

ASX Announcement: ROY

17 June 2009



ROYAL WINS NT DRILLING COLLABORATIONS GRANT

Royal Resources Limited ("Royal") is pleased to announce that it has been successful in attracting funding under the Northern Territory Government's "Bringing Forward Discovery" initiative. The initiative is designed to increase the intensity of exploration drilling and geophysics in greenfields areas of the Northern Territory. This Geophysics and Drilling Collaborations programme co-funds selected exploration drilling and geophysical acquisition projects in areas where there is a paucity of geological information. The programme is designed to attract new exploration investment and bring forward the next generation of major resource discoveries in the Territory.

Royal made submissions for the second round of funding for the 2009-2010 financial year and was successful in attracting backing for its Ngalia uranium exploration drilling programme. It was one of 14 submissions that were successful from a total of 39 applications.

About the Ngalia Uranium Project

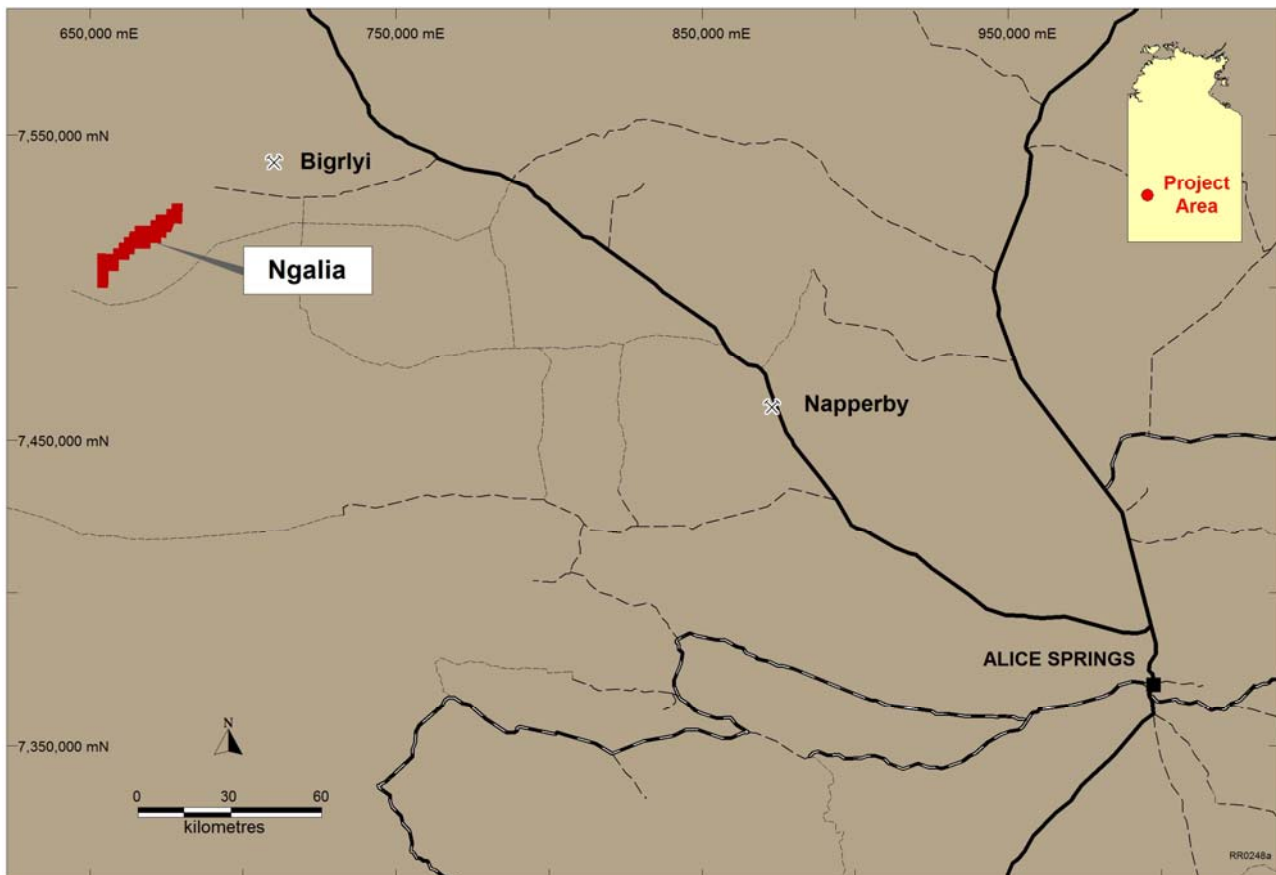
The Ngalia Uranium Project is located approximately 365 km north west of Alice Springs in the Ngalia Basin (Figure 1). Royal is earning into the project in an agreement with Aldershot Resources Ltd (Aldershot), a Toronto Stock Exchange listed company (TSX:ADZ), announced on 16 February 2009. The agreement allows Royal to earn 60% of the project and is the project manager.

The Ngalia basin is host to significant uranium resources, including the Napperby (Deep Yellow Ltd) and Bigryli Energy Metals Ltd: 53.7%, Paladin Energy: 42.1% and Southern Cross Exploration NL: 4.2%) deposits. The latter has a resource of 10,555 tonnes U₃O₈ at an average grade of 0.14% U₃O₈.

The target of the Ngalia Uranium Project is the strike extension of the Mt Eclipse Sandstone, host to the Bigryli deposit. The Project contains in excess of 28 strike kilometres of this prospective horizon. An airborne magnetic and radiometric survey of the tenement was completed in late 2006 by Aldershot. Identified targets will be assessed by subsidised drilling. Access agreements with traditional owners are currently being negotiated.

The endorsement of the Northern Territory Geological Survey in Royal's Ngalia Project by its subsidy initiative is welcomed by the Directors.

Figure 1 – Ngalia Uranium Project location



For further information contact:

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The information contained in this report that relates to exploration results, mineral resources or ore resources is based upon information compiled by Mr Marcus Flis. 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Flis is a full time employee of the Company and consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.