

12 October 2015

Dear Shareholder

AGM Resolutions

The Company's Annual General Meeting has been convened and will be held at 10am on Thursday 12 November 2015 at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne.

This AGM is more significant than most shareholder meetings because it deals with proposed shareholder resolutions requisitioned by High Peak Royalties Limited ("HPR") to remove most of your directors and to appoint their nominees, which will give it Board control.

Your Board considers that the HPR resolutions are not in the best interests of the Company and recommends that you vote **against** the proposed resolutions.

The following is a summary of the proposed resolutions and the recommendations of your directors:

Item	Resolution	Proposed by	Unanimous Board recommendation
4	Removal of Peter Topham	HPR. HPR also propose removing Peter from his Executive Chairman and Chief Executive Officer role.	Against
5	Removal of David Ogg	HPR	Against
6	Removal of Piers Reynolds	HPR	Against
7	Appointment of Peter Diamond	HPR	Against
8	Appointment of Rowena Sylvester	HPR	Against

Attached is a separate letter issued by the Board setting out reasons for their unanimous recommendation that you vote against the HPR resolutions.

This is an important meeting regarding the future Board composition of your Company. If you cannot attend the meeting in person you are encouraged to complete and return a proxy form by following the instructions set out on it. Two alternative proxy forms are enclosed. One of these has been pre-populated with "against" voting suggestions should you wish to follow the Board recommendations described above. You need not fill in both proxy forms, completing and returning either is sufficient. The Chairman intends to vote any undirected proxies consistent with the Board recommendation.

Please do not hesitate to contact me if any shareholder has any query in relation to the above.

Yours sincerely



Peter Topham
Executive Chairman/Chief Executive Officer

12th October 2015

Dear Shareholder

Reject attempt to hand over Board control

High Peak Royalties Limited ("HPR") proposes to gain Board control of your Company through the removal of Peter Topham, David Ogg and Piers Reynolds as directors and through the appointment of Peter Diamond and Rowena Sylvester as directors, giving HPR a majority of nominees on the Royalco Board.

Your Board unanimously recommends that you vote against the HPR resolutions to make these changes. Your Board unanimously considers that these resolutions are against your best interest as shareholders.

In order to vote against the resolutions please complete and return a proxy form by following the instructions set out on it. Alternatively please attend the meeting in person.

There are seven (7) key reasons why your Board unanimously recommends that you vote against the HPR resolutions.

1. It is not in your best interest to allow effective change of control of your Company to pass without a control premium being paid.

Your Board considers that it is not in your best interest to allow an effective change in control of your Company without a control premium being paid.

As a 20% shareholder, HPR should not be entitled to Board control in the absence of making a takeover offer and paying a control premium as part of that process.

HPR purchased its shareholding in Royalco in January 2015 and has profited from its shareholding over this nine month period. Clearly, HPR sees further value in Royalco shares. Your Board agrees with this sentiment and considers that the Royalco shares are undervalued.

The Board recognises that HPR as a 20% shareholder is limited in its ability to purchase additional shares without making a takeover offer, and considers that HPR should make a takeover offer if it wishes to control the Company.

If shareholders allow HPR to control the Board in the absence of a takeover offer, shareholders will be allowing HPR to obtain effective control without paying a control premium.

2. Your best interest is served by supporting the continuation of the ongoing dividend and capital management strategy, as well as share value creation.

Since 2010 Royalco has returned 24 cents to shareholders via a capital return of 10 cents per share as well as fully franked dividends of 14 cents per share. Based on expected cash flows and continued prudent capital management, further dividends should be continued through 2016 without significantly reducing Royalco's cash position. By the end of 2016, the potential development of the Blackwater Gold Project in New Zealand, in which Royalco has a significant royalty interest, should be clarified.

HPR in its Statement is deficient in regard to future dividends, with the only comment being “Payments from accumulated reserves are unsustainable.”

By way of comparison, the performance of HPR since 30 January 2015 (when HPR purchased its stake in Royalco) has been a **negative return of 27%** (the share price of HPR has fallen from 11 cents to 8.0 cents as at 7th October 2015). Over the same period, the Royalco share price has increased from 20 cents to 23 cents and Royalco has paid two fully franked dividends per share of 0.5 cents each, reflecting a **positive return of 20%**. In other words, the performance of Royalco compared to HPR is vastly superior. You will be risking the future success of the Company if you support these resolutions.

