.au.

This Offer Booklet is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Shareholders should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to accept their entitlement.

3.11 Entitlement Offer Notice

The Company has lodged with ASX a notice in accordance with section 708AA of the Corporations Act which sets out, amongst other information, the effect of the Offer on the control of the Company.

3.12 No Entitlement Trading

The entitlement to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of entitlements on the ASX and you may not dispose of your entitlement to subscribe for New Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

4 Company Overview

4.1 Company Overview

The Company has three main assets:-

- Development ready thermal coal project in Central Kalimantan, Indonesia (51%)
- Aluminium waste processing plant in Pietermaritzburg, South Africa (74%)
- Platinum Group Metals (PGM) exploration assets in South Africa (70%-74%)

Please refer to Realm's public disclosure and announcements on the ASX and Company website for further details (<http://www.realmresources.com.au>).

4.2 Coal - PT Katingan Ria Project, Indonesia

Katingan Ria is an advanced thermal coal development project located in Regency of Katingan, Central Kalimantan, Indonesia.

Summary:

- JORC compliant resource of 89Mt (6Mt Measured, 44Mt Indicated, 39 Mt Inferred)
- Low strip ratio ~ 2:1 – 3:1 initially
- Thermal coal ~4,200kcal/kg (GAR) low ash, low sulphur
- Coal planned for sale "unwashed", meaning no metallurgical treatment required
- Fastest growing Indonesian export coal type - ideal for Indonesian domestic and Chinese and Indian export markets

- Exploration, Environmental and Operation Production permits in place
- Final Pinjam Pakai Permit ("Borrow to use permit") in progress
- Feasibility study completed for 2.5Mtpa – 3Mtpa open cut
- Excellent growth potential to in the region
- Well positioned to supply proposed local 2x100MW power station

Indonesia's electricity demand is forecast to grow at a rate of ~8% pa to 2022 or around 60 GW of additional power supply (Source: PLN (Persero) website on www.pln.co.id). Realm's 51% owned Katingan Ria thermal coal project is ideally suited to supply a proposed 2x100Mw power station in Central Kalimantan. Coal supply, which is required by 2018/19 for the power station, could therefore be developed for both domestic and export markets (assuming export prices recover from current lows).

Given its strategic nature, Realm is focussing on maximising value the project via a number of corporate alternatives, including advancing a power station development proposal with other interested parties as well as an outright sale of the project to strategic buyers focussed on the growing Indonesian power sector.

4.3 Aluminium

Alumicor (Realm 74%, African Dune 26%) owns and operates a safe, environmentally sound, aluminium dross and scrap re-smelting operation in South Africa. The operation, which started in 2005, toll treats aluminium waste from Hualamin's smelters which are adjacent to Alumicor in Pietermaritzburg. It has a successful 8 year track record, with EBITDA of ZAR5mln to 8mln p.a.

There is significant growth potential in the metal waste recycling sector in South Africa. Multiple opportunities for EBITDA growth via expansion, consolidation and diversification into value add products exist.

Realm has therefore embarked on a number of strategic initiatives maximise cash flow, grow the business, and also seek investment partners. Corporate alternatives, including the sale of the business are being considered. Realm's advisors, BDO, are currently running a process.

4.4 Platinum Group Metals

Realm's platinum group metal ("PGM") assets are located on the Eastern and Western limbs of the Bushveld Igneous Complex ("BIC") in South Africa.

In summary, Realm has interests in out cropping resources:-

- Eastern Limb ~ 7Moz (3PGE+Au) advanced exploration projects (Kliprivier, Tinderbox, and Ghost Mountain) via a 74% holding in Realm Resources Pty Ltd; and
- Western Limb ~ 4Moz (3PGE+Au) advanced exploration (Rooderand)

- Realm's rights have been vended into Chrometco Limited (JSE:CMO) for equity (45m shares in 2 tranches or around 16% of CMO) and a board seat
- Resource upgrade and permitting for advanced mining underway

The platinum market has remained depressed despite rising South Africa supply concerns and has remained around the US\$1,450/oz level. This together with the industrial unrest in the South African mining sector has hampered the Company's ability to progress the projects at this stage. 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.

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 offer booklet 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.

Competent Persons Statement – Kliprivier, Ghost Mountain and Tinderbox projects

The information in this offer booklet which relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geoscientists (“AIG”), a Corporate Member of the Australasian Institute of Mining and Metallurgy (“AusIMM”). Mr Maynard is the principal of Al Maynard & Associates Pty Ltd and has over 30 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard 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 Maynard consents to inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Competent Persons Statement – Rooderand Project

The information in this offer booklet that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Nico Bleeker, who is a member of the South African Council for Natural Scientific Professions (SACNASP). Mr Bleeker is employed by Witkop Fluorspar Mine (Proprietary) Limited. Mr Bleeker 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 Bleeker consents to the inclusion in this announcement of the matters based on his information in the form and content in which it appears.

5 Risk Factors

5.1 Introduction

There are a number of risks, both specific to RRP and of a general nature which may, either individually or in combination, affect the future operational and financial performance of Realm and the resources industry in which it operates, and the value of Shares.

