

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000.

Name of entity

ROYAL RESOURCES LIMITED

ABN, ARBN or ARSN

34 108 102 432

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | (i) Ordinary fully paid shares
(ii) Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (i) 101,329,828
(ii) 33,776,609 |
| 3 | Principal terms of the +securities (e.g., if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (i) Fully paid
(ii) Options expiring 31 October 2011 exercisable at 10 cents each |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state: <ul style="list-style-type: none">the date from which they dothe extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest | (i) Yes – fully paid ordinary.
(ii) No. |

+ See chapter 19 for defined terms.

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<p>payment</p> <ul style="list-style-type: none"> the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
<p>5 Issue price or consideration</p>	<p>(i) \$0.10 per share (ii) No consideration</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To raise funds to:</p> <ul style="list-style-type: none"> complete the acquisition of the Razorback project as announced to the ASX on 16 September 2009; undertake geological mapping, geophysical surveying, surface sampling and resource definition drilling to achieve a JORC-compliant Inferred Resource at the Razorback project within two years; provide for administration costs and working capital.
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>20 November 2009</p>

<p>8 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<p>Number</p>	<p>+Class</p>
	<p>202,659,656 33,776,609</p>	<p>Ordinary fully paid Options expiring 31 October 2011 exercisable at 10 cents each</p>
<p>9 Number and +class of all +securities not</p>	<p>Number</p>	<p>+Class</p>
	<p>4,800,000</p>	<p>Options expiring</p>

+ See chapter 19 for defined terms.

quoted on ASX (*including* the securities in clause 2 if applicable)

6,750,000	31 January 2011 exercisable at 20 cents each.
250,000	Options expiring 30 June 2012 exercisable at 50 cents each.
1,350,000	Options expiring 10 January 2011 exercisable at 34 cents each.
500,000	Options expiring 15 January 2011 exercisable at 50 cents each.
500,000	Options expiring 9 March 2010 exercisable at 20 cents each.
1,500,000	Options expiring 9 March 2010 exercisable at 40 cents each.
1,500,000	Options expiring 6 April 2011 exercisable at 25 cents each.
1,500,000	Options expiring 6 April 2012 exercisable at 30 cents each.
1,500,000	Options expiring 6 April 2013 exercisable at 50 cents each.
420,000	Options expiring 30 June 2011 exercisable at 34 cents each.
3,000,000	Options expiring 30 November 2013 exercisable at 30 cents each.
100,000	Options expiring 31 December 2011 exercisable at 8 cents each.

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1,900,000	Options expiring 30 April 2013 exercisable at 8 cents each.
5,000,000	Options expiring 1 November 2011 exercisable at 10 cents each.*
*Note: these options have not been issued as at the date of the Rights Issue prospectus..	

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Not applicable

Part 2 - Bonus issue or pro rata issue

- | | |
|---|--|
| 11 Is security holder approval required? | No |
| 12 Is the issue renounceable or non-renounceable? | Renounceable |
| 13 Ratio in which the +securities will be offered | 1 new share for every 1 share held at record date. 1 option for every 3 new shares issued. |
| 14 +Class of +securities to which the offer relates | Ordinary fully paid shares |
| 15 +Record date to determine entitlements | 22 October 2009 |
| 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | Not applicable because the Company has only one register. |
| 17 Policy for deciding entitlements in relation to fractions | Fractions will be rounded down. |
| 18 Names of countries in which the entity has +security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
 Cross reference: rule 7.7.</small> | All countries other than Australia and New Zealand. |
| 19 Closing date for receipt of acceptances or renunciations | 12 November 2009 |
| 20 Names of any underwriters | Patersons Securities Limited |

+ See chapter 19 for defined terms.

21	Amount of any underwriting fee or commission	An underwriting fee equal to 5% of the aggregate amount underwritten under the Rights Issue and a corporate advisory fee of \$50,000.
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus will be sent to persons entitled	28 October 2009
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	13 October 2009
28	Date rights trading will begin (if applicable)	16 October 2009
29	Date rights trading will end (if applicable)	5 November 2009
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	By completing the section marked "Sale of entitlement in full by your Stockbroker/Agent" on the Entitlement and Acceptance Form and lodge with your broker.
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	By completing the section marked "Sale of your Entitlement in part and acceptance of the balance" on the Entitlement and Acceptance Form in respect of part of your entitlement and lodge with your broker.
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Standard Renunciation Form, Entitlement and Acceptance Form and transferee's cheque return to the Company's share registry.
33	+Despatch date	20 November 2009

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

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34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

(If the additional securities do not form a new class, go to 43)

Tick to indicate you are providing the information or documents

35 The names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 A distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

(now go to 43)

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which quotation
is sought

+ See chapter 19 for defined terms.

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class
-	-

(now go to 43)

All entities

Fees

43 Payment method (tick one)

Cheque attached

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

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- 2 We warrant to ASX that the issue of the +securities to be quoted complies with the law and is not for an illegal purpose, and that there is no reason why those +securities should not be granted +quotation. We warrant to ASX that an offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) of the Corporations Law.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Date: 13 October 2009

Company Secretary

Print name: FRANK DEMARTE

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