

ASX Announcement: ROY

16 February 2009



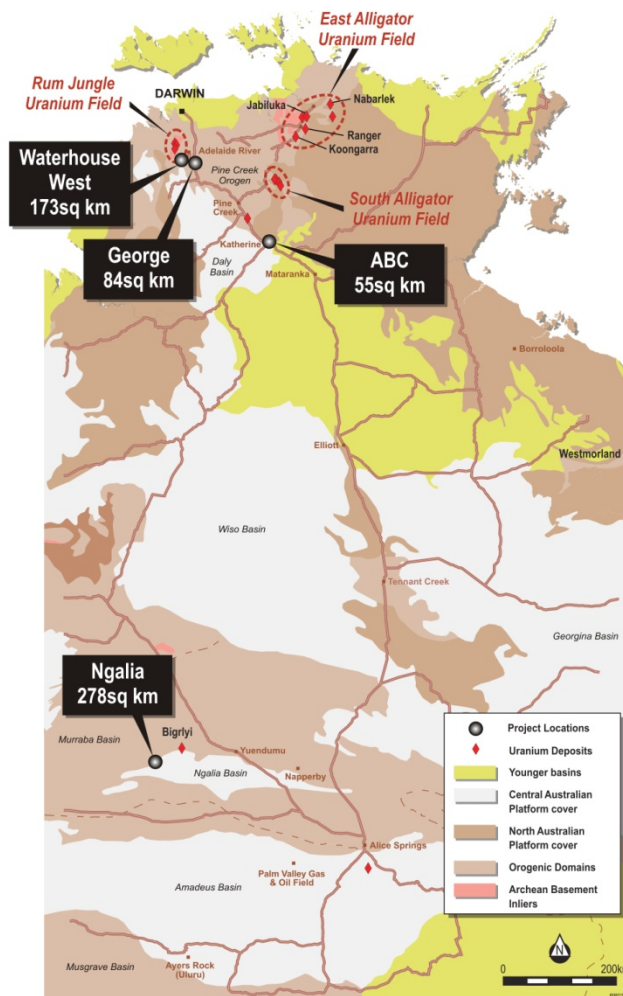
ROYAL SECURES NORTHERN TERRITORY URANIUM PROJECTS

The Directors of Royal Resources Limited ("Royal") (ASX : ROY) are delighted to announce that on 14 February 2009 Royal executed a binding Heads of Agreement ("HOA") with Toronto Stock Exchange listed company Aldershot Resources Ltd (TSX.V : ALZ) to acquire a majority interest in their Northern Territory uranium properties.

- **Royal has the right to earn 60% equity in ALZ's four project areas in the Northern Territory by spending \$300,000 per year for three years**
- **Three projects, George, Waterhouse West and ABC are in the Pine Creek Orogen, in areas of historically high-grade uranium mining. The fourth is in the emerging uranium district of the Ngalia Basin with large neighbouring Mineral Resources**
- **The George Project includes the historical Adelaide River and George Creek Mines**
- **Adelaide River Mine produced 3,447t @ 0.5% U₃O₈**
- **Diamond drilling at Adelaide River Mine by ALZ returned 7.1 metres @ 0.35% U₃O₈, including 4 metres @ 0.72% U₃O₈**
- **The ABC Prospect was drilled by the BMR, with grades of up to 4.29% eU₃O₈ reported**
- **Waterhouse West contains 10 km of the highly prospective Coomalie contact**
- **Ngalia lies along strike of the 9,000tU Bigrlyi uranium Mineral Resource (a joint venture between Energy Metals (54%), Valhalla Uranium (42%) and Southern Cross Exploration (4%))**

Under the HOA, Royal will assume the management and operation of ALZ's 100% - owned tenement holdings comprising four projects: George, Waterhouse West, and ABC in the historical uranium district of Pine Creek and Ngalia in the emerging uranium district of the Ngalia Basin (Figure 1). ABC is yet to be granted. A sum of \$100,000, part of the expenditure commitment, will be paid once as a reimbursement of past exploration expenditure once all conditions precedent in the HOA are met.

Figure 1: Project Locations – Northern Territory



EL24550 GEORGE

George is located 95km south of Darwin in the Northern Territory immediately southwest of Adelaide River. EL24550 was granted in December 2005, expiring in 2011, and covers 84 km². Exploration undertaken by ALZ includes airborne radiometric surveying, geological mapping, outcrop sampling, and initial diamond drilling.

