



## Market update

### Overview

- The Company has progressed exploration at a number of sites at the Foxleigh Mine.
- Renewal of EPC 1139 for a 5 year term with nil relinquishment for the first 3 years.
- The Foxleigh Joint Venture (Realm 70%) has approved an upgrade to the mining fleet used at the Foxleigh Mine, at an approximate cost of \$24.5m (100% basis).
- Alumicor has signed a new dress and scrap processing agreement with Hulamin.
- Deferral of capital raise to satisfy the 20% free float condition in connection with the Company's re-instatement to ASX.
- As at 2<sup>nd</sup> August, cash on hand was \$115m.

### Foxleigh Mine exploration

Realm Resources Limited (ASX: RRP) (**Realm** or the **Company**) is pleased to provide an update on the significant progress that has been made in recent months:

- Foxleigh Plains (Realm 70%) Stage 4 drilling has been concluded and indicates that the resource continues to the North, as anticipated, which may allow for potential extensions to the currently proposed "life of mine" pit shell. This area is under an existing Mining Lease (**ML**) which will greatly assist with future development of the area;
- Exploration drilling on the Eagles Nest (Realm 70%) tenement (also covered by an **ML**) commenced on 26 July 2017 and will provide additional information to assist develop this area of the Foxleigh site;
- Drilling was completed at Roper Creek (Realm 100%) in June 2017 and an initial JORC estimate for this area is currently being prepared by McElroy Bryan Geological Services. Upon completion of the JORC report, an MDL application will be considered for this project; and
- Landholder access and compensation has been agreed which will allow the Foxleigh West (Realm 70%) Exploration program to commence. Cultural Heritage surveys have been concluded for the areas required.



## Foxleigh Mine - renewal of EPC 1139

The Department of Natural Resources and Mines has renewed EPC 1139 in total (143 sub blocks) for a 5 year term with nil relinquishment for years 1-3. This is a great outcome as it provides the Foxleigh Joint Venture with time to fully explore the vast remaining areas of EPC 1139 as previously announced to the market (see Figure 1 below).

## Foxleigh Mine – equipment upgrade

The Foxleigh Joint Venture (Realm 70%) has recently approved a significant upgrade to the mining fleet used at the Foxleigh Mine, at an approximate cost of \$24.5m (100% basis). Two Liebherr 9400 excavators and one Liebherr 996B excavator have been ordered to replace the (aged) equipment currently in use. The new excavators will be delivered and commissioned progressively over the next 9 months, which will greatly reduce the risk profile of the current mining equipment and assist the site to efficiently meet its targeted production in future years.

## Hulamin agreement

Following extensive negotiations, Alumicor has signed a new dross and scrap processing agreement with Hulamin, which will provide for all of its dross and scrap to be sent to Alumicor for processing. Signing this agreement now allows the divestment process for Alumicor to proceed, as advised in previous announcements.

## Update on the re-instatement to official quotation

Realm confirms that following the Extraordinary General Meeting held by the Company on 14 July 2017, it has continued to work with its advisers to determine the most appropriate offer structure for the proposed capital raise to satisfy the 20% free float condition in connection with the Company's proposed re-compliance with Chapters 1 and 2 of ASX Listing Rules (the **Offer**). Realm has been working with the ASX to finalise the draft prospectus in connection with the offer (**Prospectus**).

The Company has received a notice from ASIC requiring the Company to provide information in relation to, and for the purposes of, ASIC ensuring compliance with the *Corporations Act 2001* (Cth) in relation to continuous disclosure in respect of the Foxleigh transaction. ASIC has stated that the notice should not be construed as an indication by ASIC that a contravention of the law has occurred nor should it be considered a reflection upon any person or entity. The Company has responded to the notice.

While Realm is significantly advanced in preparation for a capital raise, the Company does not expect to be in a position to lodge the Prospectus with ASIC while it is obtaining and considering advice in respect of the ASIC notice. At this stage, the Company is not in a position to provide a revised indicative timetable but will continue to keep the market updated of any developments.

Figure 1: - Foxleigh Mine and Surrounding Leases showing Target Areas





## About Realm

Information on Realm Resources Limited is available on the Company's website at [www.realmresources.com.au](http://www.realmresources.com.au)

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