

Company Announcements
ASX Limited

By Electronic Lodgement

29 March 2016

QUARTERLY UPDATE

- **Focus directed at the establishment of power station consortium to advance the Katingan Ria thermal coal project**
- **Expected price for Katingan Ria 4200kcal/kg GAR coal steady at US\$26.00/t**
- **Corporate opportunities being evaluated for the Company's platinum group metals assets**
- **Platinum prices showing signs of bottoming, after a 25% increase since the January 2016 low**
- **Business development activities aimed at enhancing and/or realising the value of Realm's assets as well as seeking new resource sector investment opportunities, particularly those with near term cash generation potential**

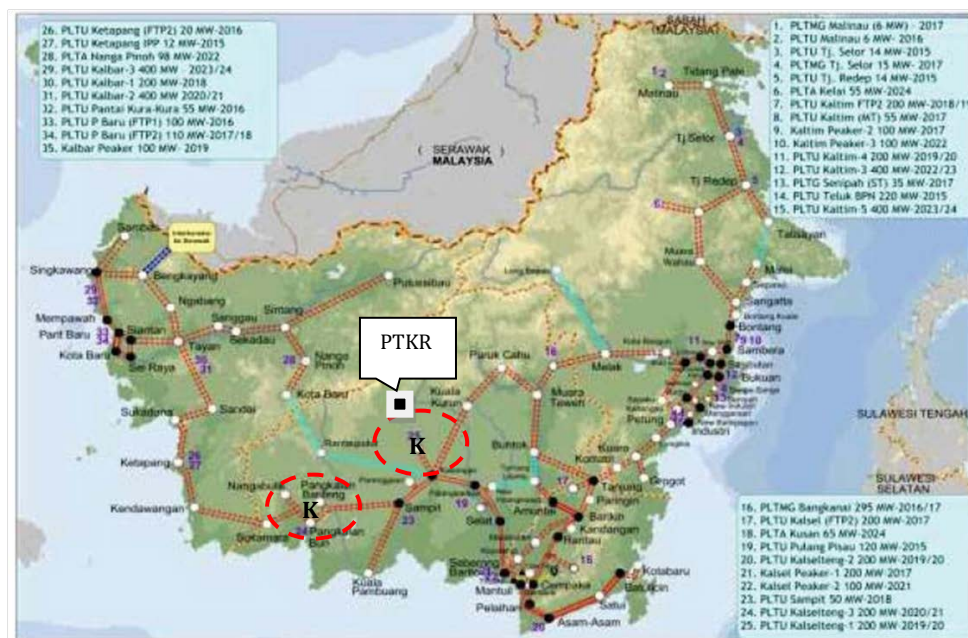
Realm Resources Ltd. (ASX: RRP) ("Realm" or the "Company") is pleased to provide an update on activities during the quarter.

Katingan Ria Coal Project

The Company continued with efforts to establishing a consortium who's aim will be to advance a proposed mine mouth power station in the vicinity of the Katingan Ria thermal coal project (Realm 51%). The development of the planned power stations in the region – i.e. Kalselteng No.1 (2x100MW) Kalselteng No.3 (2x100MW), has been delayed providing an opportunity for an alternative strategy to provide power to the region (Figure 1). In addition, Realm continues to engage with PLN (Indonesian State owned Electricity Corporation) and other potential partners/buyers in order to progress its power station strategy.

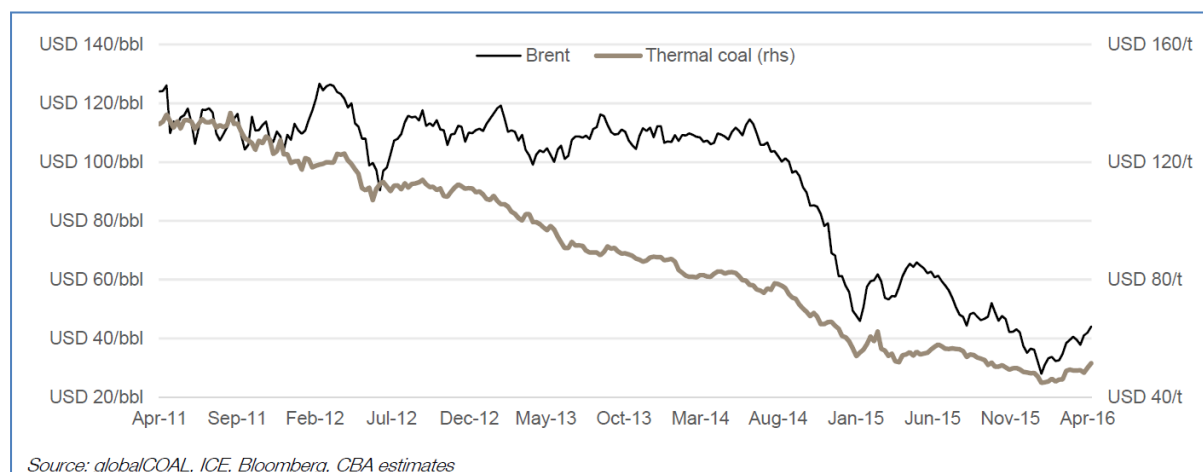
The thermal coal price for expected Katingan Ria coal (i.e. 4,200 kcal/kg GAR) has steadied at about US\$26.00/t or around 50% of the FOB Newcastle price (Figure 2).

