

For personal use only

Resource Base Limited

ABN 57 113 385 425

Notice of Annual General Meeting

This is an important document. Please read it carefully.

If you are unable to attend the Annual General Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form.

The Annual General Meeting of the Company will be held at:
The Institute of Chartered Accountants
Level 3, 600 Bourke Street, Melbourne, Victoria 3000
at 1.00pm (Melbourne time) on 27 November 2012.

Time and Place of Meeting and How to Vote

Venue

The Annual General Meeting of Shareholders of the Company will be held at:

The Institute of Chartered Accountants Level 3 600 Bourke Street Melbourne, Victoria 3000	Commencing 1.00pm (Melbourne time) on 27 November 2012
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How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above.

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Meeting as soon as possible and either:

- (a) send the proxy form by facsimile to the Company Secretary on facsimile number + 61 3 9614 0550; or
- (b) post or deliver the proxy form to the Company at Level 17, 500 Collins Street, Melbourne, Victoria,

so that it is received not later than 1.00pm (Melbourne time) on 25 November 2012.

Your proxy form is enclosed.

Resource Base Limited

ABN 57 113 385 425

NOTICE OF 2011 ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 1.00pm (Melbourne time) on 27 November 2012 at The Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne, Victoria.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00 pm (Melbourne time) on 25 November 2012.

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2012 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following Resolution as a **non-binding advisory resolution**:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Company approves the adoption of the remuneration report for the year ended 30 June 2012".

Voting Exclusion Statement:

A vote on this resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) A member of the Key Management Personnel, details of whose remuneration are included in the remuneration report; or
- (b) A closely related party of such a member.

However a person described above may vote on this resolution if:

- (c) The person does so as a proxy appointed by writing that specifies how the proxy is to vote on this resolution; and
- (d) The vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

Resolution 2 – Re-Election of Director – Mr Kevin Lynn

To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

"That Mr Kevin Lynn, a Director who retires by rotation pursuant to Article 57 of the constitution of the Company and is eligible for re-election, be re-elected as a Director of the Company."

Resolution 3 – Ratification of prior issue of 17,000,000 Convertible Notes

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.4 and for all other purposes shareholders ratify the prior issue by the Company of 17,000,000 convertible notes and approve the issue of new ordinary shares upon conversion of any or all of the convertible notes, as described in the Explanatory Statement accompanying and forming part of the Notice of Meeting."

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 3 by a person who participated in the issue; and an associate of that person (or those persons).

However, the Company need not disregard a vote on Resolution 3 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 – Approval to issue shares to a Director, Mr Alan Fraser

To consider and, if thought fit, pass the following as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes shareholders approve the issue of up to 10,000,000 fully paid ordinary shares in the issued capital of the Company at an issue price of 2.5 cents (\$0.025) each to Mr Alan Fraser (and/or his nominee), a Director of the Company as described in the Explanatory Statement accompanying and forming part of the Notice of Meeting."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 5 by a Mr Alan Fraser and any of his associates.

However, the Company need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 – Approval of 10% share placement facility

To consider, and if thought fit, pass the following as a special resolution:

"That for the purposes of Listing Rule 7.1A and for all other purposes, shareholders approve the

Company having the additional capacity to issue fully paid ordinary shares in the capital of the Company up to a maximum number permitted under ASX Listing Rule 7.1A, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement accompanying and forming part of the Notice of Meeting."

Voting Note:

If as at the time of the Annual General Meeting, the Company:

- is included in the S&P/ASX 300 Index; and/or
- has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of greater than AU\$300 million,

then this Resolution will be withdrawn.

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by persons who may participate in the proposed issue and persons who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed or an associate of those persons.

However, the Company need not disregard a vote on this Resolution if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Dated this 24th day of October 2012

By Order of the Board



Adrien Wing
Company Secretary

Notes:

1. A Shareholder of the Company who is entitled to attend and vote at a general meeting of Shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 5.00pm (Melbourne Time) on 25 November 2012.
4. The Company's 2012 Annual Financial Statements are set out in the Company's 2012 Annual Report which can be obtained from the Company's website, www.resourcebase.com.au or upon request to the Secretary at the Company's registered office, Level 17, 500 Collins Street, Melbourne, Victoria, 3000 (telephone (03) 9614 0600).

