

## March 2017 - Quarterly Activities Report

The Company has continued to investigate and create opportunities to maximise the value of its strategic assets, the Broula King Mining Lease ("BKML"), processing and storage facilities.

During the quarter, the Company completed an exploration RC drilling campaign consisting of 10 holes for 898m. The drilling targeted a mix of structural and geophysical features around the Broula King gold mine and the historic Cowfell copper mine within the BKML.

The visual appearance of the drill chips from most of the drill holes are encouraging but it is unknown if these chips contain economic values of gold and/or base metals until assaying is completed. Preliminary assays are expected early to mid-May.



Silicified dacite with chalcopyrite, galena and sphalerite in quartz veining



Primary chalcopyrite in quartz veining with malachite on fractures. Transition between supergene and primary copper mineralisation

### COMPANY DETAILS

**Principal and Registered Office:**

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Melbourne Victoria 3000  
AUSTRALIA

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**Phone:**

(03) 9614 0600

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(03) 9614 0550

**ABN:**

57 113 385 425

**ASX Code:**

RBX

**Corporate Information:**

Shareholders: 515  
Shares on Issue: 412,367,657

**Directors:**

**Non Executive Director:**

Martin Janes  
Michael Kennedy  
Angelo Siciliano  
Peter Kelliher

The Company continues to have discussions with various third parties opportunities to treat third party ores or concentrates and potential acquisitions of third party orebodies with the Directors reviewing several synergistic acquisitions.

## **BROULA KING PROJECT**

The Broula King project is situated about 230 km due west of Sydney near Bumbaldry which is mid-way between the towns of Grenfell and Cowra. The modern 125,000 tpa CIL plant is fully permitted with existing tailings dam capacity with potential to increase that capacity. The plant successfully treated 183,863 tonnes of gold ore between 2012 and 2014.

### **Competent Person's Statement**

*The information in this report that relates to Exploration Results is based on information compiled by Mr Eric Whittaker, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Whittaker is an independent consultant Geologist and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Whittaker consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

RESOURCE BASE LIMITED

### ABN

57 113 385 425

### Quarter ended ("current quarter")

MARCH 2017

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|-----------------------------------------------------------|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               | 24                         | 117                                   |
| 1.2 Payments for                                          |                            |                                       |
| (a) exploration & evaluation                              |                            |                                       |
| (b) development                                           |                            |                                       |
| (c) production                                            |                            |                                       |
| (d) staff costs                                           | (18)                       | (64)                                  |
| (e) administration and corporate costs                    | (124)                      | (604)                                 |
| 1.3 Dividends received (see note 3)                       |                            |                                       |
| 1.4 Interest received                                     |                            |                                       |
| 1.5 Interest and other costs of finance paid              |                            | 7                                     |
| 1.6 Income taxes paid                                     |                            |                                       |
| 1.7 Research and development refunds                      |                            |                                       |
| 1.8 Other (provide details if material)                   |                            |                                       |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(118)</b>               | <b>(544)</b>                          |

|                                                |     |      |
|------------------------------------------------|-----|------|
| <b>2. Cash flows from investing activities</b> |     |      |
| 2.1 Payments to acquire:                       |     |      |
| (a) property, plant and equipment              | (3) | (53) |
| (b) tenements (see item 10)                    |     |      |
| (c) investments                                |     |      |
| (d) other non-current assets                   |     | (21) |

| <b>Consolidated statement of cash flows</b> |                                                       | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|---------------------------------------------|-------------------------------------------------------|------------------------------------|------------------------------------------------|
| 2.2                                         | Proceeds from the disposal of:                        |                                    |                                                |
|                                             | (a) property, plant and equipment                     |                                    |                                                |
|                                             | (b) tenements (see item 10)                           |                                    |                                                |
|                                             | (c) investments                                       |                                    |                                                |
|                                             | (d) 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)                   |                                    |                                                |
| <b>2.6</b>                                  | <b>Net cash from / (used in) investing activities</b> | <b>(3)</b>                         | <b>(74)</b>                                    |

|             |                                                                             |            |            |
|-------------|-----------------------------------------------------------------------------|------------|------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>                                 |            |            |
| 3.1         | Proceeds from issues of shares                                              |            | 541        |
| 3.2         | Proceeds from issue of convertible notes                                    |            |            |
| 3.3         | Proceeds from exercise of share options                                     |            |            |
| 3.4         | Transaction costs related to issues of shares, convertible notes or options |            | (40)       |
| 3.5         | Proceeds from borrowings                                                    | 100        | 100        |
| 3.6         | Repayment of borrowings                                                     |            |            |
| 3.7         | Transaction costs related to loans and borrowings                           |            |            |
| 3.8         | Dividends paid                                                              |            |            |
| 3.9         | Other (provide details if material)                                         |            |            |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                       | <b>100</b> | <b>601</b> |