The Board is concerned that the current Royalco dividend and capital management strategy and share value creation will be under threat if the proposed resolutions succeed.

3. The strategic direction of Royalco should be maintained on a stable basis in a volatile market.

As consistently stated, your Board's strategy is to expand a core royalty portfolio of income-producing base metals, precious metals and energy interests.

Your Board stands by its record. Your Board considers that the stability the company requires is at risk and that shareholder value will be threatened if the HPR resolutions succeed.

HPR proposes to remove Peter Topham from the role of Executive Chairman/Chief Executive Officer. HPR has provided no clarity regarding who will run the Company if its resolutions succeed. Either HPR does not know this, or alternatively it is not saying. Regardless, maintaining ongoing stability is important for a successful royalty company like Royalco.

In the absence of knowing who is to be the proposed Managing Director or Chairman of Royalco, your Board is concerned that the royalty inexperience of the HPR nominees and the potential loss of experience of the current Board members described below (and potentially other staff) create instability and will be adverse to shareholders' interests in a volatile market.

4. The Board has significant royalty experience and personal shareholdings in Royalco compared to the HPR nominees.

The Royalco existing Board has demonstrable royalty experience and personal shareholdings in Royalco:

- In the case of Peter Topham he has over 20 years experience as a CEO of junior mining companies. A team under his leadership was involved with the White Foil gold discovery in Western Australia and the Inheritance copper discovery in Queensland. Peter also possesses significant experience in the petroleum sector dating back to his days in investment banking, which included funding proposals for the Cooper Basin unitisation agreement. In conjunction with David Ogg, Peter established Royalco in 2001. Under his leadership Royalco listed on the ASX on 2006 and has subsequently expanded the company's presence in royalty interest ownerships.
- In the case of David Ogg, he established Royalco in 2001 in conjunction with Peter Topham. He has been involved in the resources sector with a variety of roles in the stockbroking, investment banking and the financial services arena. He was previously Company Secretary of Copper Strike and Syrah Resources.

- In the case of Piers Reynolds, he has over 20 years' experience in the resource and finance industries and is currently an executive director of Veritas Securities Limited. He worked for nine years in the resource sector as a geologist in gold, base metals and bulk commodities. He has significant experience in fundamental analysis and investment banking activities including equity capital markets and corporate advisory in the minerals and energy sectors. This is exactly the stockbroking and finance expertise which HPR says is desirable.

Significantly, the current Board were each involved in the purchase by Royalco of the interest in the Weeks royalty interest in the oil and gas arena, which the Board considers to have been an excellent investment. Indeed, the Board considers that this investment is one of the key reasons HPR is seeking Royalco Board control.

Regrettably, HPR has not acknowledged this when it states "We believe that it is necessary for the Company to appoint directors with significant experience in the Oil & Gas industry...". The two nominees proposed by HPR have no stated royalty experience, whether in the oil and gas industry or otherwise. The HPR nominees bring no royalty expertise to the table, bring minimal resources experience to the table, and do not have a stated plan or strategy for doing so.

To the knowledge of the Board, the HPR-proposed nominees do not have any shareholding in Royalco as compared to a 17.5% interest held by the Board nominees whom HPR is seeking to remove.

5. Maintaining a diversified portfolio of royalty interests should occur.

The current Board considers that maintaining a diversified range of royalty interests should occur. Under its guidance, Royalco has successfully developed a range of royalty interests covering commodity exposure such as gold, zinc, silver, copper as well as oil and gas. Royalco is not solely exposed to oil and gas, notwithstanding its interest in the Weeks world class petroleum royalty. Income is also received from the Mount Garnet zinc/copper operations, and Royalco holds substantial royalty interests in the Blackwater gold deposit in New Zealand, among others.

The implication from the HPR Statement is that, if its resolutions are successful, Royalco will not focus on royalty interests outside of oil and gas. The Board considers that any such approach would be a mistake and that each royalty interest should be considered on its merits (as indeed Royalco did when it purchased its interest in the Weeks royalty).

