



Company Announcements  
ASX Limited  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

By Electronic Lodgement

26 May 2011

## **REALM FURTHER ENHANCES PLATINUM GROUP METALS PORTFOLIO**

### **Farmin Agreement for Nkwe's Rooderand Prospect in South Africa**

- **Farmin agreement to earn 51% of Nkwe's Rooderand prospect in the Western Limb of the Bushveld Igneous Complex**
- **Inferred mineral resource of 36.7Mt at 3.8g/t for 4.5 million oz platinum group metals (3PGE+Au)**
- **Progress with regulatory approvals for Realm's Eastern Limb projects**

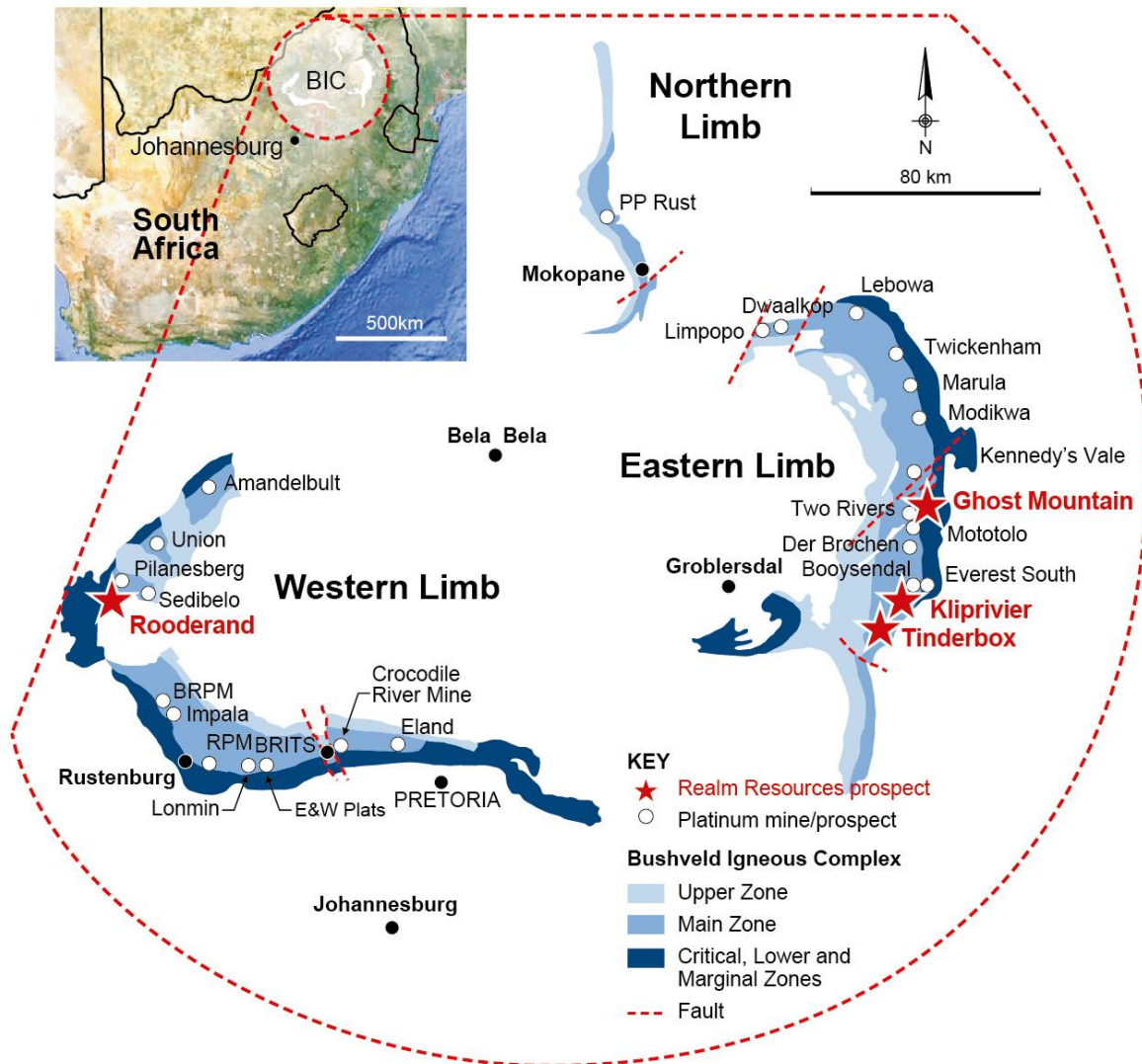
Realm Resources Limited (ASX: RRP) (**Realm** or the **Company**) is pleased to announce that it has strengthened the Company's existing portfolio of platinum group metals (**PGM**) projects in South Africa, by signing a farmin agreement (**Farmin Agreement**) with Nkwe Platinum (Rooderand) (Pty) Ltd (**Nkwe**), a company in which Nkwe Platinum Limited (ASX: NKP) holds a 70% interest.

