



**RESOURCEBASE**  
LIMITED

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# Quarterly Activities Report for the Quarter ended 30 September 2009



## Highlights for the quarter

Development of the Broula King gold mine continuing including;

- Site clearing near completed
- Infrastructure in place
- Water supply pipeline tested and buried
- Clearing for tailings storage facility near completed

## Corporate information:

**Status:** Australia public company listed on the Australia Securities Exchange (ASX)

**ASX Code:** RBX

## Capital structure:

Fully paid shares 69.6 million

Unlisted options 2 million

## Directors :

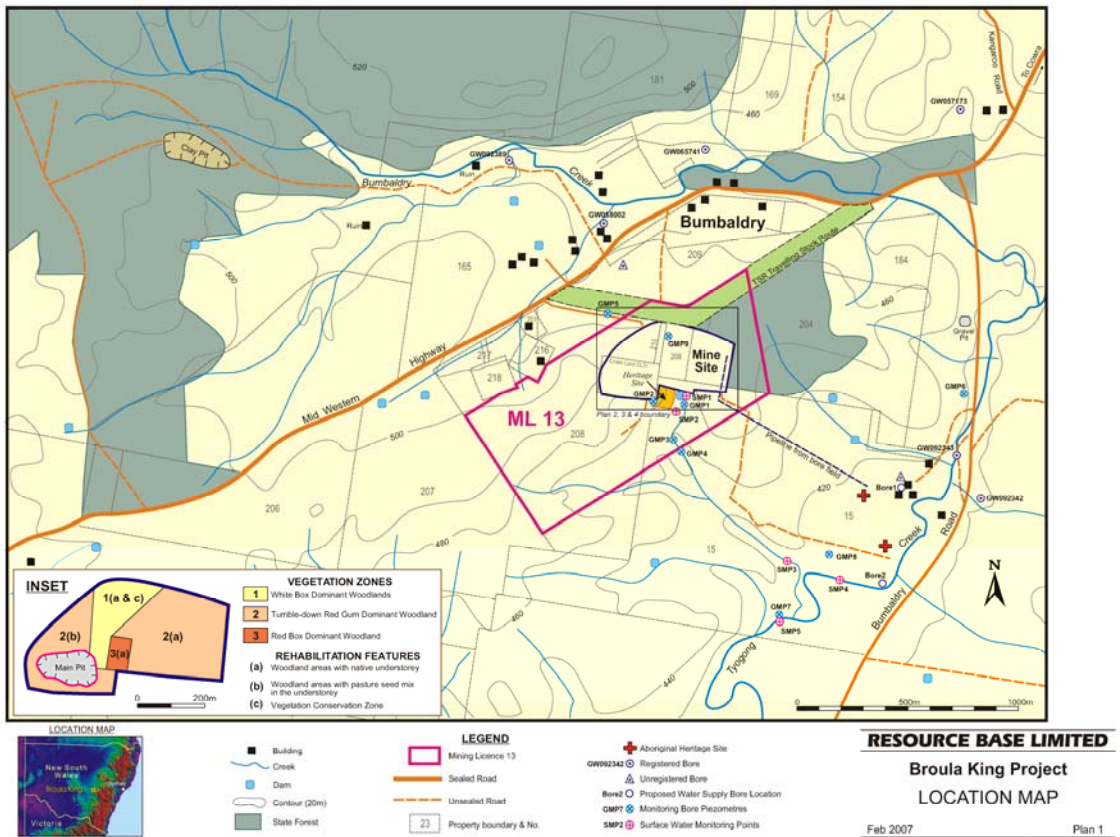
Alan Fraser	Managing Director
Peter Kelliher	Executive Director
Kevin Lynn	Non Executive Director



## Activities Report

# Broula King Gold Mine

The project is situated about 230 km due west of Sydney near Bumbaldry, lying mid way between the towns of Grenfell and Cowra in the Central West Slopes region of NSW.



During the quarter the vegetation clearing on the site for the tailings storage facility, open cut and treatment plant was completed with the vegetation removed and stockpiled for future use in rehabilitation.

Some fabricated equipment plus the two main generators were transported to site.

All borefield permits and infrastructure in place for the two bore system.

Limited work continuing on site including maintenance of existing assets.

Environmental monitoring is continuing to provide background data for the project.

## **New Opportunities**

Many exploration programs throughout Australia have been stopped or significantly wound down in recent times. There is though a number of projects somewhat closer to production becoming available. The Company will continue to monitor this position.