6. HPR is a competitor of Royalco, which is adverse to Royalco's interests.

Allowing HPR to control the Royalco Board will put Royalco into the hands of HPR as a competitor. The Board is concerned that this would be adverse to Royalco interests and create a clear and untenable conflict of interest, whereby the ability of Royalco to pursue new royalty interests will be prejudiced by conflicting HPR considerations.

In other words, the Board is concerned that allowing HPR to control the Royalco Board will be adverse to the interests of all shareholders other than HPR.

7. The HPR Statement is insincere and provides no confidence to Royalco shareholders.

The HPR Statement attached to the Notice of Meeting is insincere and provides no confidence to Royalco shareholders.

For example:

- As stated above, HPR's share price performance is inferior to that of Royalco's, yet this is not apparent from the HPR Statement.
- HPR feigns concern with Royalco's Board and management. This is insincere. This is the same Board and management in existence earlier this year when HPR first bought a shareholding in Royalco.
- Reading the HPR Statement, HPR adversely comments on aspects of Royalco's FY14 historical results. These adverse comments are without merit. Quite aside from anything else, these aspects were known to HPR prior to it purchasing its stake in Royalco earlier this year. Indeed, reading the HPR Statement one would obtain the impression that HPR has made a loss from its Royalco investment, whereas in fact it has made a profit.
- HPR criticises the role of Peter Topham in the dual role as Executive Chairman, yet this was known by HPR prior to making its investment. Moreover, one of the HPR nominees (Mr Diamond) held the same dual role of Executive Chairman of a public listed company prior to his retirement from stockbroking. HPR should not be making statements inconsistent with market practice at a small listed company level and which is inconsistent with its own director nominee experience.
- The Board considers that HPR's motives are disguised, and that it simply wishes to control Royalco for its own benefit.
- HPR criticises Royalco's head office costs. The fact is that such costs are competitive and are lower than those of HPR while generating a greater royalty revenue than HPR.

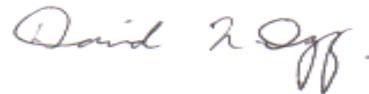
In summary, your Board is concerned that the proposed Board coup is adverse to shareholders' interests and recommends that this coup attempt not be supported.

Please do not hesitate to contact Peter Topham if you have any query in relation to the above. The office phone number is 03.96023626, or mobile 0412 220634.

Yours sincerely



Peter Topham
Executive Chairman/Chief Executive Officer



David Ogg
Director



Bruce Pertzelt
Director



Piers Reynolds
Director

ROYALCO RESOURCES LIMITED

ACN 096 321 532

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the members of Royalco Resources Limited will be held at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne at 10.00 am on Thursday 12th November 2015.

The following items of business will be considered:

Receipt and consideration of Accounts and Reports

To receive and consider the financial reports of Royalco Resources Limited and the report of the Directors and Auditor for the year ended 30 June 2015.

Resolution 1: Re-election of Mr Bruce Pertzelt as a Director

To consider, and if thought fit, to pass the following as an ordinary resolution:

“That Mr Bruce Pertzelt be re-elected as a director of the Company.”

Resolution 2: Adoption of Remuneration Report

To consider, and if thought fit, to pass the following as an ordinary resolution:

“That the Remuneration Report for the year ended 30 June 2015 be adopted.”

Resolution 3: Change of Auditor

To consider, and if thought fit, to pass the following as an ordinary resolution:

“That subject to the ASIC consent of the resignation of Loren Michelle Datt as Auditor, to appoint John Steward Wheller, having consented in writing and been duly nominated in accordance with section 328B(1) of the Corporations Act, as Auditor of the Company.”

THE DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU VOTE AGAINST RESOLUTIONS 4 TO 8. THESE ARE NOT PROPOSED BY OR SUPPORTED BY YOUR BOARD. REFER TO THE ACCOMPANYING LETTER FOR DETAILS.

Resolution 4: Removal of Mr Peter Topham as a Director

To consider, and if thought fit, to pass the following as an ordinary resolution:

"That pursuant to section 203D of the Corporations Act, Mr Peter Topham be removed as a director of the Company with immediate effect at the closing of the General Meeting."

