



Quarterly Activities and Cashflow Report December 2021

Highlights

Black Range Project

- Large-scale geophysical program at the Black Range Project completed
- Multiple new zones of interest identified with numerous targets hosted in favourable geological setting
- Initial air-core drilling program has now been completed with all samples shipped to the laboratory for analysis
- Sulphide minerals have been visually observed in air-core drill chips
- Nebula Prospect - new VHMS target defined by strong hydrothermal alteration coincident with a chargeability anomaly and indications of formation during a pause in volcanic activity, evidenced by a narrow horizon of black shale
- Air-core drilling planned to re-commence February 2022 on a number of high priority target areas

Mitre Hill Project

- Shareholders overwhelmingly approved acquisition of the Mitre Hill Project, prospective for ionic clay hosted Rare Earth Elements (REE), transaction completed on 23 December 2021
- Exploration Licence Application (EL007646), located in Victoria, granted at the Mitre Hill Project on 8 November 2021
- Initial geological works commenced in late January 2022

Resource Base Limited (**ASX: RBX**) (**Resource Base** or the **Company**) is pleased to provide its shareholders with the Company's Quarterly Activities Report for the period ending 31 December 2021 (**December Quarter**).

Black Range Project

Geophysical Survey Program

On 1 October 2021, the Company announced the commencement of a large-scale geophysical survey program at the Black Range Project located in the well-known and highly prospective Stavelly Volcanic corridor in North-West Victoria (EL4590).

The Preliminary results, released on 18 November 2021, from the Gravity and IP/Resistivity geophysical survey programs have identified numerous target areas to be tested.

Initial Results & Targets

Preliminary gravity data has proven useful in understanding geology of the Eclipse Prospect area, particularly under Grampians Sandstone cover and when combined with magnetic data.

Combined interpretation of IP/Resistivity, Gravity and Magnetic geophysical data sets has identified a new zone of interest on the western margin of the Eclipse Basin, refer announcement on 18 November 2021 for more details.

Air Core Drilling Program

Following on from the geophysics program air-core drilling commenced at the Black Range Project mid November 2021. With the initial program finishing mid-December.

The Company completed 1,800 meters of air-core drilling under the initial program see Figure 1 below for locations.

The geological features observed from the initial phase of air-core drilling in the Eclipse area of the Company's Black Range Project are highly encouraging¹. Drill traverses were planned to test various IP and Resistivity geophysical anomalies and gather bedrock geology data not possible to obtain at the ground surface due to locally transported soils and the younger Grampians sandstones which cover bedrock in some places.

A new prospect, the Nebula Prospect, has been defined over an IP anomaly approximately 800m in length situated some 750m East of the Eclipse Prospect.

