

ASX Announcement: ROY

14 October 2009



SHARE SALE AGREEMENT RELATING TO MAWSON METAL GROUP LIMITED SHARES

On 9 October 2009 the Company entered into a Share Sale Agreement (**SSA**) with certain shareholders (**Vendors**) of unlisted Australian public company Mawson Metals Group Limited (**Mawson**) to acquire 100,000,000 ordinary shares in Mawson held by the Vendors (**Shares**). The Shares comprise approximately 22% of the issued share capital of Mawson. The balance of the issued share capital of Mawson (approximately 78%) are held by Mintech Resources Pty Ltd (**Mintech**). On 16 September 2009 the Company previously announced that it had entered into an agreement with Mintech's shareholders to acquire 100% of the shares in Mintech (**Mintech Agreement**). Therefore, upon completion of the sale and purchase of the Shares under the SSA and completion of Mintech Agreement, the Company will (directly and indirectly) hold 100% of the shares in Mawson.

In consideration for the sale of the Shares, the Company has agreed to issue to the Vendors 5,000,000 unquoted options, with each option entitling the holder to subscribe for one ordinary share in the Company at an exercise price of \$0.10. The options will expire on 31 October 2011 and will not rank equally with the options to be issued under the Company's renounceable rights issue to shareholders announced on 8 October 2009.

The SSA is conditional upon various matters, including the execution by Mintech and Mawson of a deed of rescission rescinding a tenement sale agreement under which Mintech had previously agreed to sell exploration tenement EL4267 to Mawson. This condition may only be waived by the Company.

Completion of the sale and purchase of the Shares will take place after all of the conditions have been fulfilled or waived. If the conditions are not satisfied or waived by 4 December 2009, either party may terminate the SSA.

The details contained in this report that pertains to ore and mineralisation is based upon information compiled by Mr Marcus Flis, a full-time employee of the Company. Mr Flis is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) 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 December 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Flis consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.

For further information contact:

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