Resolution 5: Removal of Mr David Ogg as a Director

To consider, and if thought fit, to pass the following as an ordinary resolution:

"That pursuant to section 203D of the Corporations Act, Mr David Ogg be removed as a director of the Company with immediate effect at the closing of the General Meeting."

Resolution 6: Removal of Mr Piers Reynolds as a Director

To consider, and if thought fit, to pass the following as an ordinary resolution:

"That pursuant to section 203D of the Corporations Act, Mr Piers Reynolds be removed as a director of the Company with immediate effect at the closing of the General Meeting."

Resolution 7: Appointment of Mr Peter Diamond as a Director

To consider, and if thought fit, to pass the following as an ordinary resolution:

"That Mr Peter Diamond is appointed as a director of the Company with immediate effect at the closing of the General Meeting."

Resolution 8: Appointment of Ms Rowena Sylvester as a Director

To consider, and if thought fit, to pass the following as an ordinary resolution:

"That Ms Rowena Sylvester is appointed as a director of the Company with immediate effect at the closing of the General Meeting."

By Order of the Board
Royalco Resources Limited



Nick Boicos
Company Secretary

Dated: 12 October 2015

NOTES

Information relevant to each Resolution is set out in the Explanatory Notes which forms part of this Notice of Meeting to members.

Voting Entitlements

For the purposes of the meeting, shares will be taken to be held by the persons who are registered as shareholders as at 7.00 pm on 10 November 2015.

Proxies

If you are a shareholder entitled to attend and vote, you are entitled to appoint up to two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a shareholder of the Company.

If you wish to appoint one proxy, please use a form provided. If you wish to appoint two proxies, please follow the instructions on the reverse side of the proxy form.

On a show of hands, every person present and qualified shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies, neither proxy may vote on a show of hands.

If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder, your directions may not be effective on a show of hands. But your directions will be effective if a poll is required and your proxy votes.

To be effective, the proxy form must be received by fax to the Company at 03 9670 4479, or by mail or in person at our registered office, 1st Floor, 394 – 396 Little Bourke Street, Melbourne Victoria 3000 not later than 10.00 am (AEDT) on 10 November 2015.

Admission to Meeting

Shareholders who will be attending the meeting and who will not be appointing a proxy, are asked to bring the proxy form to the meeting to help speed admission.

Shareholders who do not plan to attend the meeting are encouraged to complete and return the proxy form for each of their shareholdings in the Company.

EXPLANATORY NOTES

Receipt and consideration of Accounts and Reports

This item is self explanatory. It is intended to provide an opportunity for shareholders to raise questions on the reports themselves and on the performance of the company generally.

There is no requirement for shareholders to approve the Financial Report, the Director's Report (other than the Remuneration Report as set out in Resolution 2) or the Auditors Report. Accordingly no resolution will be put to shareholders on this item of business.

Resolution 1: Election of a Director

Mr Bruce Pertzelt was most recently re-elected as a director at the 2013 AGM, and in accordance with the Company's constitution, resigns as a director, and being eligible, offers himself for re election. Background information relating to Mr Pertzelt can be found in the Annual Report in the Directors Report section.

The Board (in the absence of Mr Pertzelt, who abstains from voting) unanimously recommends the re-election of Mr Pertzelt.

The Chairman of the Meeting intends to vote all available proxies in **favour** of this Resolution.

Resolution 2: Adoption of Remuneration Report

In accordance with the Corporations Act, the Company submits its remuneration report to shareholders for consideration and adoption by way of a non-binding resolution. The vote on this resolution is advisory only and does not bind the Directors or the Company.

The remuneration report is set out in the Company's Annual Report. The report:

- explains the board's policies in relation to the nature and level of remuneration paid to directors, secretaries and key management personnel of the Company;
- sets out the Company's policy with regards to both executive director and non – executive director remuneration; and
- explains the policy with regards to the issue of options to both directors and executives.

The Board unanimously recommends that members vote in **favour** adopting the Remuneration Report.

The Chairman of the Meeting intends to vote all available proxies in **favour** of this resolution.