The risks summarised below are not exhaustive and do not take into account the individual circumstances of Shareholders. RRP does not give any assurances or guarantees of the future performance or profitability of RRP or the value of Shares. Additionally, RRP does not give any assurances or guarantees that the risks set out in this Offer Booklet will not change. The future dividends, the value of RRP assets and the market value or price of Shares quoted on ASX may be influenced by these and other risk factors. Some of the risks may be mitigated by the use of safeguards and appropriate systems and controls. However, many risks that may affect RRP are outside the control of RRP.

Every shareholder should:

- (a) Rely on their own knowledge of RRP;
- (b) Refer to disclosures made by RRP on ASX; and
- (c) Consult their professional adviser, before deciding whether to apply for New Shares.

5.2 Entitlement Issue Risk

- Implications of Shareholders not taking up their Entitlements
 - o Existing RRP shareholders' interests will be diluted if they do not take up their Entitlements.
- Potential De-listing of RRP
- If TFM's interest in the Ordinary Shares becomes such that the ASX is not satisfied that there remains an orderly and liquid market in the securities, quotation of the Ordinary Shares on the ASX may be suspended and, ultimately, RRP removed from the ASX official list.
- Compulsory acquisition by TFM
 - o If TFM becomes a "90% holder", as defined in section 664A of the Corporations Act, of ordinary shares in RRP, it may have the right to compulsorily acquire all the remaining ordinary shares that neither TFM nor any related bodies corporate of TFM has full beneficial interests in. TFM's ability to undertake such a compulsory acquisition will be dependent on it

complying with the provisions of the Corporations Act and any other applicable laws. TFM will not have the ability to become a "90% holder" as a result of the Entitlement Offer but may, subject to the Corporations Act, subsequently increase its holdings of shares in the Company .

5.3 Operational Risks

- Strength of natural resources and coal sector
 - RRP's future is influenced by the general state of the resources sector and in particular the coal market
- Achievement of forecasts
 - RRP has based its business plans on a mine plan and financial model, the achievement of which is dependent on a number of factors, some of which are outside RRP's control (e.g. license delays, coal price, wages fuel, material exchange rates and other inputs).
- Dependence on key management personnel
 - The operating and financial performance of RRP is largely dependent on its ability to retain and attract key management personnel. Whilst RRP makes every effort to retain key management personnel, there can be no guarantee that it will be able to do so. Any loss of key management personnel could adversely affect RRP's business, results of operations or financial conditions and performance.
- Requirements for unforeseen capital expenditure
 - RRP's business may require significant unforeseen capital expenditures
- Current and future funding requirements
 - RRP's ability to complete current and future project development. To the extent that additional equity or debt funding is not available from time to time on acceptable terms, or at all, RRP may not be able to take advantage of acquisition and other growth opportunities, develop new ideas.

5.4 Project Risks

- The Katingan Ria project is subject to key project risks; a key risk being the logistics, in particular river haulage. The Katingan River is seasonal and the periods where the river is unavailable may be greater or lesser than estimated

- Additionally, the project is subject to:
 - Environmental risks
 - Social and Community risk

5.5 Country risk

- The financial performance of each of RRP's foreign operations may be adversely impacted by current or future fiscal or regulatory regimes, local laws and regulations or changes to the economic, political, judicial, administrative and/or security climate, policies or conditions in those geographies.

5.6 Legislative and regulatory changes

- RRP's business is affected by a range of industry specific and general legal and regulatory controls. Changes in these types of controls can have an adverse effect on RRP's financial performance. Further, any major shift in regulatory policy may impact on the profitability of RRP.

5.7 Acquisition risks

- Completion risk
 - The viability of the Katingan Ria project is subject to completion of all licensing and securing adequate investment or off-take agreements and funding.

5.8 General risks

- Market
 - The market price of RRP shares will fluctuate due to various factors, many of which are non-specific to RRP, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, changes in government, fiscal, monetary and regulatory policies, global geopolitical events and hostilities and acts of terrorism, demand for listed securities and investor perceptions. In the future, these factors may cause RRP shares to trade at a lower price and/or cause the value of New Shares to rise or fall below the Issue Price. Stock markets, including the ASX, have exhibited increased volatility in recent times as a result of economic conditions. Continued volatility could negatively impact the value of RRP shares.
- Exchange rate risk

- RRP operates internationally and faces foreign exchange rate risks associated with foreign currency denominated debt, input costs and offshore earnings.
- Domestic and global economic conditions
 - The financial performance of RRP could be affected by changes in economic conditions in Australia and overseas. Such changes include:
- Changes in underlying cost structures for labour and service charges:
 - Changes in fiscal, monetary or regulatory policy by governments or government agencies or instrumentalities, including in relation to inflation and interest rates, which may impact the profitability of RRP or a general fall in the demand for RRP's products;
 - Declines in aggregate investment and economic output in Australia or in key offshore regions; and
 - National or international political and economic instability or the instability of national or international financial markets including as a result of terrorist acts or war or the recent dislocation in credit and capital markets.
- Asset impairment
 - The RRP board regularly monitors impairment risk. Consistent with accounting standards, RRP is periodically required to assess the carrying value of its assets. Where the value of an asset is deemed to be less than its carrying value, RRP is obliged to recognise an impairment charge in its profit and loss account. Impairment charges can be significant and operate to reduce the level of a company's profits and potentially, its capacity to pay dividends. Impairment charges are a non-cash item.
- Changes in accounting policy
 - Accounting standards may change. This may affect the reported earnings of RRP and its reported financial position from time to time.
- Taxation
 - Future changes in taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, or other relevant jurisdictions in which RRP operates, may affect taxation treatment of an investment in RRP shares or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted, in the various jurisdictions in which RRP

operates, may impact the future tax liabilities of RRP.