Figure 1: - PT Katingan Ria project Location and Central Kalimantan Power Station Plan



Source: PLN RUPTL 2015-2024. Note: PTKR = PT Katingan Ria coal project; K1 = Kalselteng 1 200Mw power station proposal; K3 = Kalselteng 3 200Mw power station proposal

Figure 2: - Thermal Coal (FOB Newcastle) and Brent Oil Prices - Spot



Source: CBA Research – 26 April 2016

South African Projects

Aluminium Waste Toll Treating Business

Health and Safety

There were no disabling injuries during the quarter. The focus on safety training and monitoring continues. The disabling injury frequency rate (DIFR) for the March quarter 2016 was 0.0% (0.0% in the prior quarter).

Subsequent to Quarter End, a worker suffered mild burns while heating a tool. The worker required overnight treatment and release. He has recovered and is back at work.

Smelting and recovery performance comparison

Alumicor	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	% change Q4 2015
Tonnes smelted	4,401	4,279	4,537	4,835	4,984	4,364	5,412	4,868	-20%
Average recovery	64%	66%	67%	64%	61%	53%	56%	57%	2%

Alumicor continues to operate profitably and deliver cash flow with new management's attention focussed on running the business safely and efficiently following recent staff changes and Hulamin's termination notice.

In addition, the Company is pleased to announce that constructive discussions with Hulamin are progressing with the aim of securing a mutually beneficial long term processing agreement in the near term. Hulamin has also agreed to extend the termination date to 31st December 2016 (was 1st August 2016) to allow for business stability and an orderly conclusion of new long term arrangements.

The Company continues to engage with Hulamin and other parties and will make further announcements when additional information becomes available.

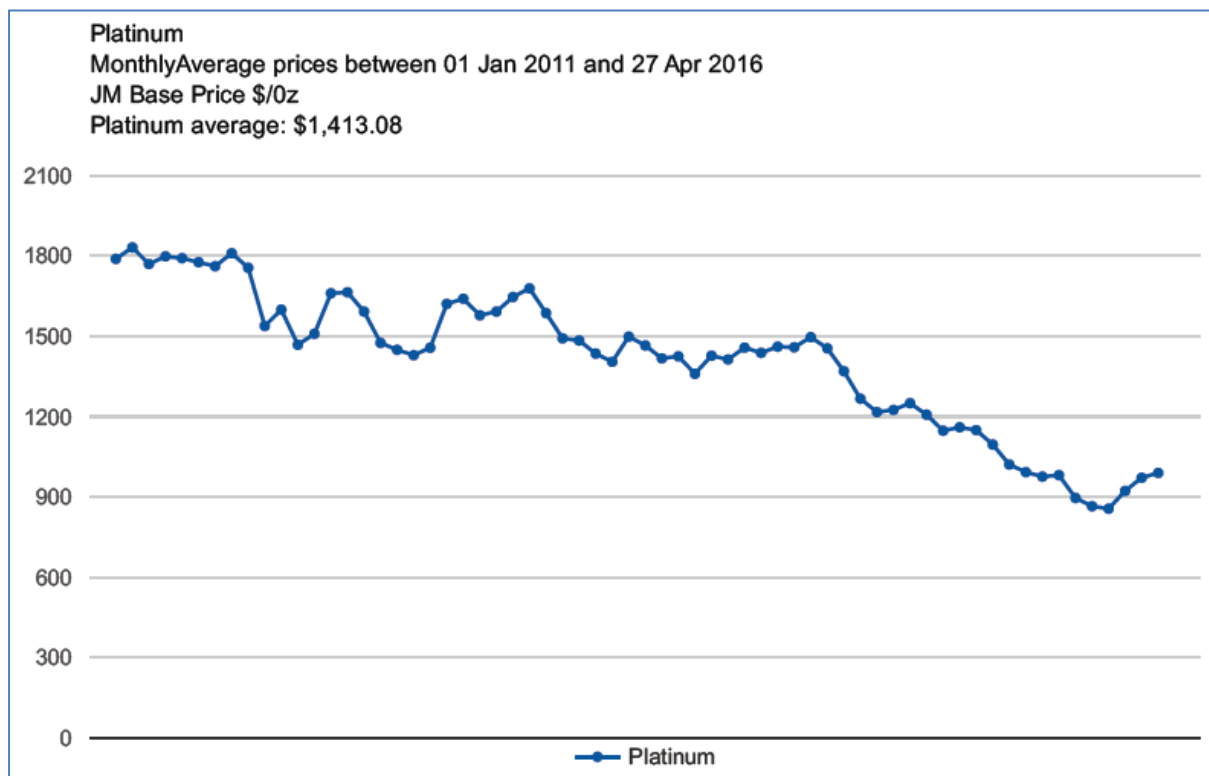
In addition, the Company appointed Sibusiso Peter-Paul Ngwenya to the Board of Directors of Alumicor SA Holdings (Pty) Ltd and Realm Resources (Pty) Ltd. He has significant experience in managing external stakeholder relations and is the founder and CEO of Makana Investments. He has long-standing relationships in the aluminium industry and is also a director of Hulamin. He brings a wealth of experience and industry knowledge to Realm's South African Subsidiaries. Please refer to ASX announcement dated 19 January 2015.

