

**ASX  
ANNOUNCEMENT**

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**Royal Resources Limited**  
ABN 34 108 102 432

For further information  
regarding Royal Resources  
Limited contact:

**Philip Crabb**  
Director

or

**Brian Richardson**  
Director

Phone: + 61 8 9321 2152  
Fax: + 61 8 9321 9670

**Website:**  
[www.royalresources.com.au](http://www.royalresources.com.au)

**Email:**  
[info@royalresources.com.au](mailto:info@royalresources.com.au)

**Registered Office:**  
Suite 2, Level 3, IBM Building  
1060 Hay Street, West Perth  
Western Australia 6005

Po Box 7363, Cloisters Square  
Perth Western Australia 6850



**NICKEL EXPLORATION - FIELDS FIND LAYERED  
INTRUSION – WILD GOAT GULLY PROSPECT**

Royal Resources Limited ("Royal") will be increasing exploration efforts in the Midwest region following a positive re-assessment of the historical nickel exploration data and the results from a recently completed drilling program where anomalous copper, nickel and PGE (Platinum Group Elements) were intersected in a gabbro – magnetite zone beneath 40 metres of barren pyroxenite. Disseminated sulphides were intersected in four holes over a distance of about 800 metres within this differentiated gabbroic unit not previously intersected by drilling. Refer to the Fields Find location plan.

Past exploration located extensive soil and drill hole anomalies of Cu, Ni and PGE's but was not successful in locating a bedrock source for the mineralisation. The recent reverse circulation drill holes completed by Royal were drilled deeper into the layered intrusion intersecting a mineralised gabbroic unit below the massive unaltered, unmineralised pyroxenite unit. This is considered by Royal to be a major breakthrough in the exploration opportunities in the Fields Find layered intrusion for locating a potential massive sulphide source.

The Fields Find layered intrusion covers an area of about 30 km<sup>2</sup> with a majority of the intrusion covered by laterite and transported sediments. Although past exploration has shown that the Ni-Cu and PGE anomalism is widespread the challenge has been to locate the primary source of the mineralisation. The recent RC drill holes with disseminated sulphides in an unexposed layered gabbro markedly increases the prospectivity of the intrusion for both massive Ni/Cu sulphides and PGE's.