- Litigation
 - As with all businesses, RRP is exposed to potential legal and other claims or disputes in the course of its business. Although RRP seeks to minimise the risk of such claims arising, and their impact if they do arise, such claims will arise from time to time and could adversely affect RRP's business, results of operations or financial condition and performance.

6 How to apply

6.1 Overview of the Entitlement Offer

Eligible Shareholders will be able to purchase 1 New Share for every 4 Shares held at 7.00pm AEST on 8 October 2014.

Eligible Shareholders (as defined in section 7.1 of this Offer Booklet) will be allotted Entitlements under the Entitlement Offer which can be taken up in whole or in part.

You have a number of decisions to make in respect of your Entitlement. These decisions may materially affect the value (if any) that may be received in respect of your Entitlement. You should read this Offer Booklet carefully before making any decisions in relation to your Entitlement.

Further details on the Entitlement Offer are set out below.

6.2 The Entitlement Offer

Eligible Shareholders are being offered the opportunity to apply for 1 New Share for every 4 Shares held at 7.00pm AEST on 8 October 2014, at the Offer Price of \$0.002 per New Share.

The minimum subscription to be raised pursuant to the Entitlement Offer is A\$828,000. Eligible Shareholders may apply for Shares in excess of their Entitlements (**Additional Shares**), at the Offer Price of \$0.002. In the event that Eligible Shareholders do not take up their Entitlements in full, RRP may issue Additional Shares to those Eligible Shareholders who apply for Additional Shares on a pro rata basis. There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional Shares for which they may apply. RRP may reject any or all applications for Additional Shares or allocate fewer New Shares than applied for by subscribers for Additional Shares. The Directors reserve the right to issue any Additional Shares which are not subscribed for by Eligible Shareholders at their sole and absolute discretion within three months after applications under the Entitlement Offer close.

Taurus Funds Management Pty Ltd (an existing major shareholder of RRP) has confirmed they will be taking up their entitlement, they also advise they will not apply for Shares in excess of their Entitlements.

New Shares issued pursuant to the Entitlement Offer will be fully paid and rank equally in all respects with existing Shares from issue. New Shares will be entitled to any dividends with a record date after the date of issue on the same basis as existing Shares. The rights and liabilities attaching to the New Shares are set out in RRP's constitution, a copy of which is available at www.realmresources.com.au.

6.3 Please carefully read the information in this Offer Booklet and your personalised Entitlement and Acceptance Form

The Entitlement Offer is not being made under a prospectus. Rather, the Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC) which allows rights issues and related issues to be made by providing certain confirmations to the market on the basis that all information that investors and their professional advisers would reasonably require to make an informed investment decision in relation to the Entitlement Offer, when read with this Offer Booklet and the accompanying information, is publicly available.

This Offer Booklet does not contain all of the information which may be required in a prospectus. As a result, it is important for Eligible Shareholders to carefully read and understand the information on RRP Group, and the Entitlement Offer made publicly available, prior to deciding whether to take up all or part of their Entitlement or do nothing in respect of their Entitlement. In particular, please read this Offer Booklet in its entirety, RRP's interim and annual reports and other announcements made available at www.asx.com.au or www.realmresources.com.au.

Please consider the Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Entitlement Offer. You should also refer to the 'Key risks' section in this Offer Booklet.

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of RRP, including possible loss of income and principal invested. RRP does not guarantee any particular rate of return or the performance of RRP, nor does it guarantee the repayment of capital from RRP or any particular tax treatment. In considering an investment in New Shares, investors should have regard to (among other things) the 'Key risks' section and the disclaimers outlined in this Offer Booklet.

6.4 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 4 Shares you held as at the Record Date rounded up to the nearest whole New Share. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

If you decide to take up all or part of your Entitlement, please refer to the personalised Entitlement and Acceptance Form and apply for New Shares pursuant to the instructions set out on the personalised Entitlement and Acceptance Form.

If you take no action or your application is not supported by any cleared funds, you will be deemed to have not taken your Entitlement and you will not be issued New Shares. You should note that if you do not take up all or part of your Entitlement, then your percentage shareholding in RRP will be diluted by your non-participation in the Entitlement Offer.

Note: The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Shares for the account or benefit of a person in the United States (see the definition of Eligible Shareholder in section 7.1 of this Offer Booklet).

Nominees

Persons acting as nominees for other persons must not purchase, take up or exercise any Entitlement on behalf of, or send any materials related to the Entitlement Offer to, any person in the United States.