Under the terms of the Farmin Agreement, Realm can earn a 51% interest in the prospecting rights for platinum group metals (**PGM**), gold, silver, nickel, copper and cobalt granted in respect of Nkwe's Rooderand prospect (**Rooderand Prospect**) by spending \$2 million in expenditure over a two year period.

The Company's Managing Director, Richard Rossiter, commented that "The addition of Rooderand is a good fit within our portfolio of PGM assets, and will enhance our near surface resource base both in terms of grade and ounces and improve our ability to realise value from our PGM portfolio".

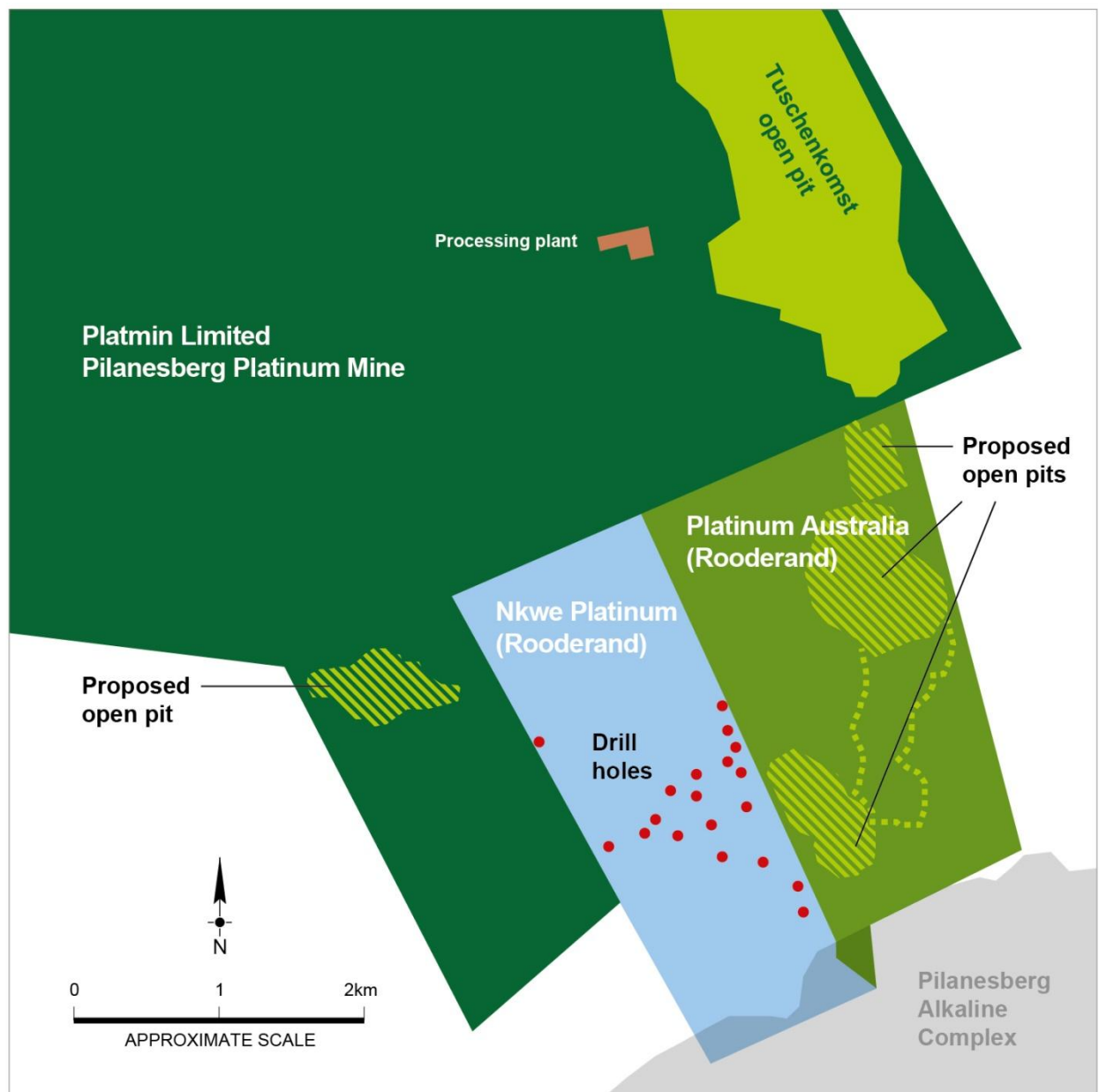
Nkwe's Rooderand Prospect covers 535ha and is located on the Western Limb of the Bushveld Igneous Complex adjacent to Platinum Australia Limited's Rooderand platinum project and Platmin Limited's Pilanesberg open pit platinum mine. It is situated approximately 150 kilometres north-west of Johannesburg.

