

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

By Electronic Lodgement

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# INITIAL COAL PRODUCTION AT KATINGAN RIA ON TRACK FOR 2013 FOLLOWING GRANTING OF 'IN PRINCIPLE' FORESTRY PERMIT, INDONESIA

# Drilling programme to upgrade resource certainty underway

## HIGHLIGHTS

- Realm's Exploration Forestry Permit has been upgraded to an In-Principle Forestry Operations Permit paving the way for the final Forestry Operations Permit and forecast production in 2013
- The In-Principle License was granted over the requested area of 3,058.25 ha with work now focussed on satisfying the conditions to commence mining operations in the first 1,000 ha
- Drilling underway to upgrade current 102Mt JORC resource

Realm Resources Ltd ("**Realm**" or the "**Company**" - ASX: RRP) is pleased to announce that its application to upgrade its exploration forestry permit at its flagship Central Katingan Ria thermal coal project to operational status has been approved, in principle, by the Indonesian Ministry of Forestry (No. S.515/Menhut-VII/2012 dated 7 November 2012).

Katingan Ria (Realm 51% interest, option to increase to 75%), located in Kalimantan, Indonesia, has the potential to be a simple, open-cut operation that will supply low ash coal ideally suited for Indian and Chinese power generation.

Commenting on the development, Realm's chairman, Richard Rossiter said "we are pleased that the final stage in forestry permitting is drawing to a close, after slower than forecast progress. The **In-Principle Licence** is the last stage prior to the issuance of the "Borrow and Use of Forest Area Permit"

or so called *Ijin Pinjam Pakai Kawasan Hutan* ("**IPPKH**") which allows the Company to start mining. This lends strong support to Realm's ambitions to commence production in 2013".

The Company recognises and appreciates the professionalism and procedural discipline of its Indonesian partners in successfully securing this licence - a milestone that only a handful of mining companies have achieved this year in Indonesia.

Following granting of the IPPKH the Company will be able to commence mining operations within its concession areas as well as to transport the coal and store it.

The In-Principle License was granted over the requested area of 3,058.25 ha, with work now having commenced on satisfying the conditions to commence mining operations in the first 1,000 ha of this area. Whilst the Company has two years to satisfy the conditions of the In-Principle License and thus be granted the IPPKH, it is expected that the conditions will be satisfied within 6 months.

At present, drilling is advancing to upgrade certainty of the 102Mt JORC compliant resource. The program will form the basis of the feasibility study, with drilling results anticipated in 4Q2012.

#### **Competent Persons Statement – Katingan Ria Project**

The information in this announcement that relates to Exploration Results, Mineral Resources at the "Katingan Ria" Project is based on information compiled by Mr Troy Turner, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Turner is a full-time employee of Xenith Consulting Pty Ltd. Mr Turner is a qualified geologist and 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 Turner consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

## About Realm

Realm's strategy is to create shareholder value through exploration and development of bulk commodity projects, primarily in coal. In addition, the Company has platinum group metals, advanced exploration projects and an aluminium dross treatment plant in South Africa.

#### For further information please contact:

Richard Rossiter (Chairman), Andrew Purcell (Executive Director – Indonesia) or Theo Renard (FD) on +61 2 8249 4542 or visit the Company's website at <u>http://www.realmresources.com.au/</u>