RRP is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares (e.g. for the purposes of determining whether any such persons may participate in the Entitlement Offer). Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, is responsible for determining whether indirect participation by the beneficiary in the Entitlement Offer, including following the acquisition of Entitlements on the ASX or otherwise, is compatible with, and does not breach, applicable foreign laws and regulations.

Shareholders who are nominees are therefore advised to seek independent advice as to how they should proceed.

6.5 Options available to you

If you are an Eligible Shareholder, you may do either of the following:

- take up all or part of your Entitlement and you may decide to apply for Additional Shares (see paragraph 5.1 below); or
- do nothing, in which case your Entitlement will lapse.

6.6 If you decide to take up all or part of your Entitlement

If you decide to take up all or part of your Entitlement, and if you decide to apply for Additional Shares, please:

- pay your Application Monies via BPAY®; or
- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies, by following the instructions set out on the personalised Entitlement and Acceptance Form.

RRP will treat you as applying for as many New Shares as your payment will pay for in full up to your full Entitlement or up to your full Entitlement plus any Additional Shares applied for.

If you apply and pay for New Shares, before the close of the Entitlement Offer, it is expected that you will be issued your New Shares on 31 October 2014. RRP's decision on the number of New Shares to be issued to you will be final.

Any surplus Application Monies received will be refunded as soon as practicable after the close of the Entitlement Offer (except for where the amount is less than \$2.00, in which case it will be donated to a charity chosen by RRP, and no interest will be paid to Eligible Shareholders on any Application Monies received or returned (wholly or partially).

RRP also reserves the right (in its absolute discretion) to reduce the number of New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders if RRP believes their claims to be incorrect or overstated or if they, or their nominees, fail to provide information to substantiate their claims to RRP's satisfaction (see paragraph 1 of the 'Additional information' section of this Offer Booklet).

To participate in the Entitlement Offer, your payment must be received no later than the close of the Entitlement Offer, being 5.00pm AEST on 24 October 2014. Eligible Shareholders who wish to pay via cheque, bank draft or money order will need to also ensure that their completed personalised Entitlement and Acceptance Form is also

received by that time using the reply paid envelope provided with this Offer Booklet or otherwise.

Eligible Shareholders are able to apply for New Shares in excess of their Entitlement as set out in their personalised Entitlement and Acceptance Form.

6.7 Payment methods

(a) Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique Customer Reference Number (**CRN**)). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalized Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your application monies.

When completing your BPAY® payment, please make sure to use the specific biller code and unique CRN provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form (i.e. where you have multiple holdings), please only use the CRN specific to the Entitlement on that form. If you inadvertently use the same CRN for more than one of your Entitlements when paying by BPAY®, you will be deemed to have applied only for New Shares on the Entitlement to which that CRN applies and your applications in respect of your other CRNs will be deemed to have not been supported by cleared funds.

Should you choose to pay by BPAY® it is your responsibility to ensure that your BPAY® payment is received by the Registry by no later than 5.00pm AEST on 24 October 2014. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. RRP takes no responsibility for any failure to receive application monies or payment by BPAY® before the Entitlement Offer closes arising as a result of, among other things, delays in postage or processing of payments by financial institutions.

(b) Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the application monies, made payable to 'Realm Resources Limited' and crossed 'Not Negotiable'.

Your cheque, bank draft or money order must be:

- for an amount equal to \$0.002 multiplied by the number of New Shares that you are applying for; and
- in Australian currency drawn on an Australian financial institution or an Australian branch of a financial institution.

You should ensure that sufficient funds are held in the relevant account(s) to cover the application monies on the day of receipt. If the amount of your cheque, bank draft or money order for application monies is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared application monies will pay for and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form.

Should you choose to pay by cheque, bank draft or money order it is your responsibility to ensure that your payment is received by the Registry by no later than 5.00pm AEST on 24 October 2014. Cash payments will not be accepted. Receipts for payment will not be issued.

Please ensure that you make arrangements so that your cheque, money order or bank draft is received at the below address by the end of the offer period.

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001
Australia

6.8 Warranties made on acceptance of the Entitlement Offer

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY® you will be deemed to have acknowledged, agreed, represented and warranted that you, and each person on whose behalf you are acting:

- acknowledge that you have fully read and understood both this Offer Booklet and your Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Offer Booklet and the Entitlement and Acceptance Form;
- agree to be bound by the terms of the Entitlement Offer, the provisions of this Offer Booklet and RRP's constitution;
- authorise RRP to register you as the holder(s) of New Shares allotted to you;
- declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- acknowledge that once RRP receives your Entitlement and Acceptance Form or any

payment of Application Monies via BPAY®, you may not withdraw your application or funds provided except as allowed by law;

- agree to apply for and be issued up to the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®, at the Offer Price per New Share;
- authorise RRP, the Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Registry upon using the contact details set out in your Entitlement and Acceptance Form;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Offer Booklet and your Entitlement and Acceptance Form is not investment advice or financial product advice nor have they been prepared without taking into account your investment objectives, financial circumstances or particular needs or circumstances. You acknowledge that this Offer Booklet and your Entitlement and Acceptance Form is not a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Offer Booklet is not a prospectus or disclosure document and does not contain all of the information that you may require in order to assess an investment in RRP and is given in the context of RRP's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the 'Key risks' section of this Offer Booklet and that investments in RRP are subject to risk;
- acknowledge that none of RRP, or their respective related bodies corporate, affiliates or respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantee the performance of RRP, nor do they guarantee the repayment of capital from RRP;
- agree to provide (and, if applicable, direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date;
- authorise RRP to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
- represent and warrant that the law of any place does not prohibit you from being given this Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and are eligible under all applicable laws to receive an offer under the Entitlement Offer without a prospectus, disclosure document or any lodgement, filing, registration or qualification; and
- represent and warrant that your acceptance of the Entitlement Offer does not breach any laws in a jurisdiction outside Australia or New Zealand.

