



RESOURCEBASE
LIMITED

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19 September 2011

Dear Shareholder

**Rights Issue
Notice to shareholders**

On 16 September 2011, Resource Base Limited (**Resource Base** or **Company**) announced that it will be undertaking a non-renounceable rights issue of up to 65,809,790 fully paid ordinary shares in Resource Base (**New Shares**) to existing shareholders at a price of \$0.036 each to raise up to \$2,369,152 before costs (**Offer**). Eligible Shareholders will be able to subscribe for 1 New Share for every 2 ordinary fully paid shares (**Share**) held on the record date.

Details of the Offer are summarised below and are set out in full in the Prospectus. The Prospectus has been lodged with the Australian Securities and Investments Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) and is available on the ASX website, www.asx.com.au. A copy of the Prospectus is also available on the Company's website, www.resourcebase.com.au.

A hard copy of the Prospectus and an Entitlement and Acceptance Form will be despatched to Eligible Shareholders on 30 September 2011.

Purpose of the offer

The purpose of the Offer is to provide working capital for the Company's activities.

The funds raised by the Offer will be applied, with existing funds and after payment of the costs of the Offer, to advance the development of the Company's mining and exploration assets, particularly, the Broula King Gold Mine located in New South Wales.

The Offer will raise up to \$2,369,152 before costs. If the Offer is fully subscribed, it is currently expected that the funds raised will be applied as follows:

Activity	Allocated Funds
Gross funds to be raised	\$2,369,152
Less anticipated expenses of the Offer	\$218,457
Net Working Capital	\$2,150,694

The Company's actual allocation of funds may change depending on the circumstances in which its business develops and operates. The Company will provide details of its actual expenditure in its periodic reports and as otherwise required by the ASX Listing Rules.

For personal use only

Basis of participation

Under the Offer, Eligible Shareholders will be entitled to apply for 1 New Share at a price of \$0.036 per New Share for every 2 Shares held as at 7pm Melbourne Time on 29 September 2011 (**Record Date**), subject to the terms of the Offer (**Entitlement**). Fractional entitlements to New Shares will be rounded up to the nearest whole New Share.

The New Shares will be issued on the same terms as existing Shares and will rank equally with existing Shares from the date of issue. The Company will apply to have the New Shares quoted on ASX.

The Entitlements are non-renounceable and will not be tradable on ASX or otherwise transferable. Eligible Shareholders who do not take up their Entitlement in full will not receive any value in respect of those Entitlements they do not take up.

To accept their Entitlement, eligible shareholders should complete the Entitlement and Acceptance Form and return the form to the Company's Share Registry and either forward a cheque for the amount payable for the New Shares to the Share Registry or pay by electronic transfer in accordance with the instructions on the Entitlement and Acceptance Form.

Eligible Shareholders

Resource Base will be making the Offer available to Eligible Shareholders only. Eligible Shareholders are those shareholders who:

- are the registered holder of Resource Base Shares as at the Record Date;
- have a registered address in Australia or New Zealand or have a registered address in certain other jurisdictions where the Company has determined that such persons can be offered and issued with New Shares without the Company having to comply with any conditions or additional disclosure or legal requirements; and
- are eligible under all applicable laws to take up their Entitlements.

In particular, the Offer has not been, and will not be, registered under the United States Securities Act of 1933 and is not being made in the United States or to persons resident in the United States.

The Company will appoint a nominee who will subscribe for the Entitlements of the Ineligible Shareholders and then sell those resultant New Shares. The nominee will remit any proceeds of the sale of the New Shares (less costs) to the Company to be distributed to the Ineligible Shareholders. Applications are only capable of being processed by the Company after the Opening Date.

Shortfall offer

The shortfall offer is a separate and independent offer made under the Prospectus to Eligible Shareholders and other eligible investors to subscribe for Shares not otherwise taken up in the Offer at a price of \$0.036 per New Share. Eligible Shareholders may subscribe for additional New Shares in excess of their entitlement under the shortfall offer.

