

ASX ANNOUNCEMENT

9 September 2011

Palace Resources Technical Team to Undertake Further Site Visit to West Sumatra Coal Project

Perth, Western Australia: Palace Resources Ltd (“Palace Resources” or “the Company”) (ASX:PxR) is pleased to announce that its technical team will be undertaking a site visit to its proposed coal project in West Sumatra, Indonesia during the week commencing Monday 19th September 2011. The purpose of the site visit includes:

- Survey and confirmation of IUP boundaries;
- Identification of previous drill holes and test pits and the collection of additional samples for confirmatory analysis;
- Planning of confirmatory drill holes;
- Confirmation of the status of the Stockpile and Loading Facilities at Painan Port.
- Meetings with local Bupati and community elders.

The Company will advise the market of the outcomes of its due diligence investigations as they are received.

Yours faithfully



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For more information visit www.palaceresources.com.au

About Palace Resources

Palace Resources goals are to create a sustainable exploration and development business focussed on resource opportunities in the Indonesian resource rich region. Palace has a strong management team which has a track record of acquiring and developing mineral projects in the Asia Pacific region. Palace is aggressively exploring and developing resources in the south-east Asia region, particularly Indonesia.