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 1.00pm (Melbourne time) on 27 November 2012 at The Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne, Victoria.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act requires that at a listed Company's Annual General Meeting, a resolution that the remuneration report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company (**Key Management Personnel**). The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2012.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

Any undirected proxies held by the Chairman of the meeting, other Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 will not be voted on Resolution 1.

The Company encourages all Shareholders to cast their vote in relation to Resolution 1 and if Shareholders chose to appoint a proxy, Shareholders are encouraged to direct their proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the Proxy, or where the Chairman is appointed as proxy, by marking the applicable box in the Proxy directing the Chairman to vote in accordance with the Chairman's voting intentions.

2. Resolutions 2 – Re-election of Director – Mr Kevin Lynn

Pursuant to Article 57 of the Constitution of the Company, if the Company has three (3) or more Directors, one-third of the Directors (rounded down to the nearest whole number), are required to retire by rotation at each Annual General Meeting. The Company has four Directors. Accordingly, one Director is required to retire by rotation at the 2012 Annual General Meeting.

Pursuant to Article 57(b), as Mr Kevin Lynn has been longest in office since his last election or appointment Mr Kevin Lynn retires by rotation and submits himself for re-election at this Annual General Meeting.

Details of the qualifications and experience of Mr Kevin Lynn are contained in the Company's 2012 Annual Report. Each of the other Directors intends to vote in favour of Mr Kevin Lynn's re-election.

3. Resolution 3 – Ratification of prior issue of 17,000,000 Convertible Notes

Resolution 3 seeks shareholder approval for the issue by the Company of 15,600,000 convertible notes on 3 September 2012 and 1,400,000 convertible notes on 2 October 2012 and for any subsequent conversion of those convertible notes into ordinary shares in the Company. The convertible notes were

issued without shareholder approval in accordance with ASX Listing Rule 7.1. Total funds of \$425,000 have been raised by the issue of these convertible notes; full details are provided below.

The convertible notes were issued to the following, unrelated parties of the Company:

Shareholder	Number of Convertible notes
Asipac Group Pty Ltd	12,000,000
Northern Star Nominees	2,400,000
For Every Free Australia Pty Ltd	2,600,000
TOTAL	17,000,000

ASX Listing Rule 7.4 provides that a prior issue of shares or other securities made without shareholder approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and the shareholders subsequently approve the issue. Approval of Resolution 3 is sought to refresh the Company's ability to issue further shares or options within the fifteen (15%) limit in a 12 month period without shareholder approval in order to allow the Company to take advantage of opportunities to obtain further funds if required and available in the future. If shareholder approval is obtained, the issue of the convertible notes and the issue of ordinary shares upon the conversion of the convertible notes will be excluded from the calculation of the 15% limit under ASX Listing Rule 7.1.

ASX Listing Rule 7.5 requires that the meeting documents concerning a proposed resolution to ratify an issue of securities in accordance with ASX Listing Rule 7.4 must include the following information:

- (a) The number of securities issued and allotted pursuant to the issue was 17,000,000 convertible notes. The maximum number of ordinary shares that may be issued and allotted if all of the convertible notes are converted is 17,000,000 ordinary shares;
- (b) The issue price of the convertible notes was 2.5 cents per note, to raise a total of \$425,000;
- (c) The terms of the convertible notes pursuant to this resolution are as follows:
 - 10% pa coupon rate;
 - Redemption Date is 12 months from the date issue (being 3 September 2013 as to 15,600,000 convertible notes and 2 October 2013 as to 1,400,000 convertible notes);
 - Convertible in whole or in part on or before the Redemption Date;
 - Convertible at 1 convertible note representing 1 ordinary share;
 - Conversion undertaken upon election of Convertible Note Holder, however the Convertible Note Holder may only convert that number of shares which does not infringe the Corporations Act or the ASX Listing Rules;
- (d) The convertible notes were issued to Asipac Group Pty Ltd, Northern Star Nominees and For Every Free Australia Pty Ltd;
- (e) Shares issued on the conversion of the convertible notes will have the same terms and rank equally in all respects with existing ordinary shares in the Company and will be quoted on the ASX;
- (f) The funds raised by the issue are for the purposes of developing and commercialising the Broula King Gold Mine and working capital; and

- (g) A voting exclusion statement is included in the Notice accompanying this explanatory statement.

4. Resolution 4 – Approval to issue shares to a Director, Mr Alan Fraser

This resolution is proposed to seek shareholder approval for Mr Alan Fraser, a Director of the Company, (or his nominee/s) to convert existing debt owed by the Company to Mr Alan Fraser.