Underwriting

The Offer is fully underwritten. Asipac Capital Ltd (ACN 007 268 386) (AFSL 300767) has agreed to underwrite any shortfall in acceptances up to \$2,369,152.44 (65,809,790 New Shares) being 100% of the New Shares offered under this Prospectus.

As at the date of this Prospectus, the Underwriter and its associates hold voting power in 26,278,000 issued shares of Resource Base, being 19.97% of the presently issued voting shares.

If the Underwriter and its associates accept their respective Entitlements under the Offer in full and in the unlikely event no other Shareholder takes up their Entitlement and the Underwriter is required to take up the maximum number of New Shares pursuant to the Underwriting Agreement, then the Underwriter's and its associates' direct and indirect voting power in Resource Base will increase to a maximum of approximately 46.64%.

Timetable

Event	Date
Lodgement of Prospectus	16 September 2011
Notice of Offer to be sent to Option holders	19 September 2011
Notice of Offer to be sent to Shareholders	20 September 2011
'Ex' Date	23 September 2011
Record Date	29 September 2011
Dispatch of Prospectus / Opening Date	30 September 2011
Closing Date	18 October 2011
Notify ASX of under subscriptions for New Shares	21 October 2011
Dispatch date of holding statements	26 October 2011
Commencement / Reinstatement to trading of Shares and New Shares	27 October 2011

The timetable is indicative only and may change, subject to the requirements of the ASX Listing Rules and the Corporations Act 2001 (Cth).

Capital structure

At the date of the Prospectus, Resource Base has the following securities on issue:

- 131,619,580 Shares,
- 18,928,555 listed options exercisable at 5 cents on or before 30 November 2011; and
- 2,000,000 unlisted options exercisable at 20 cents on or before 30 June 2013.

Following completion of the Offer and the issue of the New Shares (and provided that no Options are exercised prior to completion of the Offer), the Company will have the following securities on issue:

SHARES

Description	Shares
Shares on issue as at the date of the Prospectus	131,619,580
Maximum number of New Shares to be issued	65,809,790
Total Shares on issue if the Offer is fully subscribed	197,429,370

OPTIONS

Description	Date of Expiry	Exercise Price	Number of Options
Existing (unlisted)	30 June 2013	\$0.20	2,000,000
Existing (listed)	30 November 2011	\$0.05	18,928,555
	Total Options		20,928,555

Quotation of New Shares

The Shares in Resource Base were suspended from trading on ASX on 17 March 2011 and currently remain in suspension. The suspension was imposed by ASX as a result of an adverse opinion of the auditor in the Company's Half Year Accounts lodged with ASX on 16 March 2011.

The Company expects that subject to completion of the Rights Issue and the lodgement with ASX of the Company's Full Year Accounts for the period ended 30 June 2011, such accounts not including an 'adverse' opinion from the Company's auditor, the Company's Shares and the New Shares will be admitted to quotation (the suspension lifted) and trading will commence on or about 27 October 2011.

In the event that the New Shares are not admitted to quotation on ASX, they will not be issued by the Company and all Application Monies will be refunded to Applicants.

Prospectus and continuous disclosure

The Prospectus is a "transaction specific prospectus" and has been prepared in accordance with section 713 of the Corporations Act. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities being offered. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Eligible Shareholders should carefully read the Prospectus and have regard to all publicly available information on Resource Base before making a decision whether or not to invest.

In particular, the Prospectus contains details of the investment and business risk factors that Eligible Shareholders should consider prior to participating in the Offer.

Further information

As noted above, the Prospectus and your personalised Entitlement and Acceptance Form will be dispatched to you on 30 September 2011.

If you have any queries in regard to the Offer, please contact Resource Base's Company Secretary, Adrien Wing:

Address	Telephone
Level 17 500 Collins Street Melbourne VIC 3000	+61 3 9614 0600

Yours faithfully,



Alan Fraser
Director