The property is within the Pine Creek Orogen, host to the Rum Jungle, South Alligator and East Alligator uranium fields with the historical Rum Jungle Uranium Field 30km to the north. The tenement covers the historical Adelaide River and George Creek Mines, both developed on vein-style uranium deposits.

Adelaide River Mine was discovered in 1954 and developed by Australian Uranium Corporation NL. Operations ceased in 1957 for technical reasons, leaving broken ore in the stopes. Overall, 3,860t of ore were extracted at an average grade of 0.5% U₃O₈ (11.0 lb/t), totalling about 17tU. Drilling by the Bureau of Mineral Resources ("BMR"- predecessor to Geoscience Australia) in 1960 added to resources left behind (BMR Record 1960/90, see Disclaimer statement below).

ALZ undertook preliminary diamond drilling in the Adelaide Mine and intersected **7.1m @ 0.35% U₃O₈**, (7.7 lb/t) including **4m @ 0.72% U₃O₈ (15.8 lb/t)**. The mineralised zone was also elevated in cobalt, copper, and nickel. Surface sampling returned zones in excess of **0.1% U₃O₈** while grab samples returned up to **4.0% U₃O₈ (88.2 lb/t)**. These defined extensions to the known mineralisation and identified new shear zones for drill testing (Figure 2).

Figure 2: Adelaide River – Mine area geology and drill hole and grab sample results

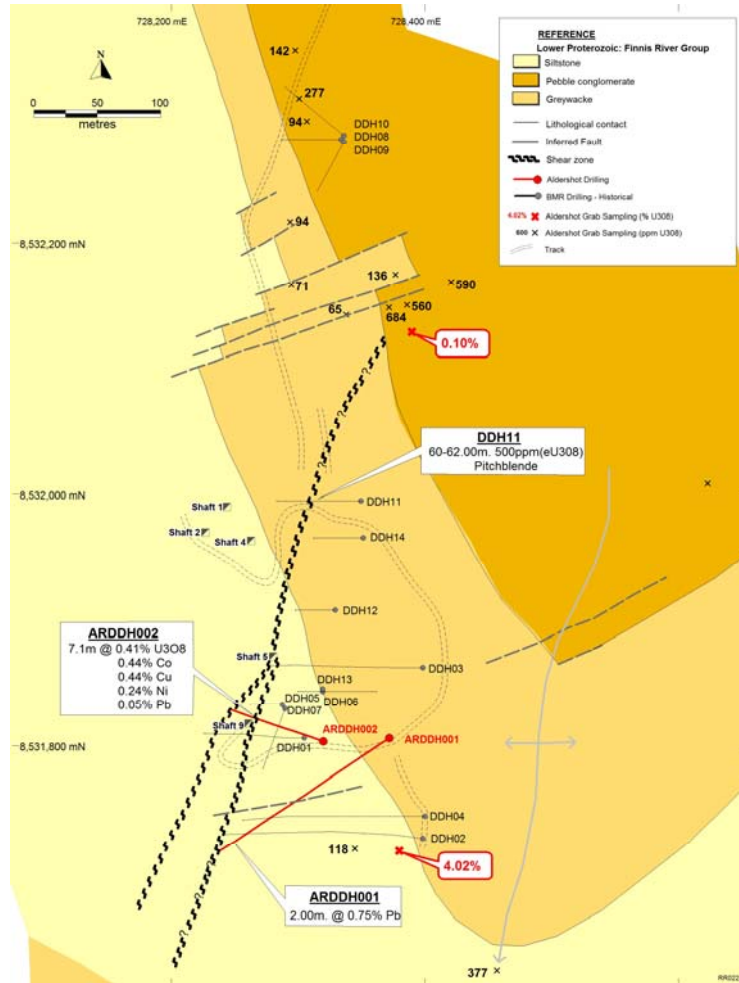
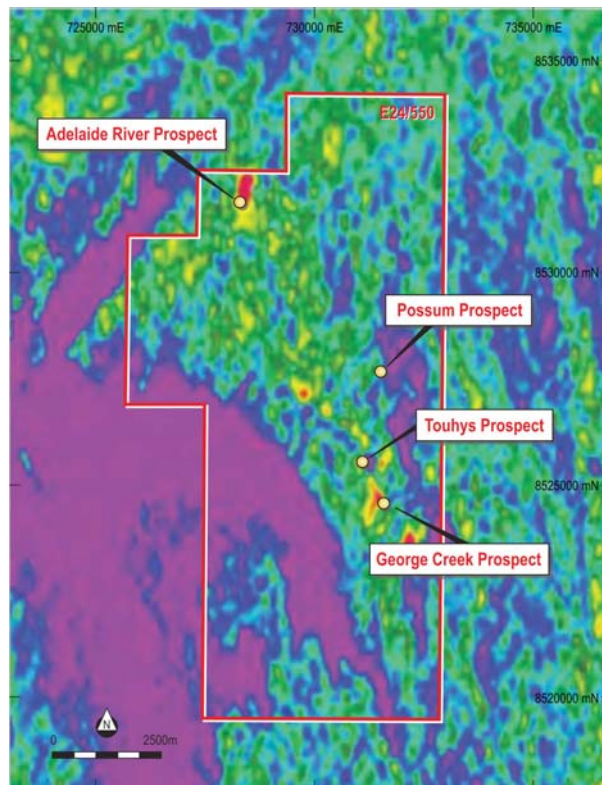


