

**ASX
ANNOUNCEMENT**

23 July 2008

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**NEW IRON ORE CLAIM, HAMERSLEY BASIN –
SUCCESSFUL BALLOT**

Royal is pleased to announce that it has been successful in a ballot in respect to Exploration Licence Application ELA47/1927, to be known as Yarrintree. The tenement is located in the Juna Downs region of the Central Pilbara. The ballot gives priority to Royal's application and the process of granting the licence is now underway.

The tenement is located approximately 35 kilometres to the west of BHPB's Yandi mine and 52 kilometres east of Rio Tinto's Marandoo mine (Figure 1). It covers an area of 35 square kilometres. Geological mapping by the Geological Survey of Western Australia show that the area is underlain by the Hamersley Group and possible prospective iron ore mineralisation associated with the Brockman Iron Formation.

Drilling by Rio Tinto to the north-west and along strike of Royal's new ground has delineated significant Brockman-style mineralisation (Figure 2).

Rio Tinto's Yandicoogina railway is 17km to the south of the tenement.

The addition of E47/1927 to the portfolio cements Royal's presence in the Pilbara region. Royal is actively exploring for Marra Mamba style, Channel Iron style and Detrital Iron style mineralisation on tenements it owns in the east and west Pilbara.

It is expected that the Yarrintree Prospect holds excellent potential for both Brockman-style premium direct shipping iron ore (DSO) and detrital-style DSO.

The Board of Royal Resources are delighted at the outcome of the ballot and are keen to initiate the search for significant tonnages of these styles of iron ore in this highly prospective area of the Pilbara.