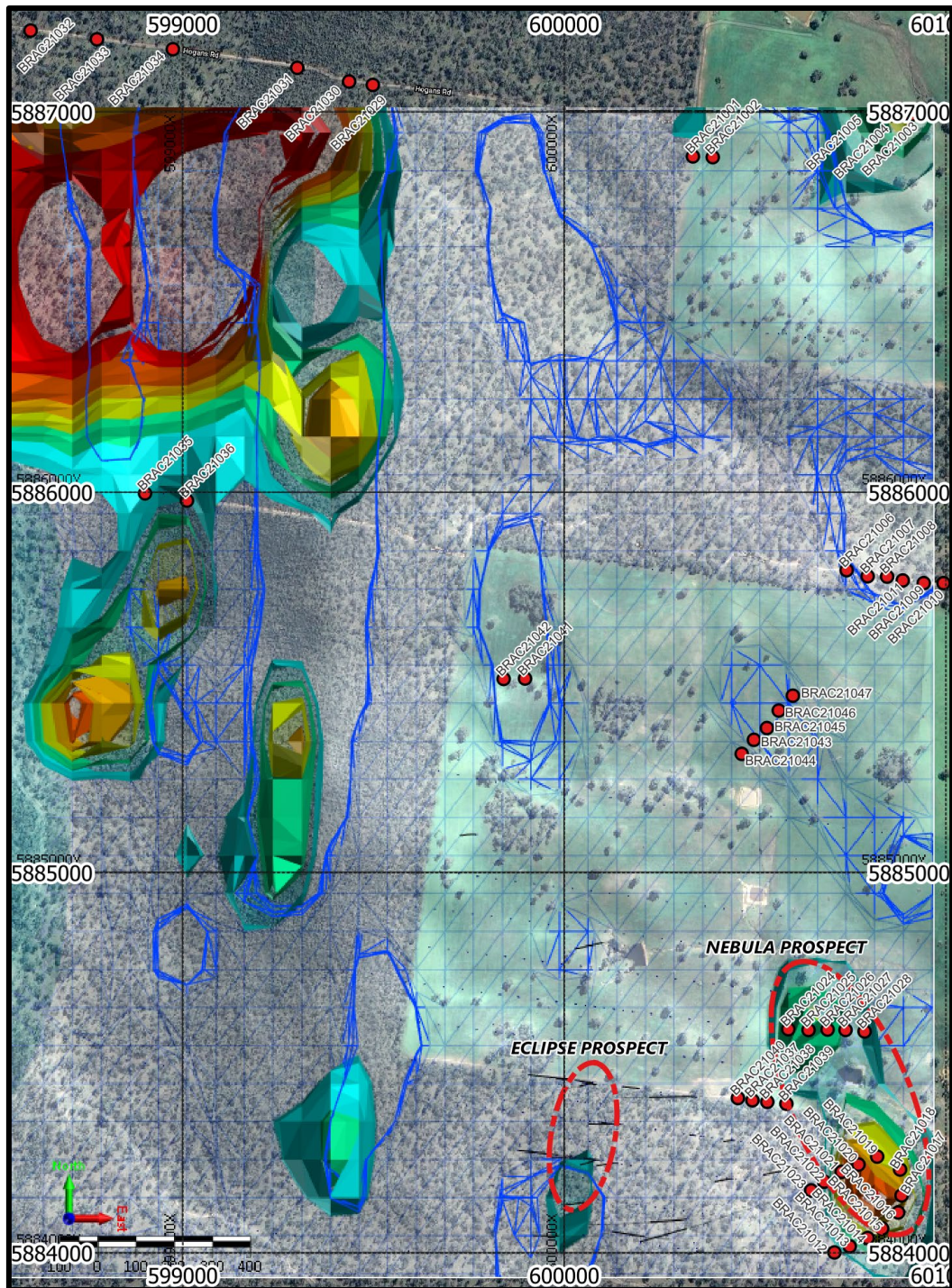
The Nebula Prospect is hosted in a sequence of volcanic and sedimentary rocks indicating deposition in a sea floor environment at a time when the source volcanic system was experiencing an important transition from intermediate to felsic volcanic composition and a period when volcanism stopped and marine sediments were deposited, evidenced by a narrow horizon of black shale. Due to limited nature of shallow air-core drilling data it is not known exactly how these features fit together and their timing relative to each other, but there does appear such changes occurring over a distance of 100-200m across the prospect.

In a VHMS system pauses in volcanic activity can be important periods for the accumulation of metal sulphide deposits and mark prospective horizons which need to be tracked in ongoing exploration. As we have encountered what appears to be such a horizon and it is also the locus of intense hydrothermal alteration, potentially related to activity of hot fluids transporting metals up through the volcanic pile to the seafloor, this prospect is of great interest in our search for VHMS base metal deposits in the area. Any low-level base or precious metal geochemistry around this zone of alteration will further heighten the prospectivity of the Nebula Prospect, so assay results expected early next year are eagerly awaited.

Of the planned 4,000m air-core drilling, only 1,800m was completed as Grampians Sandstone cover in the western margin of the geophysical survey area proved to be too thick and hard for penetration with air-core drilling. These areas are planned to be investigated with diamond drilling early next year. Elsewhere on the project the air-core technique has proven to be very successful and cost effective for first-pass bedrock testing.

¹ The Company notes this is based on visual inspection only and the samples are yet to be assayed or analysed.