## **Corporate**

### **Capital Raising**

During the quarter the Company placed 8,000,000 ordinary fully paid shares to clients of Martin Place Securities Limited at an issue price of 5 cents per share (with 1:2 attaching option. The option is subject to shareholder approval at the forthcoming Annual General Meeting), raising \$400,000 before associated costs.

### **Convertible Note/Convertible Loan Fundraising**

On 30 June 2009 the Company advised that it had secured \$1.5m in funding through a Convertible Note (\$500,000)/Convertible Loan (\$1,000,000) at 10% interest, however the Company did not conclude this arrangement and announced on 29<sup>th</sup> September a Proposed Pro-rata offer.

The Company is currently working with the proposed Convertible Note/Loan holder regarding the revised timing of the funds pursuant to the arrangement.

### **Pro-Rata Offer**

The Company proposes undertaking a pro-rata offer of new shares and free attaching options to shareholders.

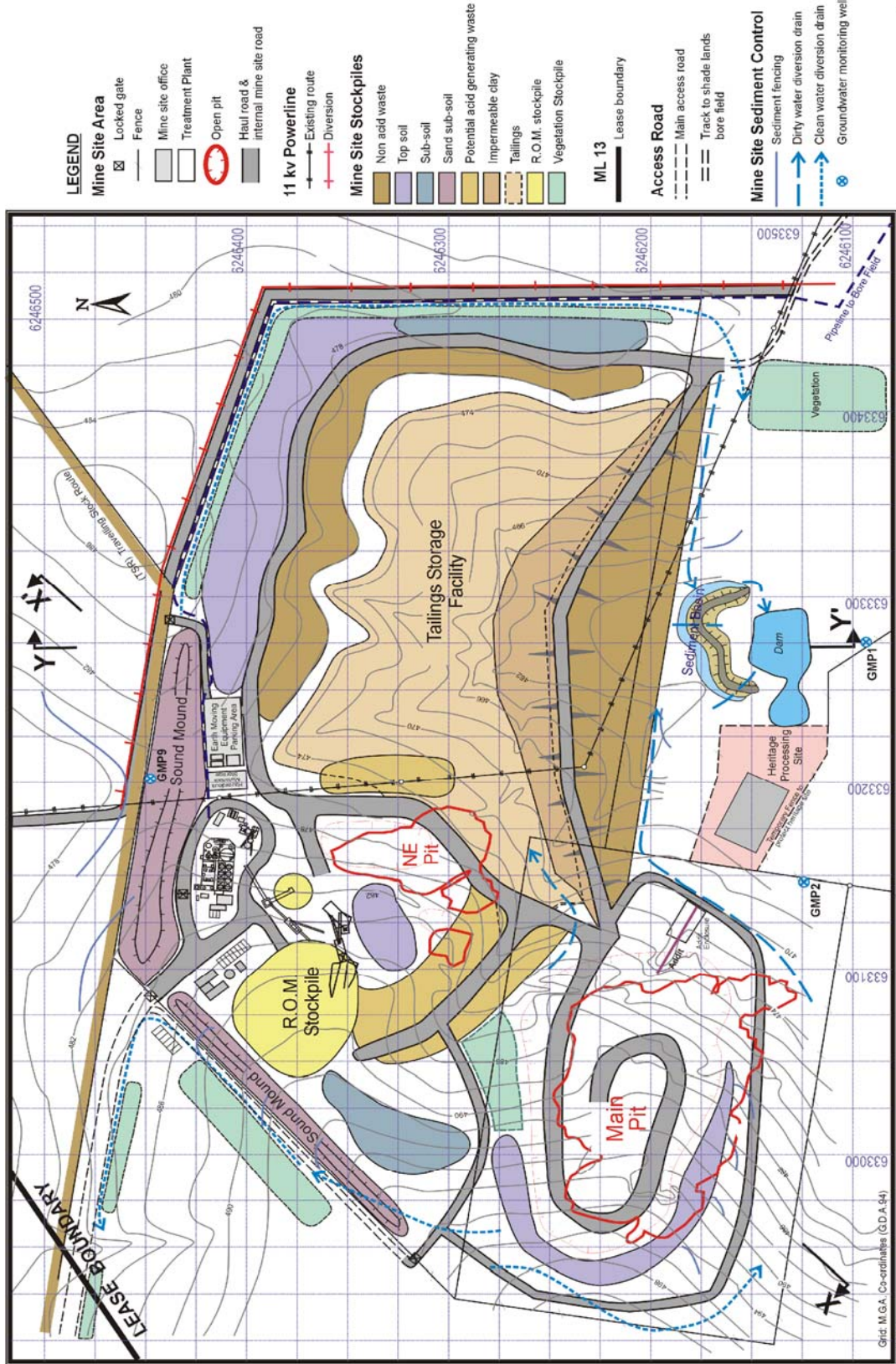
Shareholders at the record date will be offered the opportunity to apply for three new shares for every seven shares held, at an issue price of 5 cents (\$0.05) per share applied for. Each two new shares will come with one free attaching option exercisable at 5 cents on or before 30 November 2011. The Company will apply for the new shares and free attaching options to be listed, subject to satisfaction of the requirements of ASX.