|            |                                                                              |            |            |
|------------|------------------------------------------------------------------------------|------------|------------|
| <b>4.</b>  | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |            |            |
| 4.1        | Cash and cash equivalents at beginning of period                             | 133        | 129        |
| 4.2        | Net cash from / (used in) operating activities (item 1.9 above)              | (118)      | (544)      |
| 4.3        | Net cash from / (used in) investing activities (item 2.6 above)              | (3)        | (74)       |
| 4.4        | Net cash from / (used in) financing activities (item 3.10 above)             | 100        | 601        |
| 4.5        | Effect of movement in exchange rates on cash held                            |            |            |
| <b>4.6</b> | <b>Cash and cash equivalents at end of period</b>                            | <b>112</b> | <b>112</b> |

| <b>5. Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|
| 5.1 Bank balances                                                                                                                                                              | 112                                | 133                                 |
| 5.2 Call deposits                                                                                                                                                              |                                    |                                     |
| 5.3 Bank overdrafts                                                                                                                                                            |                                    |                                     |
| 5.4 Other (provide details)                                                                                                                                                    |                                    |                                     |
| <b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>                                                                                           | <b>112</b>                         | <b>133</b>                          |

| <b>6. Payments to directors of the entity and their associates</b>                                       | <b>Current quarter<br/>\$A'000</b> |
|----------------------------------------------------------------------------------------------------------|------------------------------------|
| 6.1 Aggregate amount of payments to these parties included in item 1.2                                   | 15                                 |
| 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3                       |                                    |
| 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 |                                    |
| 6.1 Reimbursement and consulting fees                                                                    |                                    |

| <b>7. Payments to related entities of the entity and their associates</b>                                | <b>Current quarter<br/>\$A'000</b> |
|----------------------------------------------------------------------------------------------------------|------------------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2                                   |                                    |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3                       |                                    |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 |                                    |
|                                                                                                          |                                    |

| <b>8. Financing facilities available</b><br><i>Add notes as necessary for an understanding of the position</i>                                                                                                                                                                             | <b>Total facility amount<br/>at quarter end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------|
| 8.1 Loan facilities                                                                                                                                                                                                                                                                        | 200                                                         | 100                                                |
| 8.2 Credit standby arrangements                                                                                                                                                                                                                                                            |                                                             |                                                    |
| 8.3 Other (please specify)                                                                                                                                                                                                                                                                 |                                                             |                                                    |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. |                                                             |                                                    |

The company has entered into a debt facility agreement for up to \$200,000 with Asipac Group Pty Ltd, a major shareholder.

| <b>9. Estimated cash outflows for next quarter</b> | <b>\$A'000</b> |
|----------------------------------------------------|----------------|
| 9.1 Exploration and evaluation                     | 100            |
| 9.2 Development                                    |                |
| 9.3 Production                                     |                |
| 9.4 Staff costs                                    |                |
| 9.5 Administration and corporate costs             | 170            |
| 9.6 Other (provide details if material)            |                |
| <b>9.7 Total estimated cash outflows</b>           | <b>270</b>     |

*The Company will rely on its existing cash resources and future capital raising (either debt and/or equity), including its ability to place securities under LR7.1 and LR7.1A to fund its current activities. In addition, the Company entered into a debt facility with its major shareholder, Asipac Group Pty Ltd for a debt facility of up to \$200,000 (of which has been drawn down to \$100,000).*

*In light of the above factors, the Company believes that it will have sufficient cash to fund its existing activities. The Company expects to have negative cashflows from operations of approximately \$270,000 for the forthcoming quarter. The Company's Board and Management is focused on meeting its current objectives and confirm that it is in compliance with ASX Listing Rules, in particular, Listing Rule 3.1.*

| 10.  | Changes in tenements (items 2.1(b) and 2.2(b) above)                                  | Tenement reference and location | Nature of interest      | Interest at beginning of quarter | Interest at end of quarter |
|------|---------------------------------------------------------------------------------------|---------------------------------|-------------------------|----------------------------------|----------------------------|
| 10.1 | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | ML 1615<br>Bumbaldry<br>NSW     | Held by 100% subsidiary | 100%                             | 100%                       |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased           |                                 |                         |                                  |                            |

There has been no change in mining interests during the quarter.

### 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.

Sign here:  .....

Director

Date: ...26 April 2017.....

Print name: .....Martin Janes.....

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.