



Company Announcements
ASX Limited

By Electronic Lodgement

30 October 2015

QUARTERLY UPDATE

- **Continuing focus on Katingan Ria’s domestic coal supply strategy**
- **Rooderand platinum transaction with Chrometco Ltd nears completion**
- **Alumicor discussions progressing with potential investors/buyers**
- **Business development activities aimed at enhancing and/or realising the value of Realm’s assets as well as seeking new resource sector investment opportunities, particularly those with near term cash generation potential**

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

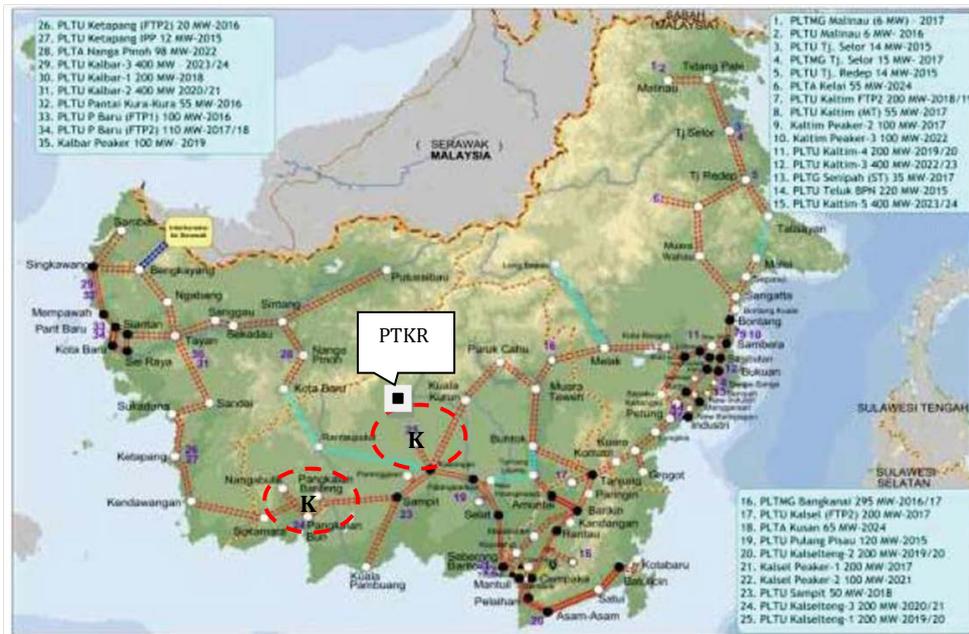
Katingan Ria Coal Project – Focussed on Domestic Power Station Supply

The Company continued to engage with PLN (Indonesian State owned Electricity Corporation) and other potential partners/buyers in order to progress its power station strategy. Realm is focussing on establishing a consortium to prepare for the Kalselteng No.3 (2x100MW) process later this year, and possibly Kalselteng No.1 (2x100MW) as well, should that become available (Figure 1).

In addition, Realm continues to keep its 51% holding in good standing and progress permitting as required.

The thermal coal price for expected Katingan Ria coal (i.e. 4,200 kcal/kg GAR) has declined further to US\$26.00/t at the time of writing. This together with the slow pace of Government action is limiting interest in the project and the coal sector as a whole.

Figure 1: - Central Kalimantan Power Station Plan



Source: PLN RUPTL 2015-2024. Note: PTKR = PT Katingan Ria coal project; K1 = Kalselteng 1 200Mw power station proposal; K3 = Kalselteng 3 200Mw power station proposal

South African Projects

In South Africa, the Rooderand transaction with Chrometco Limited (“CMO”) was advanced following the receipt of Section 11 consent for the transfer of mineral rights (Refer to CMO JSE announcement 30th September 2015). This is a further major milestone towards the completion of the transaction, which will result in a combined mining right for chrome, platinum group metals and other metals on the remainder portion of Rooderand. On completion of the transaction, an additional 35m JSE:CMO shares will be issued to Realm (Realm will then hold 45m shares).

In Aluminium, the focus remains on the search for potential investors/buyers seeking exposure to the re-cycling sector as well as improving the financial and operational performance of Alumicor.

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



Smelting and recovery performance comparison

| Alumicor | Q4 2013 | Q1 2014 | Q2 2014 | Q3 2014 | Q4 2014 | Q1 2015 | Q2 2015 | Q3 2015 | % change Q2 2015 |
|---------------------|------------|------------|------------|------------|------------|------------|------------|------------|---------------------|
| Tonnes smelted | 4,150 | 4,649 | 4,401 | 4,279 | 4,537 | 4,835 | 4,984 | 4,364 | (12%) |
| Average recovery | 65% | 65% | 64% | 66% | 67% | 64% | 61% | 53% | (13%) |

Alumicor continues to operate profitably and deliver cash flow with management's attention focussed on sourcing additional metal units (with Hulamin's assistance) to be processed at the facility. In addition, management continues to assess 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.