The Corporations Act restricts members of the key management personnel (KMP), which comprises Directors and other persons disclosed as KMP in the Remuneration Report and their Closely Related Parties, from voting on Resolution 2. 'Closely Related Party' is defined in the Corporations Act and includes a spouse, dependents and certain other close family members, as well as companies controlled by a member of the KMP. The Company will disregard any votes cast (in any capacity) on Resolution 2 by or on behalf of: members of the KMP; and Closely Related Parties of those persons, unless the vote is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- as proxy for a person entitled to vote by the Chairman of the Meeting where he has been expressly authorised to exercise the proxy (even though the resolution is connected directly or indirectly with remuneration of a member of the KMP).

If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure you direct them how to vote on the Resolution 2.

Resolution 3: Change of Auditor

This resolution seeks shareholder approval to appoint John Steward Wheller FCA as replacement for Loren Michelle Datt of Loren Datt Audit Pty Ltd who resigns in accordance with the auditor rotation requirements as contained in Division 5 Part 2M.4 of the Corporations Act.

A shareholder's letter nominating John Steward Wheller as Auditor of the Company is appended to this Notice of Annual General Meeting and a copy has been provided to John Steward Wheller and Loren Michelle Datt. Mr Wheller is the audit engagement partner of TWB Chartered Accountants with over 35 years of experience inclusive of listed public company audits. Mr Wheller has consented to the appointment as Auditor pursuant to section 328A of the Corporations Act in the event this resolution is approved by shareholders at the Annual General Meeting.

The Company's current Auditor, Loren Michelle Datt of Loren Datt Audit Pty Ltd, has given notice to the Board and has applied to ASIC to seek their consent to resign at the Annual General Meeting pursuant to section 329(5) of the Corporations Act. Such resignation shall be effective as at the close of the Annual General Meeting.

The Board unanimously recommend that you vote in favour of the appointment of John Steward Wheller as Auditor of the Company effective from the close of the Annual General Meeting, subject to ASIC giving its consent to the resignation of the current Auditor, Loren Michelle Datt of Loren Datt Audit Pty Ltd.

THE DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU VOTE AGAINST RESOLUTIONS 4 TO 8. THESE ARE NOT PROPOSED BY OR SUPPORTED BY YOUR BOARD

Resolution 4: Removal of Mr Peter Topham as a director

Please refer to the accompanying letter setting out in detail the reasons why your Board unanimously recommends that you vote **against** this Resolution.

The Chairman of the Meeting intends to vote all available proxies **against** this Resolution.

Resolution 5: Removal of Mr David Ogg as a director

Please refer to the accompanying letter setting out in detail the reasons why your Board unanimously recommends that you vote **against** this Resolution.

The Chairman of the Meeting intends to vote all available proxies **against** this Resolution.

Resolution 6: Removal of Mr Piers Reynolds as a director

Please refer to the accompanying letter setting out in detail the reasons why your Board unanimously recommends that you vote **against** this Resolution.

The Chairman of the Meeting intends to vote all available proxies **against** this Resolution.

Resolution 7: Appointment of Mr Peter Diamond as a director

Please refer to the accompanying letter setting out in detail the reasons why your Board unanimously recommends that you vote **against** this Resolution.

The Chairman of the Meeting intends to vote all available proxies **against** this Resolution.

Resolution 8: Appointment of Ms Rowena Sylvester as a director

Please refer to the accompanying letter setting out in detail the reasons why your Board unanimously recommends that you vote **against** this Resolution.

The Chairman of the Meeting intends to vote all available proxies **against** this Resolution.

SET OUT BELOW IS A STATEMENT FROM THE REQUISITIONING SHAREHOLDER. THIS IS NOT ENDORSED BY THE BOARD. YOU SHOULD READ THE FOLLOWING IN CONJUNCTION WITH THE ACCOMPANYING LETTER.

REQUISITIONING SHAREHOLDER'S STATEMENT

This Explanatory Statement has been prepared by High Peak Royalties Limited (**HPR**) being a major shareholder of Royalco Resources Limited (**Company**) with at least 5% of the votes that may be cast at a general meeting of the Company.