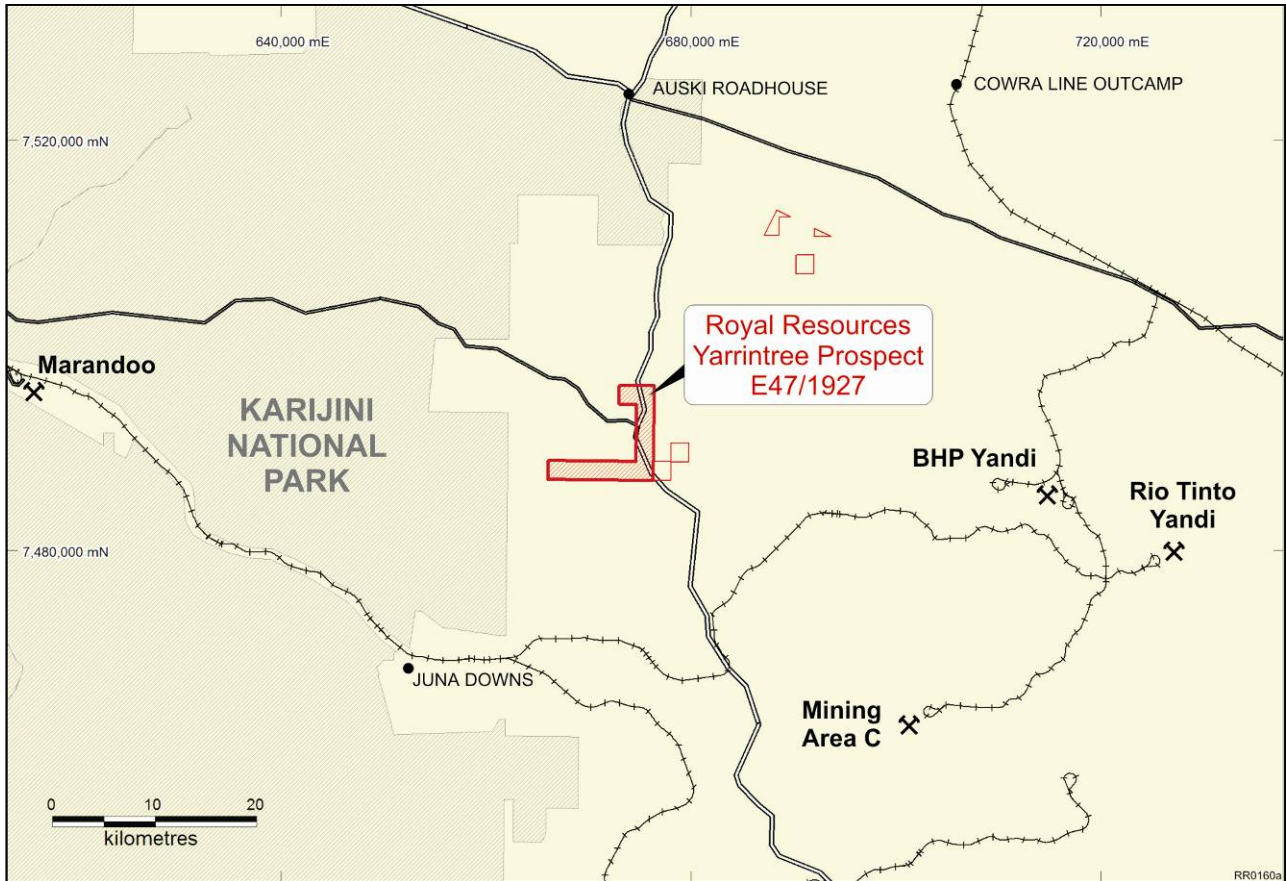


Figure 1. Yarrintree E47/1927 location.

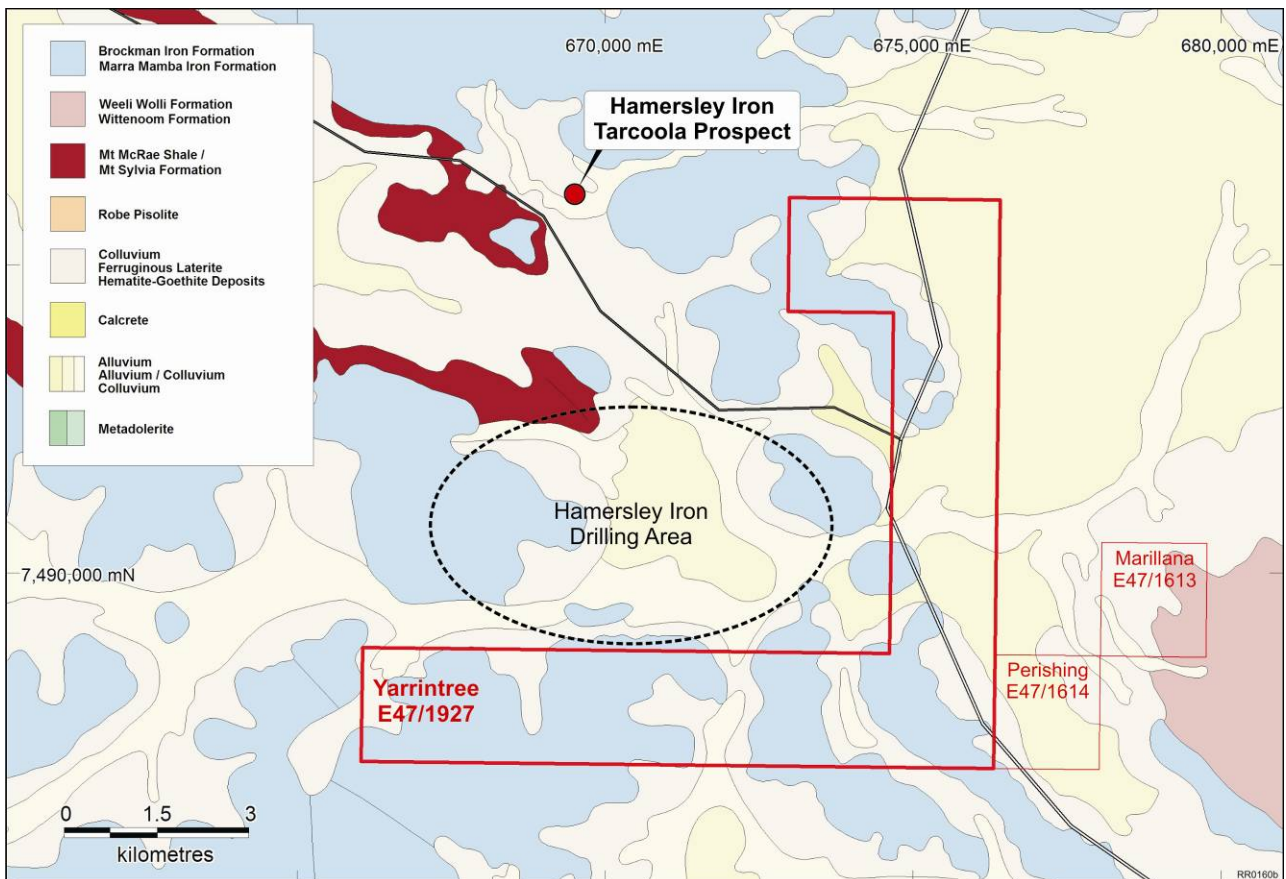


Figure 2. Geology underlying Yarrintree E47/1927 and relationship to known mineralisation in the area.