Business Development

On the business development front, numerous resource sector opportunities continue to be reviewed, with the focus directed at projects or mines with near term cash generation capacity, largely in the coal, base and precious metals sector.

Financial results

Referring to the attached 5B schedule, net operating cash outflows were AUD\$57,000 for the quarter (inflow of AUD\$84,000 in the prior quarter).

Group cash position as at 30 September 2015 was AUD\$461,000

For further information please contact:

Richard Rossiter (Chairman) or Theo Renard (FD) on +61 2 9252 2186 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 resource sector projects. The Company has advanced exploration projects in thermal coal (Indonesia) and platinum group metals and an operating aluminium waste retreatment plant in South Africa.

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")

30 September 2015

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|----------------------------------------------------------------------------------------------------------|----------------------------|---------------------------------------|
| 1.1 Receipts from product sales and related debtors | 1,135 | 3,421 |
| 1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration | (793) (401) | (2,223) (1,177) |
| 1.3 Dividends received | | |
| 1.4 Interest and other items of a similar nature received | 2 | 3 |
| 1.5 Interest and other costs of finance paid | | |
| 1.6 Income taxes paid | - | (121) |
| 1.7 Other (provide details if material) | | |
| Net Operating Cash Flows | (57) | (97) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets | (134) | (241) |
| 1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets | 6 | 6 |
| 1.10 Loans to other entities | | |
| 1.11 Loans repaid by other entities | | |
| 1.12 Other (provide details if material) | | |
| Net investing cash flows | (128) | (235) |
| 1.13 Total operating and investing cash flows (carried forward) | (185) | (332) |

+ 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) | (185) | (332) |
| | 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) | | 16 |
| | Net financing cash flows | - | 16 |
| | Net increase (decrease) in cash held | (185) | (316) |
| 1.20 | Cash at beginning of quarter/year to date | 642 | 774 |
| 1.21 | Exchange rate adjustments to item 1.20 | 4 | 3 |
| 1.22 | Cash at end of quarter | 461 | 461 |

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 | 152 |
| 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.

- 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 | | |
| 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>) | (651) |
| 4.4 Administration (<u>Note – portion of Administration costs absorbed by operations</u>) | (432) |
| Total | (1,083) |

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 | 21 | 42 |
| 5.2 Deposits at call | 60 | 60 |
| 5.3 Bank overdraft | | |
| 5.4 Other (provide details) | 380 | 540 |
| Total: cash at end of quarter (item 1.22) | 461 | 642 |

+ 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.

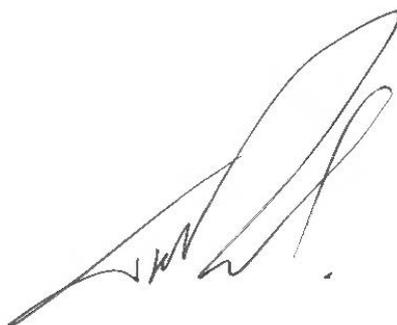
| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|-----|------------------------------------------------------------------|---------------|-----------------------------------------------|--------------------------------------------------|
| 7.1 | Preference securities | | | |
| | <i>(description)</i> | | | |
| 7.2 | Changes during quarter | | | |
| | (a) Increases through issues | | | |
| | (b) Decreases through returns of capital, buy-backs, redemptions | | | |
| 7.3 | +Ordinary securities | 2,357,260,417 | 2,357,260,417 | N/A |
| 7.4 | Changes during quarter | | | |
| | (a) Increases through issues | | | |
| | (b) Decreases through returns of capital, buy-backs | | | |

+ See chapter 19 for defined terms.

| | | | | | |
|------|---------------------------------------------------------------------------------------------------------------|-------------|-----|---------------------------------|----------------------------------------|
| 7.5 | +Convertible debt securities <i>(description)</i> | N/A | | | |
| 7.6 | Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 | Options <i>(description and conversion factor)</i> | 100,000,000 | Nil | <i>Exercise price</i> \$0.05 | <i>Expiry date</i> 12 February 2018 |
| 7.8 | Issued during quarter | | | | |
| 7.9 | Exercised during quarter | | | | |
| 7.10 | Expired during quarter | | | | |
| 7.11 | Debentures <i>(totals only)</i> | | | | |
| 7.12 | Unsecured notes <i>(totals only)</i> | | | | |

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:

Date: 30 October 2015
(Director/Company secretary)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

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.
- 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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