By completing and returning your personalized Entitlement and Acceptance Form or making a payment by BPAY®, you will also be deemed to have acknowledged, agreed, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that you are an Eligible Shareholder or otherwise eligible to participate in the Entitlement offer and:

- you are not in the United States and you are not acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlements or New Shares under the Entitlement Offer and under any applicable laws and regulations;
- you understand and acknowledge that neither the Entitlements nor the New Shares have been, or will be, registered under the Securities Act or the securities laws of any state or other jurisdiction in the United States. Accordingly, the Entitlements may not be issued to, purchased or traded by, or taken up or exercised by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States. You further understand and acknowledge that the Entitlements and the New Shares may only be offered, sold and resold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the securities Act;
- you are subscribing for Entitlements and/or purchasing New Shares outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act;
- you and each person on whose account you are acting have not and will not send this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is not in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person in the United States.

6.8 No withdrawals

You cannot withdraw your application once it has been accepted. Cooling-off rights do not apply to an investment in New Shares.

RRP reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares to Eligible Shareholders, in which case RRP will refund any application monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

6.9 Confirmation of your application and managing your holding

You may access information on your holding, including your Record Date balance and the issue of New Shares from this Entitlement Offer, and manage the standing instructions the Registry records on your holding on the Computershare website

www.computershare.com.au. To access the Investor Centre you will need your security Reference Number (**SRN**) or Holder Identification Number (**HIN**) as shown on your Issuer Sponsored/ CHESS statements and you will need to pass the security challenge on the site.

6.10 Mailing of Entitlement and Acceptance Forms

To participate in the Entitlement Offer, your payment must be received no later than the close of the Entitlement Offer, being 5.00pm AEST on 24 October 2014. If you make payment via cheque, bank draft or money order, you should mail your completed personalised Entitlement and Acceptance Form together with application monies to:

Mailing Address:

RRP Entitlement Offer
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001
Australia

7 Important information

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet (including the ASX announcements) and the accompanying personalised Entitlement and Acceptance Form have been prepared by RRP. The information in this Offer Booklet is dated 1 October 2014. This information remains subject to change without notice and RRP is not responsible for updating this information.

There may be additional announcements made by RRP after 1 October 2014 and through the Entitlement Offer that may be relevant to your consideration of whether to exercise or do nothing in respect of your Entitlement. Therefore, you are encouraged to check whether any further announcements have been made by RRP before submitting your application.

No party other than RRP has authorised or caused the issue of the information in this Offer Booklet, or takes any responsibility for, or makes any statements, representations or undertakings in this Offer Booklet.

This information is important and requires your immediate attention.

You should read the information in this Offer Booklet carefully and in its entirety before deciding whether to invest in New Shares or how to deal with your Entitlement. In particular, you should consider the risk factors outlined in the 'Key risks' section of this Offer Booklet, any of which could affect the operating and financial performance of RRP or the value of an investment in RRP.

You should consult your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to evaluate whether or not to participate in the Entitlement Offer.

RRP has applied to ASX for the grant of official quotation of the New Shares. RRP will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before the New Shares are listed on the official list of ASX or before they receive their confirmation of issue, whether on the basis of confirmation of the allocation provided by Realm or the Share Registry or otherwise. It is expected that normal trading on ASX will commence in relation to New shares issued under the Entitlement Offer on 3 November 2014.

Neither ASX nor any of its officers takes any responsibility for the contents of this offer Booklet.

7.1 Eligible Shareholders

The information in this Offer Booklet contains an offer of New Shares to Eligible Shareholders and has been prepared in accordance with section 708AA of the Corporations Act as notionally modified by Australian Securities and Investments Commission (ASIC) Class Order [CO 08/35].

Eligible Shareholders are those holders of Shares who:

- are registered as a holder of Shares as at 5.00pm AEST the Record Date;
- have an address on the share register in Australia, New Zealand, Hong Kong, Indonesia, Malaysia, Mauritius, Monaco, Singapore, Taiwan, The Philippines or the United Kingdom;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- and are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without a prospectus, disclosure document or any lodgement, filing, registration or qualification.

RRP, in its absolute discretion, reserves the right to determine whether a shareholder is an Eligible Shareholder and is therefore able to participate in the Entitlement Offer. RRP disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Shareholder is an Eligible Shareholder.

Subject to the above, the Entitlement Offer is being extended to Shareholders in all jurisdictions. By returning a completed Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you, and each person on whose account you are acting, satisfy each of the criteria listed above. Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States.

