



Company Announcements
ASX Limited
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By Electronic Lodgement

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REALM RESOURCES SECURES 51% OF THERMAL COAL PROJECT

Highlights

- **Realm secures 51% of PT Katingan Ria thermal coal project in Central Kalimantan**
- **Realm takes ownership of 100% of Kalres Limited**
- **Acquisition finalisation (to 75%) and project predevelopment work begins**

Realm Resources Ltd (ASX: RRP) is pleased to announce that it has completed the acquisition of Kalres Limited and through Kalres acquired 51% of PT Katingan Ria (PTKR), an advanced thermal coal exploration project located in Central Kalimantan, Indonesia, for a total transaction value of US\$12.6 million and 15 million Performance Rights.

The Katingan Ria Project has the potential to establish Realm as a thermal coal producer within the next 12 months in a nation that has an established coal industry; and is ideally located to export to the high demand southeast Asian markets. Kalres is party to a Master agreement under which Kalres can acquire up to a 75% interest in PTKR.

Commenting on the acquisition, Realm's Managing Director Richard Rossiter said, "This is a company transforming acquisition. We are excited to have reached this significant milestone in the company's progress as a coal developer. Work now begins to accelerate the path to production and complete the acquisition to the agreed 75% ownership level."

Next Steps

A feasibility study on the Katingan Ria Project will be refined with the aim of bringing the Katingan Ria Project into production by mid CY2012. In addition, PTKR will progress the Pinjam Pakai Exploitation licence (which allows mining) in respect of 1,500 hectares in the southern part of the Katingan Ria Project as part of Tranche 2 under the Master Agreement. Tranche 2 acquisition is scheduled to be completed by 31 March 2012 subject to satisfactory feasibility study results.

Richard Rossiter
Managing Director
Realm Resources Limited

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Background to the Katingan Ria Project

As announced on 12 April 2011, Realm has secured an exclusive option to acquire all of the issued capital in Kalres for an aggregate consideration of US\$29.6 million and the issue of 15 million performance rights. Kalres is a party to a Master Agreement with PT SMAA (Master Agreement), under which Kalres can acquire up to a 75% interest in an Indonesian coal company, PTKR, which holds the Katingan Ria concession (Katingan Ria Project). Information regarding the Katingan Ria Project, the material transaction terms and the contemplated capital raising are set out in further detail in the Notice of Meeting and Explanatory Statement dated 1 August 2011 and released to ASX on 4 August 2011.

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 (PGM) in South Africa as well as bulk commodities abroad. In addition, Realm has an aluminium dross treatment plant located in Pietermaritzburg, South Africa.