It is proposed that Mr Fraser convert \$250,000 of debt to shares at an issue price of 2.5 cents per share. In the event that the debt is converted to shares, Mr Fraser will receive an additional 10,000,000 ordinary fully paid shares in the Company.

ASX Listing Rule 10.11 requires a company to obtain the approval of shareholders to issue shares and options to a related party of the Company. A related party includes a director of the Company. Passing Resolution 4 will permit Mr Fraser (or his nominee/s associates) to acquire up to 10,000,000 ordinary shares in the issued capital of the Company.

Chapter 2E of the Corporations Act prohibits the giving of a financial benefit to a related party of a public company, unless the financial benefit has been approved by shareholders, or the giving of that benefit falls within an exception set out in Chapter 2E. Section 229(3) of the Corporations Act provides that "giving a financial benefit" includes issuing securities to the related party.

Section 210 of the Corporations Act provides an exception for a benefit that is given on terms that would be reasonable in the circumstances if the public company and the related party were dealing at arm's length.

The issue price of the ordinary shares to be issued to Mr Alan Fraser is the same as the issue price of the convertible notes the subject of Resolution 3, which was negotiated on an arm's length basis with unrelated parties. By issuing the shares, the Company is able to extinguish a debt which it would otherwise have to repay in cash.

Accordingly, the Company has formed the view that the exception under section 210 of the Corporations Act applies and that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in relation to the issue of shares to Mr Alan Fraser.

The table below sets out the current number of shares and options held by Mr Fraser and the total number of shares and options which he will hold subject to approval and issue of the shares the subject of this Resolution 4. The table below assumes that that none of the Company's existing options are exercised, or convertible notes converted, and that the placement is completed in full and an aggregate of 10,000,000 shares are issued.

Current Shareholding (% of total issued capital)	Current Option holding	Shareholding following completion of Placement (% of total issued capital)	Option holding following completion of Placement
8,588,351 (4.35%)	Nil	18,588,351 (8.96%)	Nil

ASX Listing Rule 10.13 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 10.11 must include the following information:

- The recipient of the shares will be Mr Alan Fraser (or his nominee/s).
 - The maximum number of ordinary shares to be issued under Resolution 4 is 10,000,000.
 - The Company will issue the shares the subject to Resolution 4 within 1 month of the date of the Company's 2012 Annual General Meeting.
 - Mr Alan Fraser is a Director of the Company.
 - The shares will be issued at an issue price of 2.5 cents (\$0.025) and will rank equally in all respects with the Company's existing ordinary shares.
 - A voting exclusion statement is contained in the Notice of Meeting
 - The Shares will be issued to satisfy debts owing to Mr Fraser, being an amount of \$250,000.
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5. Resolution 5 – Approval of additional 10% share placement facility

Under ASX Listing Rule 7.1A certain companies may seek shareholder approval by special resolution passed at an annual general meeting to have the additional capacity to issue equity securities which do not exceed 10% of the existing ordinary share capital without further shareholder approval.

Approval under this Resolution 5 is sought for the Company to issue ordinary shares under Listing Rule 7.1A.

If Resolution 5 is approved the Company may make an issue of ordinary shares under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- the date which is 12 months after the date of the 2012 Annual General Meeting (ie 27 November 2013); or
- the date on which shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

At the date of this Explanatory Statement, the Company is an 'eligible entity', and therefore able to seek approval under Listing Rule 7.1A, as it is not included in the S&P/ASX300 and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million). If at the time of the Annual General Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

The maximum number of ordinary shares which may be issued in the capital of the Company under the approval sought by this Resolution 5 will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

$$(A \times D) - E$$

where:

A is the number of shares on issue 12 months before the date of issue or agreement to issue:

- (i) plus the number of fully paid shares issued in the 12 months

under an exception in Listing Rule 7.2;

- (ii) plus the number of partly paid shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4 (this does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval);
- (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1. The effect of Resolution 5 will be to allow the Company to issue ordinary shares under Listing Rule 7.1A without subsequent shareholder approval and without using the Company's 15% placement capacity under Listing Rule 7.1.