Upon full subscription of the offer, the Company will raise \$1,492,857 before associated costs. Funds raised by the issue will be applied to the further development of the Broula King Gold Mine and working capital requirements. As a pro rata offer, the Company does not anticipate seeking shareholder approval to make the offer.

The Company has accepted an offer from Martin Place Securities Pty Ltd to underwrite a minimum of 50% of the offer.

Further information regarding the proposed pro rata offer, including the record date for shareholdings entitled to participate in the offer, and the timetable for the offer, will be the subject of further announcements to ASX by the Company. The Company will also lodge an Appendix 3B regarding the proposed issue when the timetable for the offer is finalised.





- LEGEND**
- Mine Site Area**
- Locked gate
  - Fence
  - Mine site office
  - Treatment Plant
  - Open pit
  - Haul road & internal mine site road
- 11 kv Powerline**
- Existing route
  - Diversion
- Mine Site Stockpiles**
- Non acid waste
  - Top soil
  - Sub-soil
  - Sand sub-soil
  - Potential acid generating waste
  - Impermeable clay
  - Tailings
  - R.O.M. stockpile
  - Vegetation Stockpile
- ML 13**
- Lease boundary
- Access Road**
- Main access road
  - Track to shade lands bore field
- Mine Site Sediment Control**
- Sediment fencing
  - Dirty water diversion drain
  - Clean water diversion drain
  - Groundwater monitoring well

**RESOURCE BASE LIMITED**

**Broula King Project**

**GENERALISED**

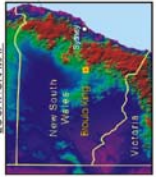
**MINE SITE LAYOUT**

3 June 2008

Plan 3

ISSUE B

ISSUE	AMENDMENT	DATE
B	Heritage site located. Sediment basin positioned. NE corner survey completed. MGA grid added. Visitor carpark repositioned	15/04/2008
A	Add vegetation storages.	14/01/2008



LOCATOR MAP



# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

RESOURCE BASE LIMITED

ABN

57 113 385 425

Quarter ended ("current quarter")

September 2009

### Consolidated statement of cash flows

		Current quarter	Year to date
		\$A'000	(3 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors		
1.2	Payments for		
	(a) exploration and evaluation	(120)	(120)
	(b) development		
	(c) production	(166)	(166)
	(d) administration		
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	7	7
1.5	Interest and other costs of finance paid	(7)	(7)
1.6	Income taxes paid		
1.7	Other (provide details if material)	26	26
		(260)	(260)
<b>Net Operating Cash Flows</b>			
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a)prospects/farmins/bank guarantees	-	-
	(b)equity investments		
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects/farmins/bank guarantees	10	10
	(b)equity investments		
	(c)other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)	10	10
		20	20
<b>Net investing cash flows</b>			
1.13	Total operating and investing cash flows (carried forward)	(240)	(240)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(240)	(240)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares	400	400
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings	(23)	(23)
1.18	Dividends paid		
1.19	Other – Capital raising costs	(26)	(26)
	<b>Net financing cash flows</b>	351	351
	<b>Net increase (decrease) in cash held</b>	111	111
1.20	Cash at beginning of quarter/year to date	39	39
1.21	Adjustment		
1.22	<b>Cash at end of quarter</b>	150	150

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	100
<b>Total</b>	<b>100</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	150	39
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other		
<b>Total: cash at end of quarter</b> (item 1.22)	<b>150</b>	<b>39</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.



**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b> (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>+Ordinary securities</b>	69,666,667	55,679,168		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	8,000,000	8,000,000	5.0	-
7.5	<b>+Convertible debt securities</b> (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	2,000,000	-	<i>Exercise price</i> <b>\$0.20</b>	<i>Expiry date</i> <b>30 June 2011</b>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				

+ See chapter 19 for defined terms.

7.12	<b>Unsecured notes (totals only)</b>		
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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date: 30 October 2009

Director

Print name: Alan R Fraser

## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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