Company Announcements Office
ASX Limited
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

By Electronic Lodgement

20 August 2013

Dear Sir/Madam

Cleansing Notice - Notice under paragraph 708AA(2)(f) of the Corporations Act 2001

This notice is given by Realm Resources Limited ABN 98 008 124 025 (ASX code: RRP) (**RRP**) under paragraph 708AA(2)(f) of the *Corporations Act 2001* (Cth) as notionally modified by the Australian Securities and Investments Commission Class Order [CO 08/35] (**Act**).

RRP announced on 20 August 2013 a partially underwritten renounceable pro-rata entitlement offer (**Entitlement Offer**) of 36 new fully paid ordinary shares in RRP (**New Shares**) for every 7 existing fully paid ordinary shares in RRP held as at 7.00pm AEST on 28 August 2013 by shareholders with a registered address in Australia or New Zealand and certain investors in other jurisdictions in which RRP has decided to make offers (**Entitlement**) to raise approximately $7 million.

RRP advises that:

(a) the New Shares to be issued pursuant to the Entitlement Offer will be offered for issue without disclosure to investors under Part 6D.2 of the Act;

(b) this notice is being given under paragraph 708AA(2)(f) of the Act;

(c) as at the date of this notice, RRP has complied with:

(i) the provisions of Chapter 2M of the Act as they apply to RRP; and

(ii) section 674 of the Act;

(d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act that is required to be set out in this notice; and

(e) the number of New Shares to be issued under the Entitlement Offer is approximately 2,189,872,677, which is approximately 513% of the 425,808,576 ordinary RRP shares currently on issue. Accordingly, the holdings of ineligible shareholders and eligible shareholders who do not take up their Entitlements will be significantly diluted as a result of the Entitlement Offer. If this occurs, it will significantly affect the relative holdings of issued voting share capital in RRP.

realm resources

In particular, if no Entitlements are taken up, then 1,875,000,000 New Shares will be issued to Taurus Fund Management (**Taurus**) (the sub-underwriter and an existing major shareholder of RRP) under the terms of the underwriting and sub-underwriting agreements in respect of the Entitlement Offer. This would increase Taurus' percentage holding in the issued voting share capital in RPP from 31.68% to 87.4% and provide Taurus with majority control of RRP. Were this to occur, Taurus would be able to determine the financial and operational policies of RRP.

The extent to which Entitlements are taken up and applications for any shortfall are made (and accordingly the extent to which Taurus will take up its sub-underwriting commitment), will depend on a number of factors including investor demand and existing shareholdings.

By order of the Board

Theo Renard
Company Secretary