

REALM RESOURCES LTD

ASX/Media Release

27 July 2010

Quarterly report to 30 June 2010

Key Points

- Platinum – limited scale near surface drilling programme has been completed on the Kliprivier platinum project in South Africa
- Profitability has been maintained at Alumicor following a steady operating performance
- Phase 2 of the Realm Resources acquisition is underway with the Section 11 application progressing through the South African regulatory system
- Cash on hand of AUD 5.7m

Platinum Group metals

A limited scale drilling program to better define the near surface resource potential at the Kliprivier platinum project on the Eastern Limb of the Bushveld Igneous Complex has been completed. Six holes, which were drilled along the 6 km outcrop of the UG2 chromite horizon, were aimed to intersect mineralisation at approximately 100 metres below surface.

The drilling was aimed at defining the location of UG2 horizon and assessing the potential for additional platinum group metal (PGM) mineralisation in the UG2 chromitite band and any other mineralisation that could possibly be associated with the contact with the floor rocks.

The MSA Group, which has been appointed to manage the programme, are receiving and analysing the sampling and geological information.

In addition to the above, the MSA Group is compiling a database consisting of all the previous geological and sampling information to assist with the design of a more detailed follow up drilling program to upgrade the near surface resource potential and to conduct preliminary studies for the potential development of an open pit operation along strike of the UG2 horizon.

ALUMICOR SA PTY LTD

Alumicor SA (“**Alumicor**”) treats aluminium dross for Hulam Limited (“**Hulam**”) and returns aluminium to Hulam on toll conversion fee basis.

Health and Safety

The disabling injury frequency rate (DIFR) for the June Quarter has improved to 1.0% (8.4% for the previous quarter). Efforts are continuing, to reduce injury occurrence and training is continually implemented and revised.

Smelting and recovery performance comparison

Alumicor	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	% change Q1 2010
Tons smelted	4,280	3,639	3,977	3,823	4,070	6%
Average recovery %	64%	67%	62%	61%	61%	0%

Operations

Plant operations continue to be stable. Plant throughput was 6% up on the prior quarter, primarily due to all furnaces operating for normal periods.

Financial

Positive net profits continue in the June Quarter of 2010. An application to increase the throughput limit for the plant is being processed by the environmental authorities.

Negotiations with Hulam for an increased tolling charge are continuing.

CORPORATE

Referring to the attached 4C schedule, net operating cash outflows were \$290,000 for the quarter (outflow of \$258,000 in the prior quarter), contributing to these outflows was; expenditure on the Kliprivier project and one-off costs relating to a business development opportunity. There was a net decrease in cash held of \$353,000 (net decrease of \$292,000 in the prior quarter).

Group cash position as at 30 June 2010 was \$5,725,000.

For further information please contact:

Richard Rossiter (MD) or Theo Renard (FD) on +61 2 8249 4542

Or visit the company's website www.realmresources.com.au



ABOUT REALM RESOURCES

Realm Resources' strategy is to create shareholder value through exploration and development of quality metal and minerals sector projects. The Company's core focus is on platinum group metals (PGM) in South Africa. The recent acquisition of three tenements on the Eastern Limb of the Bushveld Igneous Complex in South Africa, provides the Company with an inferred resource of 7.6 Moz of PGMs and an opportunity to assess the development potential of an open pit operation along 6 km of near surface outcrop of the UG2 reef horizon on one of the tenements. In addition, the Company has an aluminium dross treatment plant located in Pietermaritzburg, South Africa.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Realm Resources Limited

ABN

98 008 124 025

Quarter ended ("current quarter")

30 June 2010

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from customers	1,187	2,339
1.2	Payments for (a) staff costs	(500)	(943)
	(b) advertising and		
	marketing		
	(c) research and		
	development		
	(d) leased assets		
	(e) other working capital	(1,061)	(1,974)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	84	138
1.5	Interest and other costs of finance paid	3	-
1.6	Income taxes paid	(3)	(108)
1.7	Other (provide details if material)		
Net operating cash flows		(290)	(548)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(290)	(548)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(48)	(66)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
Net investing cash flows	(48)	(66)
1.14 Total operating and investing cash flows	(338)	(614)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings	(15)	(31)
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	(15)	(31)
Net increase (decrease) in cash held	(353)	(645)
1.21 Cash at beginning of quarter/year to date	6,049	6,354
1.22 Exchange rate adjustments to item 1.20	29	16
1.23 Cash at end of quarter	5,725	5,725

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

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

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	303
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	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

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	
	48	48
3.2	Credit standby arrangements	
	Nil	Nil

+ See chapter 19 for defined terms.

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
4.1	Cash on hand and at bank	293	78
4.2	Deposits at call	4,760	5,410
4.3	Bank overdraft		
4.4	Other (provide details)	672	561
Total: cash at end of quarter (item 1.23)		5,725	6,049

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	N/A	N/A
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~/does not~~* (delete one) give a true and fair view of the matters disclosed.

Sign here: Date: 27 July 2010
(Director/Company secretary)

Print name: Theo renard

+ See chapter 19 for defined terms.

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 definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting 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.

+ See chapter 19 for defined terms.