Background

High Peak Royalties is currently the largest shareholder of Royalco holding 20.91% of its issued capital. As a major shareholder we have concerns with the oversight of the Company and senior management by the current board of directors. In particular:

- Under the current board, which includes Mr Topham as Executive Chairman and Mr Ogg as the former Chief Financial Officer and current non-executive director, the Company's market capitalisation has declined from in excess of \$46 million in or about July 2007 to a current market capitalisation of approximately \$11 million. Additionally, total shareholder return has declined 66% over the same period.
- Mr Topham is the Executive Chairman as well as the Managing Director meaning the roles of chair and chief executive are shared by the same individual, therefore Mr Topham is not an independent chairman as recommended by the ASX Corporate Governance Council.
- In FY14 Mr Ogg received a termination payment of \$166,206, which is equivalent to his full base salary in 2013, although he continues as a non-executive director. His revised remuneration has yet to be disclosed to the market.
- In FY14, the compensation of the directors and senior management was equivalent to 80% of reported revenue or 99% of royalties received for the period.
- The company recorded negative operating cash flow of \$118,000 for the twelve months to 30 June 2015, however Mr Topham and Mr Ogg as directors paid a dividend of \$791,000 for the year from prior profits with little being done to grow current and future year profits. Payments from accumulated reserves are unsustainable.
- Q1FY16, estimated exploration and evaluation total \$100,000, whilst administration cost total \$240,000 with \$0 budgeted on development and production. The recent quarterly change in estimated cash outflows increased administration costs by ~10% to \$240,000 whilst exploration and evaluation decreased by one third to \$100,000 (resulting in overheads exceeding investment by 2.4:1).

Reasons in support

We believe it is necessary for the Company to appoint directors with significant experience in the Oil and Gas industry as well as a proven track record of building business with demonstrated skills in corporate governance, board oversight and risk management.

Proposed Board Restructure

We have requested that the directors of the Company call and arrange to hold a general meeting of the Company under section 249D of the Corporations Act 2001 (Cth) (**Act**). The purpose of the meeting is for the members of the Company to consider resolutions regarding:

1. the removal of Mr Peter Topham as a director of the Company;
2. the removal of Mr David Ogg as a director of the Company;
3. the removal of Mr Piers Reynolds as a director of the Company;
4. the appointment of Mr Peter Diamond as a director of the Company;
5. the appointment of Ms Rowena Sylvester as a director of the Company.

Should shareholders support our initiative to refresh the composition of Directors, the Royalco Board will consist of three qualified directors, including current director Mr Bruce Pertzelt who brings geological expertise as well as significant corporate memory having served as a director since 2007. Mr Peter Diamond and Ms Rowena Sylvester will add much needed independence to the Board and both will draw upon years of experience in stock broking and finance and risk management, respectively.

Trimming the Board from four to three directors will also reduce costs as we are focused on maximising returns for all shareholders.

Biographical details of Mr Diamond and Ms Sylvester are set out below:

Peter Diamond has worked in the stock broking industry since 1986 and served as the Executive Chairman of Euroz Limited and Euroz Securities Limited until October 2013. Peter has been associated with both companies since 2000 and has dealings with both institutional and high net worth clients on all aspects of equity trading. Between 1986 and 2000, he was an Executive Director and Associate Director of a Perth stockbroker where he was involved in all aspects of the stock broking business including trading, underwriting, placements and corporate advice. He served as the Non-Executive Chairman of Ozgrowth Limited from July 2007 until October 2013. He serves as the Non-Executive Chairman and Director of Westoz Investment Company Limited from March 2005 until October 2013. He is an associate member of Certified Practising Accountants Australia. Peter holds a Bachelor of Business degree.

Rowena Sylvester has over 25 years experience in finance and risk management including treasurer at Ampoex Ltd and Optus Vision Ltd and Director Syndications at ANZ Investment Bank. She has subsequently been a Director of Cue Energy Resources Ltd and Chair of the Audit and Risk Committee, Essential Energy and Chair of the Audit and Risk Committee, Australian Inland Energy and Water Infrastructure, Emmlink Pty Ltd and Optus Superannuation Fund. Her current Directorships include Yass Valle Council (Mayor), Yass Valley Aged Care Ltd, Yass District Education Foundation, Bellevalle Cattle Company Pty Ltd and Chairman of SELX Pty Ltd.