Any equity securities issued under Listing Rule 7.1A.2 must be in the same class as an existing quoted class of equity securities of the Company. As at the date of this Explanatory Statement, the Company has only one class of quoted equity securities, being its ordinary shares. As at the date of this Explanatory Statement, the Company has capacity to issue:

- 12,614,410 equity securities under Listing Rule 7.1 (15% capacity) (being the Company's full capacity of 29,614,410 less the 17,000,000 securities the subject of Resolution 3. If Resolution 3 is passed, the Company will have capacity to issue 29,614,410 equity securities under Listing Rule 7.1); and
- subject to shareholder approval being sought under Resolution 5, 19,742,940 ordinary shares under Listing Rule 7.1A (10% capacity).

The actual number of shares which may be issued under Listing Rule 7.1A (and Listing Rule 7.1) will be a function of the number of shares on issue at the time an issue is proposed, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and set out above.

The issue price of the ordinary shares issued under Listing Rule 7.1A will be determined at the time of issue. The minimum price at which the ordinary shares the subject of this Resolution 5 will be issued is 75% of the volume weighted average market (closing) price ("VWAP") of the Company's ordinary shares over the 15 days on which trades in that class were recorded immediately before either:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 5 ASX trading days of the date in the paragraph above, the date on which the securities are issued.

If this Resolution is approved, and the Company issues ordinary shares under Listing Rule 7.1A, the

existing shareholders' voting power in the Company will be diluted. There is a risk that:

- the market price for the Company's ordinary shares may be significantly lower on the issue date than on the date of the approval of this Resolution; and
- the ordinary shares issued under Listing Rule 7.1A may be issued at a price that is at a discount (as described above) to market price for the Company's ordinary shares on the issue date,

which may have an effect on the amount of funds raised by the issue.

The table set out below shows the dilution of existing shareholders on the basis of:

- The current market price of the Company's ordinary shares and the current number of ordinary securities for variable "A" in the formula shown above as at the date of this Explanatory Statement.
- Two examples where the number of ordinary shares on issue ("A" in the formula set out above) has increased, by 50% (i.e. one and a half times the number of ordinary shares on issue in the Company) and 100% (i.e. a doubling of the number of ordinary shares on issue in the Company). The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require shareholder approval (for example, pro-rata entitlements issues) or as a result of future placements under Listing Rule 7.1 that are approved by shareholders.
- Two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at the date of this Explanatory Statement.

			Dilution		
			50% decrease in issue price \$0.021	Issue Price ** \$0.042	50% increase in issue price \$0.063
Variable "A" Listing Rule 7.1A2	"A" is the current number of shares on issue 197,429,401 shares	10% voting dilution	19,742,940 shares	19,742,940 shares	19,742,940 shares
		Funds raised	\$414,601	\$829,203	\$1,243,805
	"A" is increased by 50% to 296,144,101 shares *	10% voting dilution	29,614,410 shares	29,614,410 shares	29,614,410 shares
		Funds raised	\$621,902	\$1,243,805	\$1,865,707
	"A" is increased by 100% to 394,858,802 shares. *	10% voting dilution	39,485,880 shares	39,485,880 shares	39,485,880 shares
		Funds raised	\$829,203	\$1,658,406	\$2,487,610

Notes:

- The table assumes that the Company issues the maximum number of ordinary shares available under Listing Rule 7.1A.
- The table assumes that no options are exercised in ordinary shares before the date of the issue of ordinary shares under Listing Rule 7.1A.
- The table reflects the aggregate percentage voting dilution against the issued share capital at the time of issue. This is why the dilution is shown in each example as 10%.

(iv) *The table does not show an example of dilution that may be caused to a particular shareholder by reason of issues of ordinary shares under Listing Rule 7.1A based on that shareholder's holding at the date of this Explanatory Statement.*

(v) *The table shows the effect of an issue of ordinary shares under Listing Rule 7.1A, not under the Company's 15% placement capacity under Listing Rule 7.1.*

* *Any issue of ordinary shares is required to be made in accordance with the ASX Listing Rules. An issue made other than under the Company 15% capacity (Listing Rule 7.1) or the Company's additional 10% capacity (Listing Rule 7.1A) and not otherwise made under an exception in Listing Rule 7.2 (for example, a pro-rata rights issue) would require shareholder approval.*

** *Based on closing price of the Company's shares on ASX on 23 October 2012 4.2 cents).*

If this Resolution is approved the Company will have the ability to issue up to 10% of its issued capital without further shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

As at the date of this Explanatory Statement the Company has not formed an intention to offer any ordinary shares under Listing Rule 7.1A to any particular person or at any particular time. The total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the issue price of the ordinary shares which will be determined at the time of issue. In some circumstances the Company may issue ordinary shares under Listing Rule 7.1A for non-cash consideration (for example, in lieu of cash payments to consultants, contractors or vendors). In such circumstances, the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

