

**ASX Announcement: ROY**

**25<sup>th</sup> November 2011**



## **ROYAL CONCLUDES WARRIEDAR IRON ORE JV SALE**

Further to an announcement on the 14<sup>th</sup> July, 2011 and the subsequent announcement on 27<sup>th</sup> October 2011, Royal Resources Limited is pleased to announce that the sale of the Warriedar Iron Ore Joint Venture (WIOJV) to Gindalbie Metals Limited (ASX:GBG) has been completed.

Gindalbie's offer for Royal's 40% interest in the WIOJV had originally been for a consideration of \$8 million cash. The offer was for all of Royal's holdings in the area of the WIOJV ground, including Royal's residual 40% interest in the Warriedar Gold Joint Venture (WGJV). Minjar Gold Pty Ltd, holder of a 60% interest in the WGJV, subsequently decided to exercise its pre-emptive right over Royal's interest for a consideration of \$1 million cash, so reducing Gindalbie's payment to \$7 million.

Minjar's buy-out of the WGJV is yet to be completed.

The completion of this transaction had been delayed pending legal advice as to Minjar's claim that it had a pre-emptive right over the WIOJV as well. Senior counsels have advised both Royal and Gindalbie that Minjar's claim is without merit.

"This asset disposal will allow Royal to focus on advancing our flagship Razorback Iron Project in South Australia", Marcus Flis, Managing Director of Royal said. "We wish Gindalbie well in their future endeavours".

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