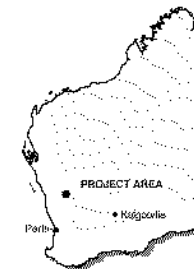
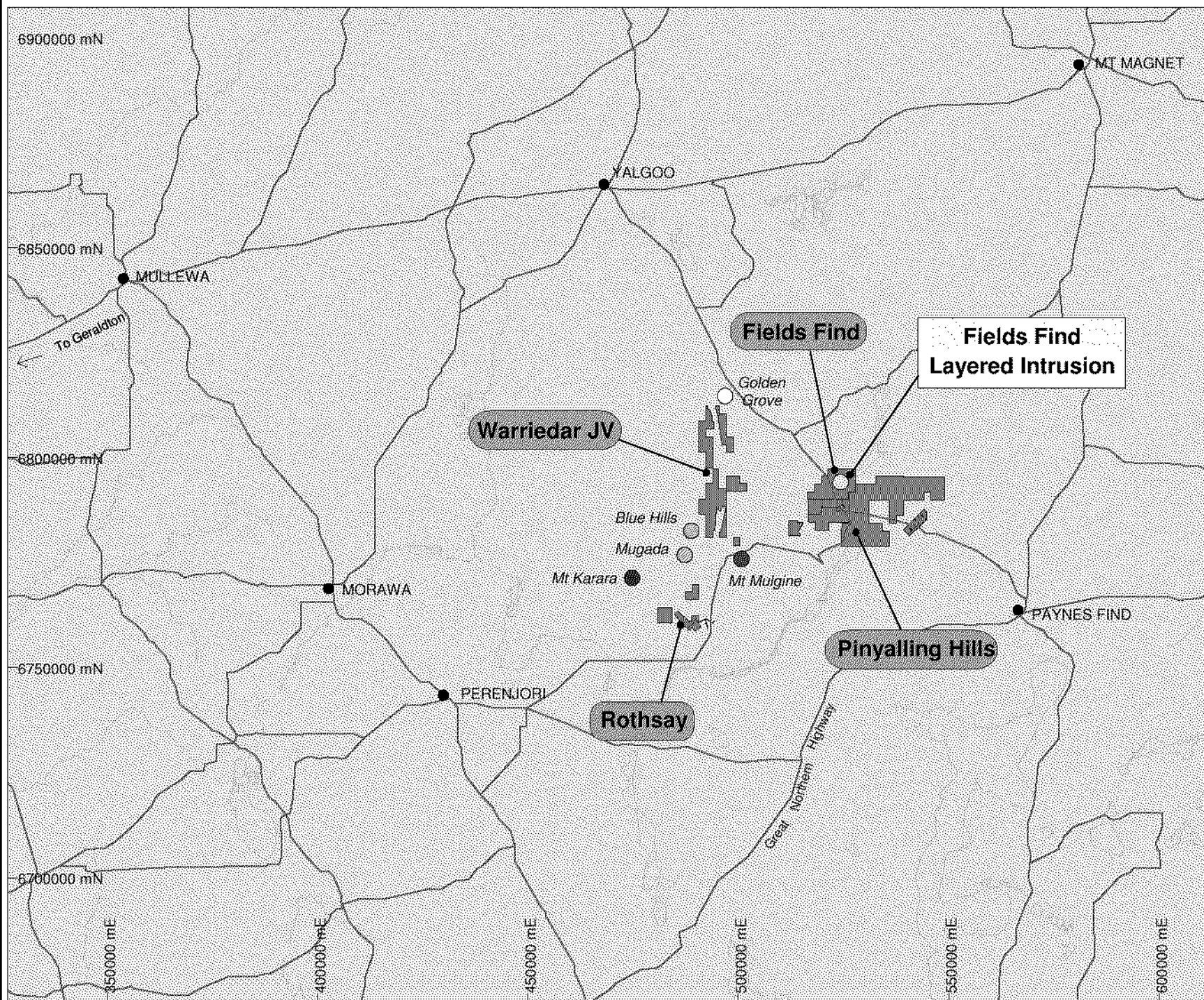
The following Table lists a number of nickel intersects from drill holes in the layered intrusion. The drill holes are a mixture of Rotary Air Blast (RAB) holes and Reverse Circulation (RC) holes.

### Fields Find – Nickel Assays from RAB and RC drill holes

| Hole Nos. | From (m) | To (m) | Interval (m) | Ni%  |
|-----------|----------|--------|--------------|------|
| BAB086    | 2        | 17     | 15           | 0.37 |
| BAB092    | 6        | 22     | 16           | 0.30 |
| BAN096    | 14       | 18     | 4            | 0.41 |
| FFB112    | 18       | 22     | 4            | 0.44 |
| PLRC007   | 13       | 21     | 8            | 0.26 |
| PLCR030   | 12       | 20     | 8            | 0.23 |
| PLCR040   | 10       | 22     | 12           | 0.29 |
| UN60      | 7        | 12     | 5            | 0.35 |
| UN86      | 7        | 12     | 5            | 0.28 |

In reviewing the historical Fields Find drill hole data base there are approximately 90 holes that have recorded nickel intercepts >0.20% Ni in two separate areas of the layered intrusion. In many of the drill holes the underlying pyroxenite generally has back ground levels of 0.04% to 0.10% Ni. Refer to plan of imaged maximum nickel assay values from drill holes within the Fields Find layered intrusion.

Royal is planning a number of stratigraphic holes to be completed early in the New Year (January 2007) to test below the pyroxenite for prospective nickel sulphide mineralisation.



#### Legend

- Base metal project
- Tungsten project
- Hematite iron ore project
- Magnetite iron ore project
- Nickel project



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### FIELDS FIND Wild Goat Gully Nickel Prospect

|                                  |                          |
|----------------------------------|--------------------------|
| Drawn By: ER                     | Plan No.: RR045          |
| Checked by: BB                   | Date: 18/12/06           |
| Projection: MGA Zone 50 (GDA 94) | Scale: 1:1,250,000 at A4 |