APPENDIX 1: AUDITOR NOMINATION LETTER

PETER C MCNAMARA

October 5, 2015

The Directors,
Royalco Resources Ltd.
Level 1, 394 Little Bourke Street,
Melbourne. Vic 3000

Dear Directors,

The undersigned, being a member of Royalco Resources Limited (“the Company”), hereby gives written notice pursuant to Section 328B(1) of the Corporations Act, of the nomination of John S Wheeler for appointment as Auditor of the Company at the next Annual General Meeting.

Yours faithfully,



Peter C McNamara

All Correspondence to:

✉ **By Mail** 1st Floor
394 - 396 Little Bourke Street
Melbourne VIC 3000 Australia

✉ **By Fax:** +61 3 9670 4479

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am on 10 November 2015.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, you may copy this form or an additional blank proxy form may be obtained by contacting the company. To appoint a second proxy you must:

- (a) complete two blank proxy forms. On each proxy form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission.

STEP 3 SIGN THE FORM

The form should be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received by **10:00am on 10 November 2015.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

✉ **By Fax** + 61 3 6970 4479

✉ **By Mail** 1st Floor
394 - 396 Little Bourke Street
Melbourne VIC 3000 Australia

👤 **In Person** 1st Floor
394 - 396 Little Bourke Street
Melbourne VIC 3000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Royalco Resources Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne on Thursday, 12 November 2015 at 10:00 am and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies:

- **against Resolutions 4, 5, 6, 7 and 8;** and
- in favour of each remaining item of business.

STEP 2 VOTING DIRECTIONS
 * If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

The proportion or number of my/our voting rights which this proxy is appointed to represent is:

% being number of votes

		For	Against	Abstain*
Resolution 1	Re-election of Mr Bruce Pertzelt as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Change of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THE DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU VOTE AGAINST RESOLUTIONS 4 TO 8. THESE ARE NOT PROPOSED BY OR SUPPORTED BY YOUR BOARD

Resolution 4	Removal of Mr Peter Topham as a Director	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Removal of Mr David Ogg as a Director	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Removal of Mr Piers Reynolds as a Director	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Appointment of Mr Peter Diamond as a Director	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Appointment of Ms Rowena Sylvester as a Director	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Sole Director and Sole Company Secretary	Securityholder 2 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Director	Securityholder 3 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Director / Company Secretary
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Contact Name..... Contact Daytime Telephone..... Date / / 2015

All Correspondence to:

✉ **By Mail** 1st Floor
394 - 396 Little Bourke Street
Melbourne VIC 3000 Australia

✉ **By Fax:** +61 3 9670 4479

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am on 10 November 2015.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, you may copy this form or an additional blank proxy form may be obtained by contacting the company. To appoint a second proxy you must:

- (a) complete two blank proxy forms. On each proxy form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission.

STEP 3 SIGN THE FORM

The form should be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received by **10:00am on 10 November 2015.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

✉ **By Fax** + 61 3 6970 4479

✉ **By Mail** 1st Floor
394 - 396 Little Bourke Street
Melbourne VIC 3000 Australia

👤 **In Person** 1st Floor
394 - 396 Little Bourke Street
Melbourne VIC 3000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Royalco Resources Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne on Thursday, 12 November 2015 at 10:00 am and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies:

- **against Resolutions 4, 5, 6, 7 and 8;** and
- in favour of each remaining item of business.

STEP 2 VOTING DIRECTIONS
 * If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

The proportion or number of my/our voting rights which this proxy is appointed to represent is:

% being number of votes

		For	Against	Abstain*
Resolution 1	Re-election of Mr Bruce Pertzelt as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Resolution 6	Removal of Mr Piers Reynolds as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Appointment of Mr Peter Diamond as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Appointment of Ms Rowena Sylvester as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1 <input style="width: 100%; height: 30px;" type="text"/> Sole Director and Sole Company Secretary	Securityholder 2 <input style="width: 100%; height: 30px;" type="text"/> Director	Securityholder 3 <input style="width: 100%; height: 30px;" type="text"/> Director / Company Secretary
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Contact Name..... Contact Daytime Telephone..... Date / / 2015