Platinum Group Metals

The Company continues to seek corporate opportunities for its holdings in Chrometco (45 m shares in JSE:CMO) and its mineral rights situated in the Eastern Limb of the Bushveld Igneous Complex.

Platinum price weakness and poor market sentiment have weighed on the sector since 2011; however the underlying demand trends are positive. The market is showing signs of bottoming with the price increasing by 25% since the January low of US\$816/oz (Figure 3).

Figure 3: - Platinum Price (US\$/oz) – January 2011 to April 2016



Source: Johnson Matthey 27 April 2016

Business Development

On the business development front, numerous resource sector opportunities continue to be reviewed, with the focus directed at projects or mines with near term cash generation capacity, largely in the coal, base and precious metals sector.



Financial results

Referring to the attached 5B schedule, net operating cash inflows were AUD\$214,000 for the quarter (outflow of AUD\$39,000 in the prior quarter).

Group cash position as at 31 March 2016 was AUD\$514,000.

For further information please contact:

Richard Rossiter (Chairman) or Theo Renard (FD) on +61 2 9252 2186 or visit the Company's website at <http://www.realmresources.com.au/>

About Realm

Realm's strategy is to create shareholder value through exploration and development of resource sector projects. The Company has advanced exploration projects in thermal coal (Indonesia) and platinum group metals and an operating aluminium waste retreatment plant in South Africa.

Interests in mining tenements

PROJECT/LOCATION	TENEMENT	INTEREST AT THE BEGINNING OF THE QUARTER	INTEREST AT THE END OF THE QUARTER
Marikat District, Katingan Regency, Central Kalimantan Province, Indonesia	IUP Operasi Produksi No. 545/222/KPTS/VIII/2011 In Prinsip Izin Pinjam Pakai No. S.515/Menhut-VII/2012	51%	51%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1021 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1028 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1030 PR.	70.3%	70.3%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1020 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 958 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1105 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1029 PR.	74%	74%
Mpumalanga province, South Africa	Prospecting right renewal reference number MP 30/5/1/1/2/ 1060 PR.	74%	74%



Further; Realm did not have any interest in any farm-in or farm-out agreements at the end of the quarter. Realm did not acquire or dispose of any farm-in or farm-out interests during the quarter

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Realm Resources Limited

ABN

98 008 124 025

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	1,142	1,142
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(467) (273)	(467) (273)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid	(188)	(188)
1.7	Other (provide details if material)		
	Net Operating Cash Flows	214	214
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(6)	(6)
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	-	-
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	Net investing cash flows	(6)	(6)
1.13	Total operating and investing cash flows (carried forward)	208	208

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	208	208	1
	Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.			
1.15	Proceeds from sale of forfeited shares			
1.16	Proceeds from borrowings			
1.17	Repayment of borrowings			
1.18	Dividends paid			
1.19	Other (provide details if material)			
	Net financing cash flows	-	-	
	Net increase (decrease) in cash held	208	208	1
1.20	Cash at beginning of quarter/year to date	333	333	3
1.21	Exchange rate adjustments to item 1.20	(27)	(27)	(2)
1.22	Cash at end of quarter	514	514	4

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	91
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production (<u>Note – production costs absorbed by operations</u>)	(711)
4.4 Administration (<u>Note – portion of Administration costs absorbed by operations</u>)	(381)
Total	(1,092)

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	26	27
5.2 Deposits at call	60	60
5.3 Bank overdraft		
5.4 Other (provide details)	428	246
Total: cash at end of quarter (item 1.22)	514	333

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	2,357,260,417	2,357,260,417	N/A
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities (description)	N/A		

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	100,000,000	Nil	Exercise price \$0.05	Expiry date 12 February 2018
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:

Date: 29 April 2016
(Director/Company secretary)

Print name: T N Renard

Notes

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.