Figure 3: EL24550 George – airborne radiometric data, uranium channel. Red is high count rate, purple is low



The George Creek Prospect was explored by the BMR between 1954 and 1960, during which time 7 diamond holes and some underground exploration was completed. Arkin and Walpole in Bureau of Mineral Resources Record 1960/10 reported that the average grade of mineralisation extracted was “about **0.26% U₃O₈**” (5.7 lb/t) and stated that extensive mineralisation at similar grades remains.

Two holes were drilled by ALZ; the first intersecting the old BMR drive at 25m, the second hole confirmed the grade of the mineralisation, with diamond drill hole GCDDH009 intersecting best results of **1m @ 0.48% U₃O₈ (10.6 lb/t)** from 21.93m. Elsewhere on the licence, reconnaissance mapping and follow-up of airborne anomalies at the Possum, Possum West, and other prospects indicated elevated uranium at surface (Figure 3).

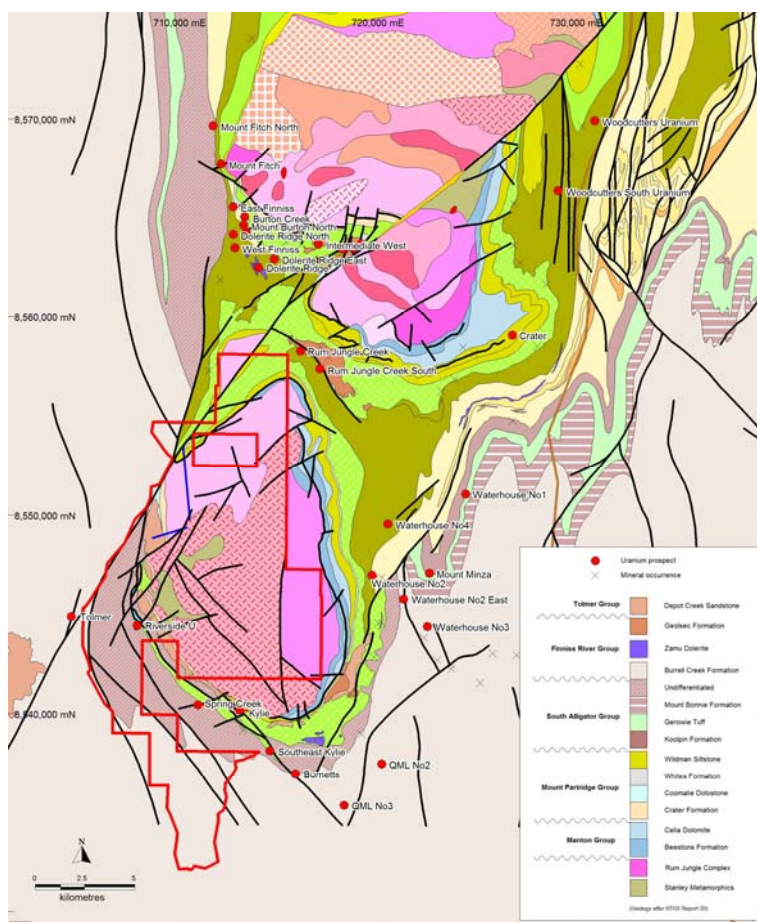
The plan for 2009 is to undertake in-fill ground radiometric surveys over both the Adelaide and George Creek Mine areas which, together with geological mapping with an emphasis on structural mapping, will refine drilling targets. A drilling programme of 13 holes has been approved but will await the results of this ground work.

