

ASX release

22 June 2016

NON-RENOUNCEABLE RIGHTS ISSUE AND CLEANSING NOTICE

Further to the announcement on 15 April 2016 regarding Resource Base Limited's (RBX or **Company**) proposed intention to conduct a rights issue, the Company is pleased to announce a non-renounceable rights issue to eligible shareholders, on the basis of 1 new fully paid ordinary share for every 2 shares held at an issue price of \$0.004 per share (**New Share**), to raise approximately \$550,000 (before costs) (**Rights Issue**). Approximately 137,500,000 New Shares will be offered under the Rights Issue.

The Rights Issue will be available to all registered shareholders who hold shares at 7.00pm Melbourne time on 28 June 2016 (**Record Date**) with registered addresses in Australia and New Zealand.

In accordance with the ASX Listing Rules and the *Corporations Act 2001* (Cth) (**Corporations Act**), RBX has considered the number of shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand, the Company has formed the view that it is unreasonable to extend the Rights Issue to those shareholders.

The purpose of the Rights Issue is to raise approximately \$550,000, including the costs of the Rights Issue. The funds raised from the Rights Issue will be used to further advance the Company's Broula King Project and its exploration potential, assessing new opportunities, provide working capital for the Company and fund the costs of the Rights Issue.

A proposed timetable for the Rights Issue is set out in the table below:

Event	Date
Announcement of Rights Issue. Offer Document and Appendix 3B lodged with ASX	22 June 2016
Notice of Rights Issue sent to shareholders	23 June 2016
Shares commence trading on an ex basis	24 June 2016
Record Date for the Rights Issue (7.00pm Melbourne time)	28 June 2016
Despatch Offer Document to shareholders	1 July 2016
Opening Date of Rights Issue (9.00am Melbourne time)	1 July 2016
Closing Date of Rights Issue (5.00pm Melbourne time)	12 July 2016
Shares commence trading on deferred settlement basis	13 July 2016

Event	Date
Advise ASX of any shortfall	15 July 2016
Allotment of New Shares under Rights Issue	19 July 2016
Despatch of holding statements for New Shares and deferred settlement trading ends	19 July 2016
Normal trading of New Shares on ASX begins	20 July 2016

This timetable is indicative only and may be subject to change subject to the requirements of the Corporations Act and the ASX Listing Rules.

The Rights Issue is being made without a disclosure document, in accordance with section 708AA of the Corporations Act. RBX will prepare and send an Offer Document to all Eligible Shareholders on 1 July 2016, as set out in the timetable above.

CLEANSING NOTICE

Pursuant to section 708AA(7) of the Corporations Act, RBX provides notice of the following:

1. RBX will offer the New Shares for issue without disclosure to investors under part 6D.2 of the Corporations Act.
2. RBX is providing this notice under section 708AA(2)(f) of the Corporations Act.
3. As at the date of this notice, RBX has complied with:
 - (a) the provisions of chapter 2M of the Corporations Act as they apply to RBX; and
 - (b) section 674 of the Corporations Act.
4. As at the date of this notice there is no information:
 - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, other than as set out in paragraph 6 below; and
 - (b) that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (1) the assets and liabilities, financial position and performance, profits and losses and prospects of RBX; or
 - (2) the rights and liabilities attaching to the New Shares.
5. If all shareholders take up their entitlement under the Rights Issue, the Rights Issue will have no effect on the control of RBX. However, the proportional shareholdings of shareholders who are not residents in Australia and New Zealand may be diluted as those shareholders are not entitled to participate in the Rights Issue. Additionally, if an Eligible Shareholder does not take up their entitlement in full there may be a dilutionary effect on that shareholder's proportionate shareholding.

In the event of a shortfall, the directors of RBX reserve the right to place the shortfall at their sole discretion. Acceptance of entitlements or the placement of any shortfall may also result in existing shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. However, the shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act, which restrict a person and their associates from having a relevant interest in the Company of not more than 20%, subject to a number of exemptions.

6. The Company notes that its mining operating plan (**MOP**) was due for lodgement on 20 June 2016. The Company has sought an extension to the date for lodgement of the MOP; however, as at the date of this notice formal confirmation regarding an extension has not been received.

FURTHER INFORMATION

The Company anticipates that approximately 137,500,000 New Shares will be issued. The New Shares will be issued for \$0.004 each.

Upon completion of the Rights Issue, and assuming it is fully subscribed, the issued capital of RBX will comprise approximately 412,367,626 shares.

The New Shares will rank equally in all respects with RBX's existing shares. If an Eligible Shareholder's entitlement results in a fraction of a New Share, the entitlement will be up to the nearest whole number.

Trading in the New Shares is expected to commence on 20 July 2016.

An Appendix 3B applying for quotation of the New Shares will be released to the ASX separately to this letter.

RBX encourages all Eligible Shareholders to participate in the capital raising.

Yours faithfully



Adrien Wing
Company Secretary
Resource Base Limited

For further information please contact Adrien Wing, Company Secretary on +61 3 9614 0600. Alternatively visit the Company's website at www.resourcebase.com.au.