7.2 Ineligible Shareholders

RRP has decided that it is unreasonable to make offers under the Entitlement Issue to holders of Shares who have registered addresses in the United States or who are otherwise ineligible under applicable securities laws to receive an offer under the Entitlement Offer, having regard to the number of such holders in those jurisdictions and the number and value of the New Shares that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those jurisdictions. Ineligible Shareholders are not eligible to participate in the Entitlement Offer.

7.3 Not investment advice or financial product advice

The Entitlement Offer to which the information in this Offer Booklet relates is being made in reliance on section 708AA of the Corporations Act as notionally modified by Australian Securities and Investments Commission (ASIC) Class Order [CO 08/35]. The information in this Offer Booklet is not a prospectus, disclosure document or other offering document under the corporations Act (or any other law) and has not been lodged with ASIC.

The information in this Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with RRP's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at www.asx.com.au.

The information in this Offer Booklet is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs or circumstances. RRP is not licensed to (and does not) provide financial product advice in respect of the New Shares.

The information in this Offer Booklet does not take into account the investment objectives, financial situation or needs of you or any particular investor. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of Shares the subject of the Entitlement Offer. If, after reading this Offer Booklet, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser.

7.4 Taxation

None of the Company, its officers, employees or advisers is giving or is able to give advice about the specific tax consequences arising from the Offer.

The taxation consequences of any investment in New Shares will depend upon your particular circumstances.

Potential investors must make their own enquiries concerning the taxation consequences of an investment in the Company. Applicants should consult their tax adviser for advice applicable to their individual needs and circumstances.

7.5 No cooling-off rights

No cooling-off rights apply to a subscription for New Shares under the Entitlement Offer. This means that you cannot withdraw your application once it has been accepted.

7.6 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded up to the next whole number of New Shares.

7.7 Effect on share capital

The effect of the Entitlement Offer on the capital structure of the Company will be as follows:

Shares	No. of shares
Number of Shares on issue at 30 September 2014 (the trading day immediately prior to the Announcement Date)	1,931,090,077
Maximum number of New Shares to be issued under the Entitlement Offer	482,772,519
Maximum number of Shares on issue following the Entitlement Offer	2,413,862,596

The figures in this table are based on the share capital of the Company as at 30 September 2014 and assumes that all Eligible Shareholders take up their Entitlements in full. The figures are also approximate as individual Entitlements will be rounded up to the nearest whole figure.

7.8 This is not a prospectus

The 1 for 4 non-renounceable pro-rata entitlement offer of New Shares is not being made under a prospectus under the Corporations Act. Rather, the Entitlement Offer is being made pursuant to section 708AA of the Corporations Act as modified by ASIC Instrument 13-1195 (see paragraph 3 of the section “How to apply” below for further information). This provision allows entitlement offers to be made by providing certain confirmations to the market.

As a result, it is important for Eligible Shareholders to read and understand the information on the RRP Group and the Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement. In particular, please refer to the information in this Offer Booklet the RRP Group's annual reports and other announcements made available at www.realmresources.com.au or www.asx.com.au.

7.9 Information availability

Eligible Shareholders can obtain a copy of this Offer Booklet during the Entitlement Offer Period by calling the RRP Offer Information Line on 1300 850 505 (within Australia) or +61 (03) 9415 5000 (from outside Australia) at any time from 8.30am to 5.00 AEST Monday to Friday during the Entitlement Offer Period. Persons who access the electronic version of this Offer Booklet should ensure that they download and read the information in this Offer Booklet in its entirety. The electronic version of this Offer Booklet on the Realm Resources Limited Website will not include a personalised Entitlement and Acceptance Form.

A replacement Entitlement and Acceptance Form can be requested by calling the RRP Offer Information line or obtained online by logging onto www.computershare.com.au during the Entitlement Offer Period. Neither this Offer Booklet nor the accompanying Entitlement and Acceptance Form may be distributed to or relied upon by, persons that are in the United States or otherwise distributed in the United States.

7.10 Governing Law

The information in this Offer Booklet, the Entitlement Offer, and dealings in the Entitlements and the contracts formed on acceptance of the Entitlement Offer pursuant to the personalised Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each shareholder who applies for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

7.11 Entire Agreement

The terms contained in this Offer Booklet and the accompanying Entitlement and Acceptance Form constitute the entire agreement between RRP and you as to the Entitlement Offer to the exclusion of all prior representations, understandings between RRP and you.

7.12 Currency

All dollar values in this Offer Booklet are in Australian dollars (\$) unless otherwise stated.

7.13 Disclosures regarding forward-looking statements

This Offer Booklet contains certain 'forward-looking statements' in relation to the RRP Group. Forward-looking statements include those containing words such as: 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'consider', 'foresee', 'aim', 'will' and other similar expressions. Any forward-looking statements, opinions and estimates provided in this Offer Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of the RRP Group, including the risks and uncertainties described in the 'Key risks' section of this Offer Booklet. This includes any statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements may include indications, projections, forecasts and guidance on sales, earnings, dividends and other estimates. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which those statements are based. These statements may assume the success of the RRP Group's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond the RRP Group's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, RRP assumes no obligation to update these forward-looking statements.

