

ASX ANNOUNCEMENT

17 OCTOBER 2016

SECONDARY TRADING NOTICE

Further to the Appendix 3B released today, the Company confirms it has today issued 66,666,666 fully paid ordinary shares to a sophisticated investor, at an issue price of \$0.015 per share, to raise \$1,000,000.

Secondary Trading Notice Pursuant to Paragraph 708A(5)(e) of the Corporations Act 2001 ("Act")

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By giving this notice, a sale of the Shares noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

- (a) the Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 17 October 2016, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at 17 October 2016 there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to the relevant Shares and Options.

For further information, please contact:

Geoff Baker
Non-Executive Director
+61 2 92519088

www.reyresources.com