Exploration Program

As part of its aggressive exploration program, the Company is aiming to re-commence air-core drilling in early February on a number of key target areas.

Air-core drilling is planned to then continue to further target areas across the broader tenement following further geophysical programs.



Mitre Hill Project

On 23 December 2021, the Company finalised the acquisition of 100% of Mitre Hill Pty Ltd (**Mitre Hill**), the owner of one (1) strategic Exploration Licence and four (4) strategic Exploration Licence Applications over ground located within the Murray Basin in Victoria and South Australia, prospective for ionic clay hosted Rare Earth Elements (REE) mineralisation (**Mitre Hill Project**). The transaction was completed on 23 December 2021.

Tenement Details

Victoria Tenements	Application Date	Tenement Size (km ²)	Date Granted
EL007640	23.07.2021	508	
EL007641	11.06.2021	103	
EL007646	22.06.2021	28	08.11.2021
EL007647	11.06.2021	30	
South Australia Tenement	Application Date		
ELA 2021/00059	28.05.2021	840	

With the transaction completed and a licence granted the Company has now commenced activities with initial on-ground geological works having commenced in late January. These works are planned to be extended across further Exploration Licences as they are granted.

In the time period post the Company announcing the Mitre Hill transaction, some very encouraging drilling results have been announced by companies holding tenements in the region. Refer announcements:

- Australian Rare Earths' (ASX:AR3) (**AR3**) announced on 19 January "*Recent Drilling Confirms Significant Regional Prospectivity of Koppamurra*" and 25 November 2021 "*Initial Assays Confirm the Regional Prospectivity of Koppamurra Project*" and
- TSX Venture Exchange (TSXV) listed Company Lions Bay Capital Inc (TSXV: LBI) announced on 8 December 2021 "*Update on Savic Exploration*".

These announcements support Resource Base opinion that the ionic clay REE mineralisation is of a regional scale.

Proposed Exploration at the Mitre Hill Project

Desktop mapping of crown and private land tenure, compilation of landowner details and available public domain geological and exploration data is underway.

On ground activities including geological mapping, assessment of drilling access and initial landowner introductions have also commenced and will be ongoing throughout the quarter.

Ongoing works will be aimed at implementing community engagement programs, negotiating land access agreements and initial introductions to various stakeholders with the aim of beginning reconnaissance drilling programs in March 2022.



It is likely that air-core drilling will be the mainstay of exploration work in the short to medium term as reconnaissance programs are rolled out with the aim of establishing the extent and geological associations of REE mineralisation across the Mitre Hill tenement package.

Expansion of the exploration team is also underway to ensure that we have sufficient personnel available to cover work commitment on both Mitre Hill and Black Range projects.

Corporate

Key Appointments

On 1 December 2021, the Company appointment highly experienced Chief Financial Officer (CFO) Ms Ailsa Osborne as, Chief Financial Officer (CFO) on a full-time basis, effective immediately and as Company Secretary effective 1 January 2022.

Ms Osborne replaces on a full-time basis Executive Director Mr John Lewis who was engaged by the Company on a part time basis as Chief Financial Officer. Mr Lewis continues in his capacity as a Non-Executive Director.

Ms Shannon Coates ceased providing Company Secretarial services to the Company effective 1 January 2022.

Results of AGM

On 16 December 2021, the Company held its FY2021 AGM with all resolutions being carried on poll.

Details of the resolutions can be found in the Company's Notice of Meeting released on 16 November 2021.

Cash

The Company has cash reserves as at 31 December 2021 of \$3,971,102.

Statement of Commitments

The current quarter is covered by the Statement of Commitments outlined in the Prospectus dated [7 May 2021](#) and the Short form Prospectus dated [1 October 2021](#).