To the maximum extent permitted by law, the directors of RRP, the RRP Group, and any of its related bodies corporate and affiliates, and their officers, partners, employees, agents, associates and advisers disclaim any obligations or undertaking to release any updates or revisions to the information in this Offer Booklet to reflect any change in expectations or assumptions, do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of such information, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement, and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

7.14 Past performance

Investors should note that past performance, including past share price performance and pro forma historical information are included for illustrative purposes only, and cannot be relied upon as an indicator of (and provides no guidance as to) future RRP performance, including future financial position or share price performance.

7.15 Foreign jurisdictions

The information in this Offer Booklet does not, and is not intending to, constitute an offer, invitation or issue in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, invitation or issue. No action has been taken to register or

qualify the Entitlement Offer the Entitlements or the New Shares, or otherwise permit a public offering of the Entitlements or the New Shares, in any jurisdiction outside of Australia. It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of the New Shares pursuant to this Offer Booklet. Return of the Entitlement and Acceptance Form or your BPAY® payment shall be taken by RRP to constitute a representation by you that all relevant approvals have been obtained and there has been no breach of any relevant laws.

This Offer Booklet and any material accompanying it may not be released or distributed in the United States. This Offer Booklet and any material accompanying it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be issued to, purchased or traded by, or taken up or exercised by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares to be offered and sold in the Entitlement Offer may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

The distribution of this Offer Booklet (including an electronic copy) outside Australia, New Zealand, Hong Kong, Indonesia, Malaysia, Mauritius, Monaco, Singapore, Taiwan, The Philippines or the United Kingdom may be restricted by law. If you come into possession of this Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

(a) New Zealand

The Entitlements and New Shares are not being offered to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This Offer Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Offer Booklet is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

(b) Hong Kong

WARNING: This Offer Booklet has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the Companies Ordinance), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Entitlements and the New Shares have not been and will not be offered or sold in Hong Kong by means of any document other than to:

- (i) “professional investors” (as defined in the SFO); or
- (ii) In any other circumstances that do not result in this document being a prospectus (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance.

No advertisement, invitation or document relating to the Entitlements and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Entitlements and the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Entitlement Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

(c) Indonesia

A registration statement with respect to the New Shares has not been, and will not be, filed with the Capital Market and Financial Supervisions Agency (Bapapam-LK) of the Republic of Indonesia. Therefore, the New Shares may not be offered or sold or be the subject of an invitation for subscription or purchase. Neither this document nor any other document relating to the offer or sale, or invitation for subscription or purchase, of the entitlements may be circulated or distributed, whether directly or indirectly, in the Republic of Indonesia or to Indonesian Citizens, corporations or residents, except in a manner that will not be considered as a “public offer” under the law and regulations of Indonesia.

(d) Malaysia

No approval from the Malaysian Securities Commission (SC) has been or will be obtained in relation to any offer of New Shares. The New Shares may not be offered or made available for purchase in Malaysia except in an exemption from the prospectus and approval requirements of the Malaysian Securities Commission.

(e) Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the New Shares may be made to the public in Mauritius without the prior approval of the Mauritius Financial Services Commission. Accordingly this offer is being made on a private placement basis only and does not constitute a public offering. As such, this document has not been approved or registered by the Mauritius Financial Services Commission and is for the exclusive use of the person to whom it is addressed. The document is confidential and should not be disclosed or distributed in any way without the express written permission of the Company.

(f) Monaco

The New Shares may not be offered or sold, directly or indirectly, to the public in Monaco other than to existing shareholders of RRP.

(g) Singapore

The Entitlements and New Shares are not being offered to the public within Singapore other than to existing Shareholders with registered addresses in Singapore. This document and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlements or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

(h) Taiwan

The Entitlements and the New Shares have not been registered in Taiwan nor approved by the Financial Supervisory Commission, Executive Yuan, the Republic of China. Holders of the Entitlements and the New Shares cannot resell them in Taiwan nor solicit any other purchasers in Taiwan for this offering.

(i) The Philippines

Under Republic Act No. 8799, known as the Securities Regulation Code, and its implementing rules (Securities Regulation Code), securities such as the New Shares are not permitted to be sold or offered for sale or distribution with the Philippines unless such securities are registered by the Philippine SEC or are otherwise exempt securities under Rule 9.2.2 of the Amended Implementing Rules and Regulations of the Code or sold pursuant to an exempt transaction under Section 10.1(I) of the Securities Regulation Code.

The New Shares are being offered in the Philippines to qualified buyers as defined in the Securities Regulation Code. Such offer and sale of the New Shares qualify for exemption from registration by the Philippine SEC that the Offer and Sale of the New Shares in the Philippines qualify as an exempt transaction under the Securities Regulation Code is not required to be, and has not been, obtained. Nevertheless, in compliance with applicable regulations, a Notice of Exemption is required to be filed, and will be filed, after the issuance of any New Shares under Section 10.1 (I) of the Securities Regulation Code.

(j) United Kingdom

The Entitlements and New Shares are not being offered to the public within the United Kingdom other than to existing Shareholders with registered addresses in the United Kingdom. Neither the information in this document nor any other document relating to the Entitlement Offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of the Entitlements or the New Shares.