EL24563 WATERHOUSE WEST

This 147 km² tenement was granted in January 2007 and expires in 2013. The property is in the Rum Jungle uranium field and less than 2 km to the south-west of Rum Jungle Creek South Mine, the largest of the Rum Jungle mines (Figure 4). The tenement covers a 10 kilometre strike length of the highly prospective Coomalie contact and 6 km of the Riverside anomalous zone defined by UAL in 1981. Historic drilling by UAL has indicated anomalous uranium mineralisation. The target is unconformity-style uranium.

Infilling of reconnaissance ground radiometric surveying of specific identified zones is planned, along with geological mapping. An orientation RAB drilling programme will be developed.

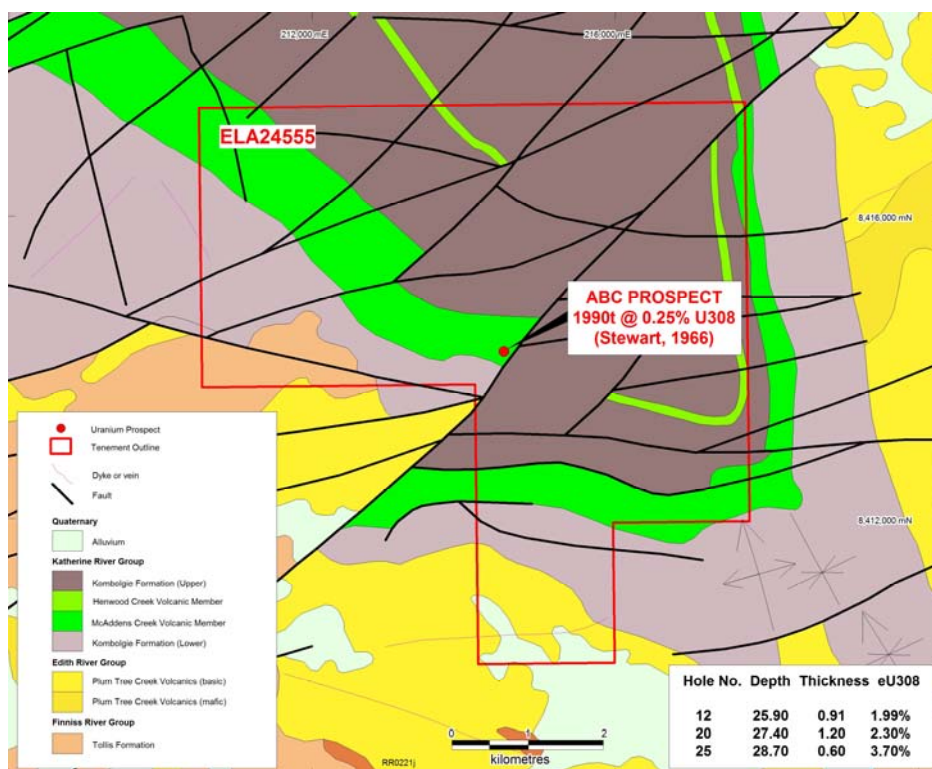
Figure 4: Location – EL24563 Waterhouse West



ELA24555 ABC

ABC is 37 km² application located 16 km to the north-east of the town of Katherine. The target is a vein/unconformity style in the McAddens Creek Volcanic Member of the Kombolgie Sandstone. The prospect was drilled in 1954 by the BMR with intercepts of up to **4.29% eU₃O₈ (95.6 lb/t)** (Figure 5, Stewart, 1966 - see Disclaimer Statement below). There has been no modern exploration undertaken in the area since.

