

ASX/Media Release

14 December 2012

COMPLETION OF PHASE THREE TECHNICAL PROGRAM AT KATINGAN RIA COAL PROJECT, INDONESIA

Highlights:

- **Katingan Ria thermal coal project drilling program completed to improve resource confidence in the initial proposed mining area**
- **Results to date support the original model predictions, with average Main Seam thickness close to predictions**
- **Mine planning optimisation work commenced to enhance economics and underpin the Feasibility Study, which is now expected in early 2013**

Realm Resources Ltd. (ASX: RRP) (Realm or the Company) is pleased to announce that it has completed work on the phase three technical program at its Katingan Ria Project.

Katingan Ria (Realm 51% interest, option to increase to 75%), located in Kalimantan, Indonesia, is shaping up as a simple, open-cut operation that will supply low ash and sulphur coal ideally suited for modern Indian and Chinese power generation. To date, a JORC-compliant 102Mt resource has been defined.

This program, designed in conjunction with the Company's consultants, Xenith Consulting, aimed to increase the size of the JORC compliant coal resource and potentially allow for conversion of some of this resource to a JORC compliant reserve estimate along with production of a feasibility study. In addition, Realm is conducting additional engineering studies (mining and logistics) and optimisation work aimed at reducing FOB cash costs and enhancing the project's economics.

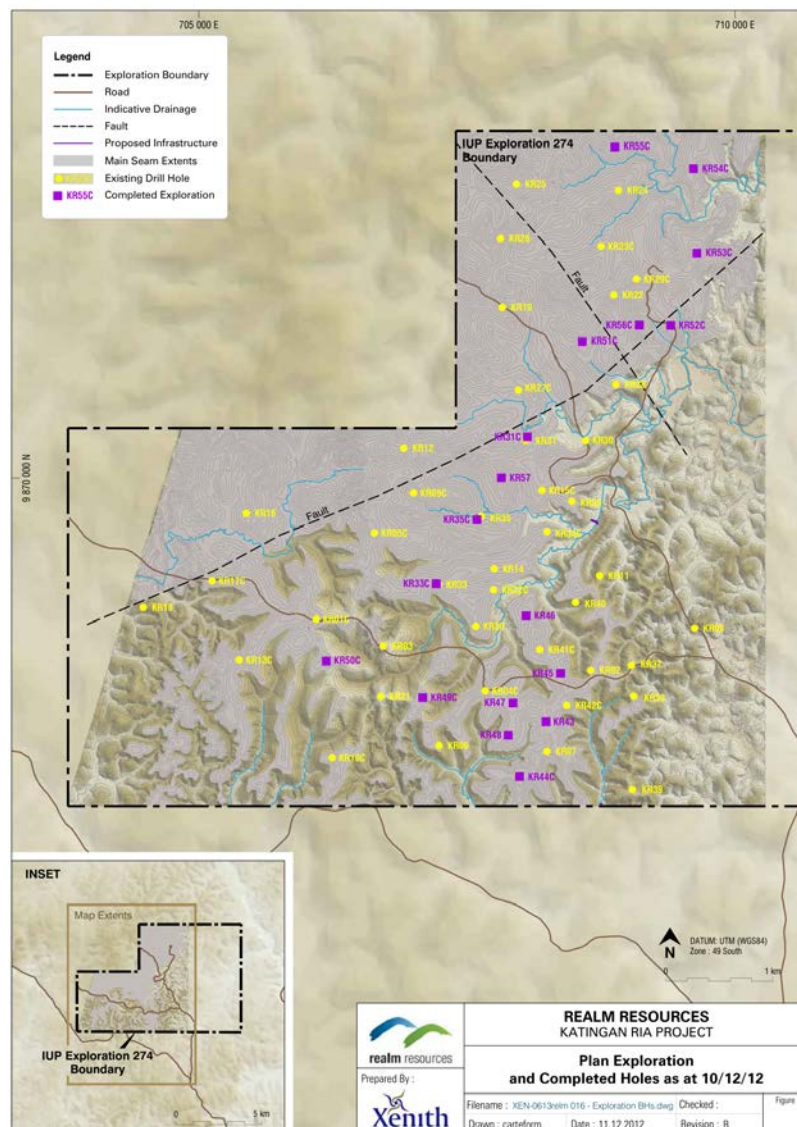
The 2012 exploration programme commenced on the 17th September with 1 medium size track mounted drill rig with HQ size capability mobilised to site, by Indonesian drilling firm Arbico Karya Mandiri.