This offer Booklet is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and these securities may not be offered or sold in the United Kingdom by means of this Offer Booklet, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This Offer Booklet should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the Entitlements or the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together, relevant persons). The investments to which this Offer Booklet relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Offer Booklet or any of its contents.

(k) United States

This Offer Booklet and any material accompanying it may not be released or distributed in the United States. This Offer Booklet and any material accompanying it does not constitute an offer to sell or the solicitation of an offer to buy, securities in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be issued to, purchased or traded by, or taken up or exercised by, and the New Shares may not be offered or sold to persons in the United States or persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New shares may be offered, sold or resold in the United States except in transactions exempt from, or not subject to the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares to be offered and sold in the Entitlement Offer may only be sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the Securities Act) in compliance with Regulation S under the Securities Act.

7.16 References to 'you' and 'your Entitlement'

In this Offer Booklet, references to 'you' are references to Eligible Shareholders and references to 'your Entitlement' (or 'your Entitlement and Acceptance Form') are references to the entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders (as defined in paragraph 1 of the Additional Information' section of this Offer Booklet).

7.17 Trading New Shares

RRP will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holdings statements, whether on the basis of confirmation of the allocation provided by RRP or the Registry or otherwise or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker or other professional adviser. Refer to the 'Additional information' section of this Offer Booklet for more details.

7.18 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Booklet. Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by RRP, or its related bodies corporate, in connection with the Entitlement Offer.

Except as required by law, and only to the extent so required, none of RRP Group, the directors of RRP, or any other person, warrants or guarantees the future performance of RRP or any return on any investment made pursuant to this Offer Booklet.

7.19 Withdrawal of Entitlement Offer

RRP reserves the right to withdraw all or part of the Entitlement offer (including if the Shareholder Approvals are not passed) and this Offer Booklet at any time, subject to applicable laws, in which case RRP will refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to RRP will not entitle you to any interest against RRP and that any interest earned in respect of Application Monies will belong to RRP.

7.20 Privacy

As an existing shareholder in RRP, RRP and the Registry have already collected personal information about you. If you apply for New Shares, RRP and the Registry may update that personal information or collect additional personal information about you. Such information may be used to assess your acceptance of New Shares, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

To do that, RRP and the Registry may disclose your personal information for purposes related to your shareholding to their agents, contractors or third party service providers to whom they outsource services in order to assess your acceptance of New Shares, the Registry for ongoing administration of the register, printers and mailing houses for the purposes of preparation and distribution of Shareholder information and for handling of mail, or as otherwise authorised under the *Privacy Act 1988* (Cth).

If you do not provide RRP or the Registry with your personal information then your application may not be able to be processed.

You can request access to your personal information by contacting RRP through the Registry as follows:

Computershare Investor Services Pty limited

GPO Box 505
Melbourne Victoria 3001
Australia

Telephone: 1300 850 505; or
+61 (03) 9415 5000 (outside Australia)

8 Glossary

AEST	Australian Eastern Standard Time
Announcement Date	The date of announcement of the Entitlement Offer to ASX, being 1 October 2014
Applicant	An Eligible Shareholder who applies for Shares pursuant to the Offer or other party who applies for Shortfall Shares pursuant to the Shortfall Offer
Application Monies	Has the meaning given to it in Section 6.6 of this Offer Booklet
ASIC	Australian Securities & Investments Commission
ASX	ASX Limited ACN 008 624 691 or the market conducted by it as the context requires
ASX Listing Rules	The listing rules of the ASX
Board	the Board of directors of RRP
CGT	Capital gains tax
Closing Date	5.00 pm AEST 24 October 2014
Constitution	The Company's Constitution as at the date of this Offer Booklet
Corporations Act	Corporations Act 2007 (Cth) (as notionally modified by ASIC Class Orders 07/571 and 08/35 and ASIC Instrument 13-1195)
Eligible Shareholder	has the meaning given in Section 7.1 of this Offer Booklet
Entitlement	the entitlement of a Shareholder to take up a certain number of New Shares pursuant to the Entitlement Offer based on the number of Shares held on the Record Date
Entitlement and Acceptance Form	a personalised acceptance form accompanying this Offer Booklet which Shareholders may use to apply for New Shares
Entitlement Offer	the 1 for 4 pro-rata non-renounceable entitlement offer of New Shares in RRP at an offer price of A\$0.002 per New Share to raise up to approximately A\$552,000
GST	Goods and Services Tax
New Share	a Share offered on the basis of, and under the terms of, the Entitlement Offer
Offer Booklet	this offer booklet
Offer Price	\$0.002 per New Share
Record Date	the date for determining Entitlements under the Entitlement Offer, being 7.00pm AEST on 8 October 2014
Registry	Computershare Investor Services Pty limited ACN 078 279 277
RRP	Realm Resources Limited ABN 98 008 124 025
RRP Group	RRP and its subsidiaries
Securities Act	United States Securities Act of 1933
Share	a fully paid ordinary share in the capital of RRP
Shareholder	the registered holder of a Share
Taurus	Taurus Funds Management Pty Ltd and its related entities and associates
TFN	Tax File Number