Figure 5: Locations – EL24563 Waterhouse West



EL24571 NGALIA

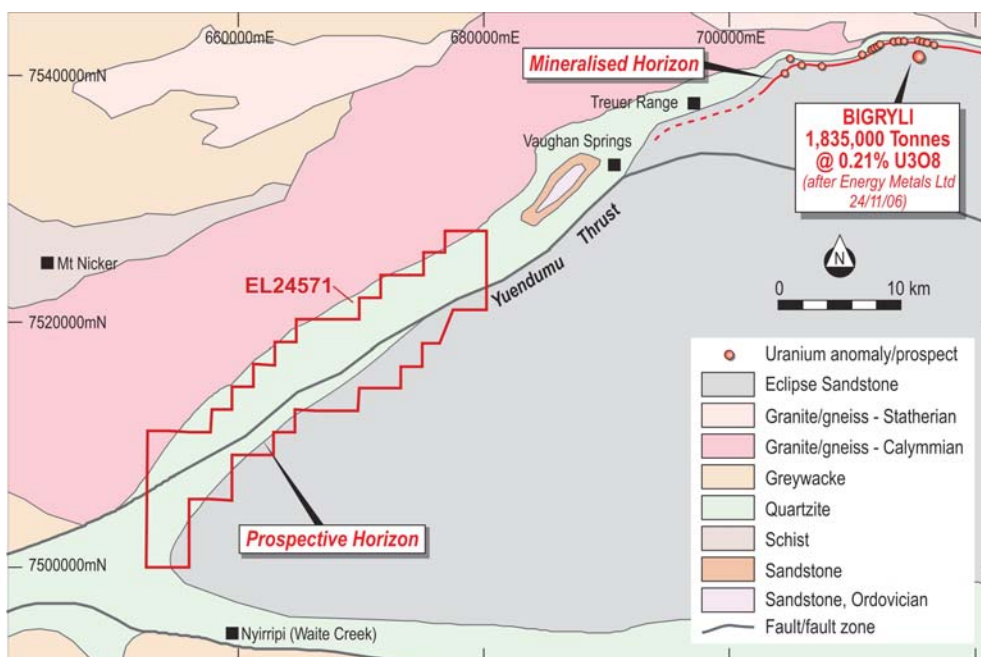
Granted in December 2005 and expiring in 2011, the 211 km² tenement is targeted for sandstone-style uranium. The tenement covers the western edge of the well endowed Ngalia Basin, 365km west-north-west of Alice Springs (Figure 6). The Bigriyi uranium deposit (Mineral Resource of 9,000tU @ 0.14% U₃O₈ (3.1 lb/t) with a 0.05% cutoff) lies about 45 km along strike to the northeast (see Energy Metals website). Ngalia covers 28km of the prospective Mt Eclipse Sandstone horizon, host to the Bigriyi deposit. Airborne radiometric surveying has identified in excess of 19 targets.

It is anticipated that activities during 2009 will include photo-interpretation of the tenement, reconnaissance of identified radiometric anomalies, geologic mapping, ground radiometric surveying, and design and submission for a drilling programme pursuant to the results of field work.

CORPORATE

As part of the agreement, Mr Ian Faris, ALZ's exploration manager, will be engaged by Royal on a full time basis. Ian has in excess of 30 years mining and exploration experience, particularly in uranium and a wealth of knowledge in Native Title, environmental, and hydrological issues.

Figure 6: Location – EL24571 Ngalia



Royal is very excited by this development and believes this agreement is an excellent entry into ground that either has had very little modern exploration or being ignored in the past. The combination of a proximity to large historical and modern resources and a demonstrated ability to produce high grades make this land package a high priority in Royal's exploration portfolio. "This acquisition gives Royal a major presence in two of Australia's premier uranium districts", Royal's Chairman, Mr Phil Crabb noted. He went on to observe that "This acquisition underpins Royal's focus on targeting areas that can produce high grade uranium ore bodies. Together with our assets in the USA, Royal now has a portfolio of properties that can deliver low unit cost ore, in jurisdictions which are development friendly, and in a commodity that has not only retained its price through the current global financial crisis, but is set to see a price improvement".

DISCLAIMER

Uranium mineralisation grades through this report are annotated with a sub-prefix 'e' because they have been reported as uranium equivalent grades derived from down-hole gamma ray logging results and should be regarded as approximations only.

Gamma logging or "total count gamma logging" is a common method used to estimate uranium grade where the radiation contribution from thorium and potassium is very small. Gamma logging does not differentiate between energy derived from uranium, thorium and potassium (as does spectral gamma logging) and thus the result is expressed as an equivalent value or eU₃O₈.

The details contained in this report that pertains to ore and mineralisation is based upon information compiled by Mr Ian Faris, a full-time employee of the Aldershot Resources Ltd. Mr Faris is a Member 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 Faris consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.

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