**Figure 1 - Location of Realms' PGM projects**



Over 20 holes were drilled on the Rooderand Prospect (during the period between 2004 and 2006) and an inferred Merensky Reef and UG2 chromitite resource of 36.7 Mt @ 3.8 g/t containing 4.5 Moz (3PGE +Au) has been defined. The Merensky and UG2 reefs are relatively close to each other in this area and are separated by around 20-35m thereby enhancing the economics for open pit mining. The Merensky and UG2 reefs dip to the South and occur from surface.

Figure 2 – Rooderand Prospect location



Source: Company reports and websites

### Material terms of the Farmin Agreement

Upon renewal of the prospecting rights for PGM, gold, silver, nickel, copper and cobalt granted in respect of the Rooderand Prospect, Realm has a two year period (**Sole Funding Period**) in which it can earn an undivided 51% interest in such prospecting rights by:

(a) spending \$2 million on exploration and development; or



**realm resources**

(b) paying to Nkwe an amount equal to the difference between \$2 million and the amount of expenditure spent by Realm during the Sole Funding Period (**Adjustment Amount**).

In addition, Realm has agreed to issue 5,000,000 shares in the capital of the Company to Nkwe (or its nominee) within five business days of the date of the Farmin Agreement.

During the Sole Funding Period, Realm will be the manager of the Rooderand Prospect. Realm will also be solely responsible for the administration and maintenance of the Rooderand Prospect and complying with any minimum annual expenditure requirements during the Sole Funding Period. An expenditure plan will be drawn up once the prospecting rights are renewed.

If Realm fails to spend \$2 million in expenditure on the Rooderand Prospect or pay Nkwe the Adjustment Amount during the Sole Funding Period, the Farmin Agreement will terminate and Realm will have no interest in the Rooderand Project.

During the Sole Funding Period, neither Realm or Nkwe may assign its rights or obligations under the Farmin Agreement without the prior consent of the other (which must not be unreasonably withheld or delayed).

Upon Realm acquiring a 51% interest in the prospecting rights granted in respect of the Rooderand Prospect, Realm and Nkwe will enter into a joint venture on the terms and conditions set out in the Farmin Agreement.