A summary of expenditure to date is outlined below:

	Prospectus	Spend to Date	Dec Qtr
<i>Black Range Project</i>			
Preliminary in Ground Exploration Activities	100,000	73,068	32,570
Geophysics	400,000	273,145	253,153
Drilling and Sampling	2,215,000	171,472	163,149
Assays	210,000	-	-
Project Management	200,000	113,510	38,984
<i>Mitre Hill Project</i>			
Assembly of geological database and sampling of historic drill core	100,000	-	-
Drilling & further sampling	233,000	-	-
Mineralogical and metallurgical testwork	195,000	-	-
Project Management	150,000	-	-



	Prospectus	Spend to Date	Dec Qtr
<i>Corporate</i>			
M&A ¹	250,000	36,736	(73,294)
Administration & Corporate Costs & Working Capital	1,450,000	954,073	133,010
Remuneration to Directors	300,000	300,000	-
Repayment of Debt	475,000	475,000	-
Expenses of the Offer	772,000	681,893	131,893
Total	7,050,000	3,078,897	679,463

1. Mitre Hill transaction costs totalling \$98,261 recorded in M&A for the September Quarter were reallocated to Expenses of the Offer in December.

Related Party Payments

In line with its obligations under ASX Listing Rule 5.3.5, the Company has advised in the Appendix 5B for the period ended 31 December 2021, payments to related parties of the Company totalling \$110,000 pertain to payments to Directors for fees, salary and superannuation.

-ENDS-

This announcement has been authorised by the Board of Resource Base Limited.

For further information please visit our website – www.resourcebase.com.au

Contact:

Shannon Green

Executive Chairman & CEO

+61 8 6102 8072

admin@resourcebase.com.au

Jane Carew-Reid

Media & Investor Relations

+61 8 6102 8072

info@resourcebase.com.au

Ailsa Osborne

CFO & Company Secretary

+61 8 6102 8072

admin@resourcebase.com.au



About Resource Base Ltd

Resource Base Ltd (ASX: RBX) is an Australian based mineral exploration company focused on the development of highly prospective exploration projects with demonstrated potential for scalable discoveries.

Black Range Project

The Black Range Project (124km²) in Victoria's premier porphyry and VHMS target district, the Mount Stavelly Volcanic Complex (MSVC) in Western Victoria, captures three fault-bound segments of the MSVC volcanics with a combined strike length of approximately 55 kilometres. The Project includes the advanced Eclipse prospect which is prospective for copper, gold and zinc.

The Mount Stavelly Volcanic Complex is considered an analogue of the Mt Read Volcanics in Tasmania, which is host to a number of world-class VHMS deposits (Rosebery, Hellyer, Que River), the giant Mt Lyell Cu-Au deposit, and the Henty Au deposit.

Numerous other targets, including Anomaly F, Honeysuckle, Anomaly K and Mt Bepcha are associated with MSVC rocks across the tenement but have seen little work to date.

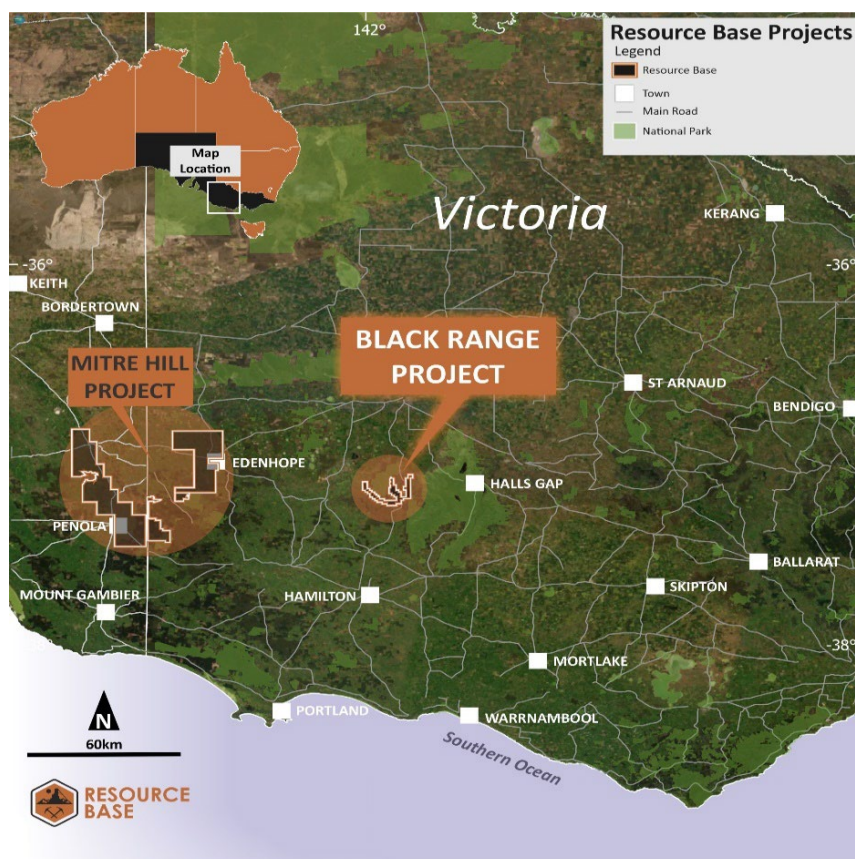
Petrological studies indicate that important VHMS style hydrothermal alteration and is well developed on the Eclipse prospect. Resource Base will utilise systematic geophysics, drilling and geochemical analyses combined with petrological and hyperspectral SWIR alteration mapping to vector towards zones with high mineralisation potential as identified from comparison with known VHMS deposits in the Mt Read Volcanics and around the world.