The drilling initially focussed on the south eastern quadrant of the project area, which was identified in the recently completed Project Study as the best potential mining start-up area given the low strip ratios and favourable coal quality results. Drilling then progressed to the central and northern areas of the lease to aid in the continued development of the geological model in these areas.

During the program, a total meterage of 1,370 m was completed, with 1,133 m of chip and 237 m of HQ size core (Figure 1; Table 1).

Figure 1 – Katingan Ria coal project showing location of completed Phase 3 drill sites.

Note: Main seam extents in Figure 1 based on geological data to February 2012



A total of 18 holes were drilled in the latest programme, consisting of 12 cores and 6 chip holes. All holes were geophysically logged, and core holes were sampled for coal quality testing.

Results to date support the original model predictions with few exceptions. The depths to the Main Seam and thickness of the Main Seam have varied slightly from the predictions, allowing the structural model to be further enhanced moving forward.

One hole in the north east did not intersect coal as predicted, resulting in the movement of the southwest to northeast trending fault; it is now orientated trending slightly further north. Furthermore, the drilling in the northern areas has resulted in an improved knowledge of the geology in this area, facilitating the placement of another smaller north south trending fault.

Drilling in the north of the lease has also revealed that the Main Seam is shallower than originally predicted, and that some of the holes have upper coal seams (0.5m to 1m), immediately overlying the Main Seam, which were not interpreted in original predictions.

All coal quality samples have now been forwarded to the accredited laboratory at Banjarmasin for the proposed test work procedure to build on the coal quality database. Preliminary results have been received for the 12 core holes and detailed analysis has been received for 4 core holes, the results of which are consistent with the previous coal quality model.

To date, Realm has undertaken three drilling programmes which have been incorporated into the latest geological model. These programmes were drilled from 15 May 2011 to 14 November 2012. The geological model now contains a total of 60 drill holes comprising a total meterage of 3,069m, of which 1,398m is core and 1,670m is chip.

Progress of this latest field programme has been satisfactory. Timing for the completion of the Feasibility Study has been delayed due to slow turnaround in the sampling results and is now expected by the end of January 2013.

Table 1 – Katingan Ria Phase 3 drilling results to 11th December 2012

Borehole	Seam	Hole Type	Actual Thick(m)	Total Depth(m)
KR31C	MAIN	Core	5.44	45.5
KR33C	MAIN	Core	5.08	45.5
KR33CR	MAIN	Core	5.00	45.5
KR35C	MAIN	Core	5.78	44.0
KR43	MAIN	Chip	5.01	57.0
KR44C	MAIN	Core	3.89	42.5
KR45	MAIN	Chip	5.06	48.0
KR46	MAIN	Chip	3.56	48.0
KR47	MAIN	Chip	5.29	45.0
KR48	MAIN	Chip	4.99	36.0
KR49C	MAIN	Core	4.98	32.0
KR50C	MAIN	Core	2.50	32.0
KR51C	MAIN	Core	2.89	27.5
KR52C	MAIN	Core	-	18.0
KR53C	MAIN	Core	4.27	29.0
KR54C	MAIN	Core	3.96	24.5
KR55C	MAIN	Core	4.27	57.5
KR56C	MAIN	Core	3.42	35.1
KR57	MAIN	Chip	4.98	90.0

Total Metres at 11/12/12 inc. pilot holes		
Chip	Core	TOTAL
1,133	238	1,371

For further information please contact:

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

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.