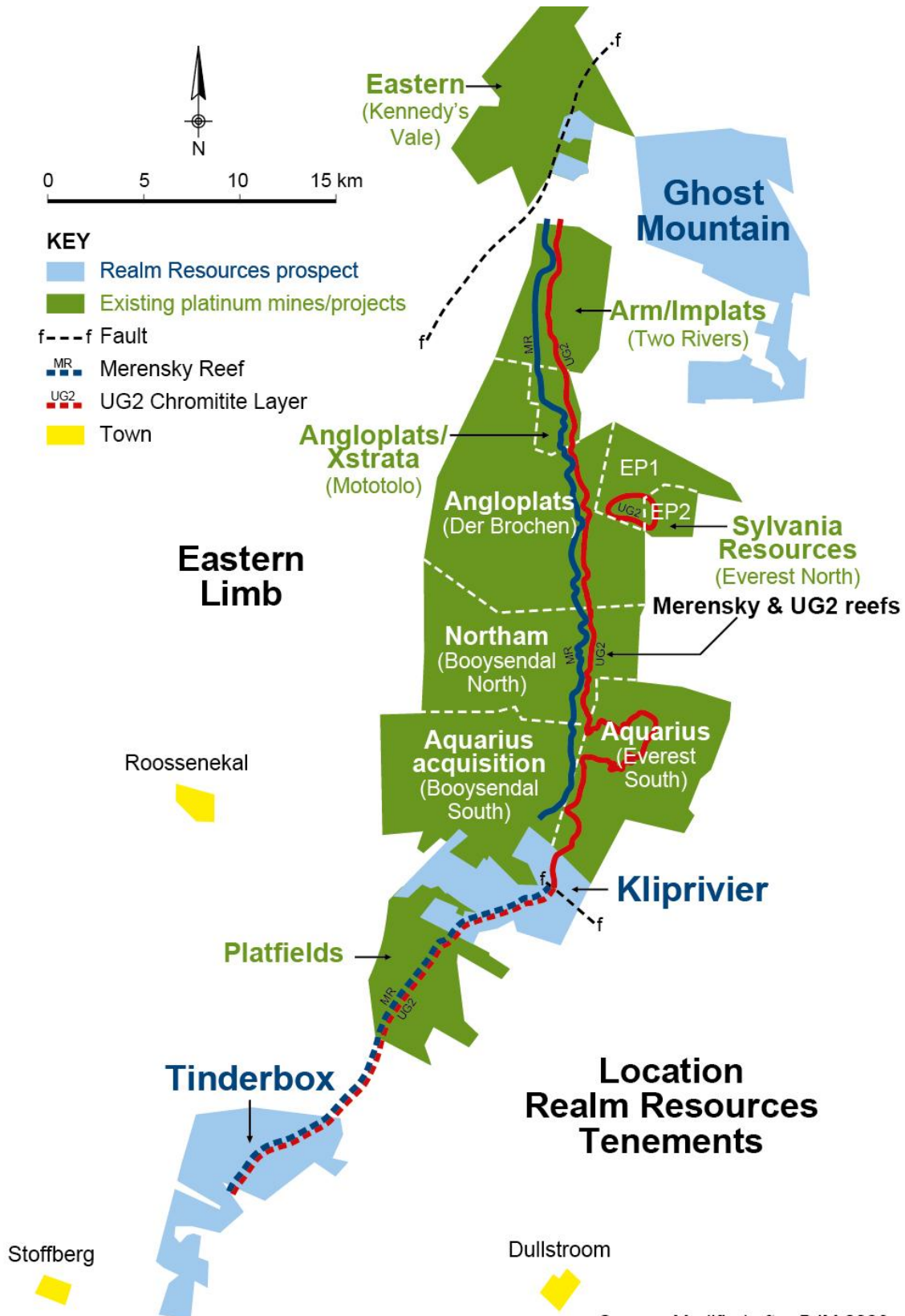
### **Eastern Limb Platinum Projects Update**

Realm has been actively following up the Section 11 applications lodged in respect of the Kliprivier, Ghost Mountain and Tinderbox projects located on the Eastern Limb of the Bushveld Igneous Complex in South Africa. Recent correspondence with the South African Department of Mineral Resources has been positive and would indicate that the applications have progressed and could be fully approved within the third quarter of 2011. Approval of the Section 11 applications will enable the Company to finalise the acquisition of the three PGM tenements comprising the Kliprivier, Ghost Mountain and Tinderbox projects. In total, these projects contain an inferred resource of 109.6Mt @ 2.3g/t (3PGE+Au) containing 7.6Moz of PGMs (undiscounted). The Company is assessing ways to maximise the value of its PGM portfolio including the development potential of an open pit operation along 6 km of near surface outcrop of the UG2 reef horizon on the priority Kliprivier project.



realm resources

Figure 3 – Kliprivier, Ghost Mountain and Tinderbox Prospect locations





## About Realm

Realm's strategy is to create shareholder value through exploration and development of quality metal and minerals sector projects. The Company's focus is on platinum group metals in South Africa as well as bulk commodity opportunities. As announced on 12 April 2011, the Company has an option to acquire 75% of the Katingan Ria project in Central Kalimantan for an aggregate consideration of US\$29.6 million and 15 million performance rights. Exercise of the option is subject to a number of conditions precedent, including the completion of technical, commercial and legal due diligence investigations.

In addition, the Company has an aluminium dross treatment plant located in Pietermaritzburg, South Africa.

### *Competent Persons Statement – Rooderand Project*

*The information in this announcement 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.*

### *Competent Persons Statement – Kliprivier, Ghost Mountain and Tinderbox projects*

*The information in this announcement 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.*