

4<sup>th</sup> June 2008

The Manager  
Company Announcements Office  
Australian Securities Exchange Ltd

## **General Update June 2008**

### ***CAPITAL MANAGEMENT***

Royalco Resources Limited has bought back and will cancel 3.3 million ordinary shares acquired by the ANZ Banking Group due to its Opes Prime exposure. The shares were acquired at 26.5 cents each.

Share trading on the Australian Stock Exchange yesterday (Wednesday June 4, 2008) should represent the balance of the overhang of shares held by the ANZ. A notice from ANZ Banking Group declaring that it has Ceased to be a Substantial Shareholder is now anticipated.

### ***EXPLORATION***

The first portion of Royalco's Gambang exploration permit in the Central Cordillera, on the island of Luzon in the Philippines, has been granted. Arrangements are now being finalised to have the drill rig at the Pao tenement moved to this region as a matter of priority.

Initial prospects at Gambang include Herman's Find, where historic channel sampling assays generated 42 metres at 2.35% copper and a further 45 metres of 2.82% copper.

Exploration at Pao has been hindered by protestors from outside the district and given recent violence on adjoining tenements, it has been decided to curtail activities for safety reasons. The drilling of the main prospects at Digyan and Manidyo will be advanced once the political climate in this region stabilises.

The four hole diamond drilling program at Malangza is scheduled to commence later this month and with drilling at Gambang expected to start shortly thereafter.

### ***ROYALTIES***

An update on the royalty bank will be provided in the next two weeks.



Peter Topham  
Executive Chairman