While the Company has not formed an intention to offer any ordinary shares under Listing Rule 7.1A, some of the purposes for which the Company may issue ordinary shares under Listing Rule 7.1A include (but are not limited to):

- Raising funds to be applied to the Company's working capital requirements, in particular the funding requirements for gold production at the Broula King project or any for any other project or asset that may be acquired by the Company.
- Acquiring assets. In these circumstances the issue of the ordinary shares may be made in substitution for the Company making a cash payment for the assets (i.e. as non-cash consideration). If the Company elects to issue the ordinary shares for the purpose of acquiring assets then the Company will release to the market a valuation of the assets prior to issuing the shares.
- Paying contractors or consultants of the Company.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A.4 and Listing Rule 3.10.5A at the time the issue is made. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue under the 10% placement capacity. The identity of the allottees of ordinary shares under Listing Rule 7.1A will be determined on a case by case basis at the time the Company decides to make an issue, having regard to a number of factors including:

- The purpose of the issue;
- the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company (including but not limited to a rights issue or other issue in which existing security holders can participate);
- the potential effect of the issue of securities under Listing Rule 7.1A on the control of the Company;

- the circumstances of the Company, including but limited to the Company's financial situation and the likely future capital requirements; and
- advice from the Company's corporate or financial advisors (if applicable).

Offers made under Listing Rule 7.1A may be made to parties including professional and sophisticated investors, existing shareholders of the Company, clients of Australian Financial Service License holders and/or their nominees, or any other person to whom the Company is able to make an offer of ordinary shares.

The allottees under the 10% placement capacity have not been determined as at the date of finalisation of this Notice of Meeting and may include existing shareholders or substantial shareholders and/or new shareholders, but the allottees cannot include any directors, related parties or associates of a related party of the Company without further specific shareholder approval.

The Company has not previously obtained the approval of ordinary shareholders for the issue of ordinary shares under Listing Rule 7.1A.

This Resolution is a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of this Resolution.

A voting exclusion statement is set out in the Notice of Meeting.

Resource Base Limited

ACN 113 385 425

Proxy Form

The Company Secretary
Resource Base Limited

By Delivery:

Level 17,500 Collins Street
Melbourne VIC 3000

By Post:

Level 17, 500 Collins Street
Melbourne VIC 3000

By Facsimile:

+61 3 9614 0550

I/We _____
(Insert name of shareholder)

of _____
(Insert address of shareholder)

being a Shareholder of the Company and entitled
to vote at the Annual General Meeting, hereby _____
(Insert name of proxy)

appoint _____
(Insert address of proxy)

or failing such appointment, the chairman of the Annual General Meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 1.00 pm (Melbourne Time) on 27 November 2012 at The Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne, Victoria and at any adjournment thereof in the manner indicated below or, in the absence of such directions, as he thinks fit. If no directions are given, the chairman will vote in favour of all of the resolutions, other than Resolution 1.

IMPORTANT: If the Chairman of the Meeting is appointed as your proxy or may be appointed by default, and you do not wish to direct your proxy how to vote in respect of **Resolution 1**, please mark this box. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if he has an interest in the outcome of the resolution. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called. By marking this box I/we acknowledge the Chairman of the Meeting can exercise my/our proxy even though he has an interest in the outcome of the resolution and unless a specific voting direction has been specified below, the Chairman of the Meeting is directed to vote in accordance with his voting intention as set out below. The Chairman intends to vote all undirected proxies **IN FAVOUR** of Resolution 1.

The proxy is to vote for or against the Resolutions referred to in the Notice of Meeting as follows:

		For	Against	Abstain
Resolution 1	Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Director – Mr Kevin Lynn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior issue of 17,000,000 convertible notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue share to a director, Mr Alan Fraser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of additional 10% share placement facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll

Authorised signature/s

This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date



Proxy Notes

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person or a corporation as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies (an additional Proxy Form will be supplied by the Company on request). Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the meeting must produce the appropriate Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's Share Registry at www.linkmarketservices.com.au/public/forms/general.html

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the registered office of the Company (Level 17, 500 Collins Street, Melbourne, VIC 3000, or Facsimile 03 9614 0550 if faxed from within Australia or +61 3 9614 0550 if faxed from outside Australia) no later than 1.00 pm (Melbourne Time), 25 November 2012.