

# ASX ANNOUNCEMENT

10 MAY 2016

## COMMENCEMENT OF SHARE BUY-BACK

Rey Resources Limited (ASX: REY; “Rey” or “the Company”) is pleased to advise that as part of its ongoing capital management strategy it is implementing an on-market buyback for up to 10% of its issued capital over the period of 12 months.

The Board of Rey considers the current share price does not reflect the strong underlying cash position and value within the Company’s assets. Accordingly, the Board believes that an on market buy-back is an effective capital management initiative which should deliver increased value to shareholders. The buyback period is scheduled to commence on 23 May 2016. Pursuant to section 257B(4) of the Corporations Act 2001 (Cth), the share buyback does not require shareholder approval as it falls under the 10/12 limit.

The timing and quantity of shares purchased will depend on current market conditions and other future events. Bell Potter Securities Limited have been appointed as the broker and will manage the buyback on behalf of Rey Resources.

An Appendix 3C follows for the implementation of the buy-back.

For further information please contact:

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