

## **MEDIA RELEASE**

### **VALE FARMS INTO ROYALCO'S GAMBANG (PHILIPPINES) PROJECT**

The World's second largest miner, Vale, will farm into Royalco Resources' Gambang porphyry copper project in the Philippines under a US\$6.03 million exploration, option and royalty agreement.

The agreement allows for a substantial exploration programme over 3 years and includes drilling at the highly prospective Cableway prospect.

A number of significant staged payments will be received by Royalco along the way and, upon successful completion of the programme, Vale can exercise an option to acquire the Gambang tenement for US\$5 million with Royalco to retain a 1.3-1.5% production royalty on future production.

Royalco's Executive Chairman, Peter Topham said today, " This style of transaction matches the Company's aims of working with a quality mining house to bring forward exploration opportunities, recoup past exploration investment and crystallise potentially meaningful royalty streams. "

Royalco will continue with its exploration efforts with an emphasis on gold targets both in the Philippines and elsewhere in South East Asia.

**About Royalco (ASX:RCO)** : Royalco holds a portfolio of ten royalty interests as well as a number of exploration interests in the Philippines. This model is unique for an Australian listed public company with \$12 million in cash and a royalty portfolio recently independently valued at between \$16-17 million.

**For more information contact**

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