Mitre Hill Project

On 23 December 2021, the Company finalised the execution of the acquisition of the Mitre Hill Project (1,509km²), which contains one exploration licence in Victoria and four strategic tenement applications over ground located within the Murray Basin across Victoria and South Australia, prospective for ionic clay hosted Rare Earth Element (REE) deposits.

The licence and applications are located in the Murray Basin on the South Australian and Victorian state Border near the towns of Naracoorte, Penola and Edenhope. The largest and most prospective Application, ELA 2021/00059, runs approximately in a line, covering over 40km of strike length, from the towns of Naracoorte and Penola in South Australia. The main economic target is ionic clay hosted Rare Earth deposits, with possible economic concentrations of Heavy Rare Earths considered strategically important given global supply modelling.

The Applications are located over the transition from the concluding phases of the Loxton - Parilla strandlines to the more broadly spaced Bridgewater formation in South Australia and Victoria. A significant archive of historical exploration data has been acquired by the Company, including drilling results, numerous government studies and minor private exploration.



Forward Looking Statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance, and achievements to differ materially from any future results, performance, or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events, or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements, or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Australian Tenement Schedule at 31 December 2021

In accordance with ASX Listing Rule 5.3.3, Resource Base Limited provides its list of exploration licences with its December quarterly activities report.

Project and Location	Tenements Held At End of Quarter	Tenements Acquired or Disposed of During Quarter	Beneficial Interest at End of Quarter	Areas (Ha)	Notes
Black Range Project	EL4590	Held	100%	12,400Ha	Project was acquired from Navarre Minerals Limited on 2 July 2021.
Mitre Hill Project	EL007646	Acquired	100%	2,800Ha	Project was acquired 23 December 2021.



Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

RESOURCE BASE LTD

ABN

57 113 385 425

Quarter ended ("current quarter")

31 DECEMBER 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(186)	(652)
	(e) administration and corporate costs	(33)	(891)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(1)	(2)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(220)	(1,545)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	(121)	(219)
	(b) tenements	-	-
	(c) property, plant and equipment	(15)	(15)
	(d) exploration & evaluation	(488)	(631)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(624)	(865)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	85	6,700
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(76)	(395)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(12)	(22)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(3)	6,283

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,818	98
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(220)	(1,545)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(624)	(865)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	6,283

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,971	3,971

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,971	4,818
5.2	Call deposits		-
5.3	Bank overdrafts		-
5.4	Other (provide details)		-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,971	4,818

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	110
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		
6.1	Payments for Directors and payments made under the Executive Services Agreements with the CEO and CFO's (net of GST)	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	25	25
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Comprises Insurance Premium Funding for the FY2022 year		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(220)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(488)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(708)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,971
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,971
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.61
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2022

Authorised by: The Board of Resource Base Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.