

September 2012 Quarterly Activities Report

Resource Base Limited (ASX: RBX) reports activities for the September Quarter highlighted by:

Broula King Gold Project achieves its first gold pour from commissioning and begins a two to three month ramp up in mining activities:-

- Commissioning of the gold plant was successfully completed.
- Four drill and blast events completed.
- Low grade ore mined and treated as part of start up/commissioning with 6,800 grams of gold refined, representing approximately \$372,000
- Successful recruitment and training of local staff as mining activities ramp up
- Gold processing plant is now fully operational.
- Tailings Storage Facility prepared to accommodate two months of production and a further lift in progress.



Figure 1. Gold Bars Number 10, 11 and 12 poured from the Broula King mine Thursday 25th October 2012

COMPANY DETAILS

Principal and Registered Office:

Resource Base Limited
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MELBOURNE VIC 3000
AUSTRALIA

Website:

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admin@resourcebase.com.au

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(03) 9614 0600

Facsimile:

(03) 9614 0550

ABN:

57 113 385 425

ASX Code:

RBX

Corporate Information:

Shareholders: 483
Shares on Issue: 197,429,401
Options (unlisted): 23,000,000

Directors:

Managing Director:

Alan Fraser

Executive Director:

Peter Kelliher

Non Executive Director:

Kevin Lynn

Angelo Siciliano

BROULA KING MINE ACTIVITIES

The September 2012 quarter marked the transition of the Broula King gold project from being a developer to gold producer, with commissioning of the gold plant taking place in early October 2012.

It is pleasing to note that the commencement of production has coincided at a time when gold is at historically record high prices.

The Company has conservatively mined low grade ore during the start up with a little over 6,800 grams of gold being refined to date.

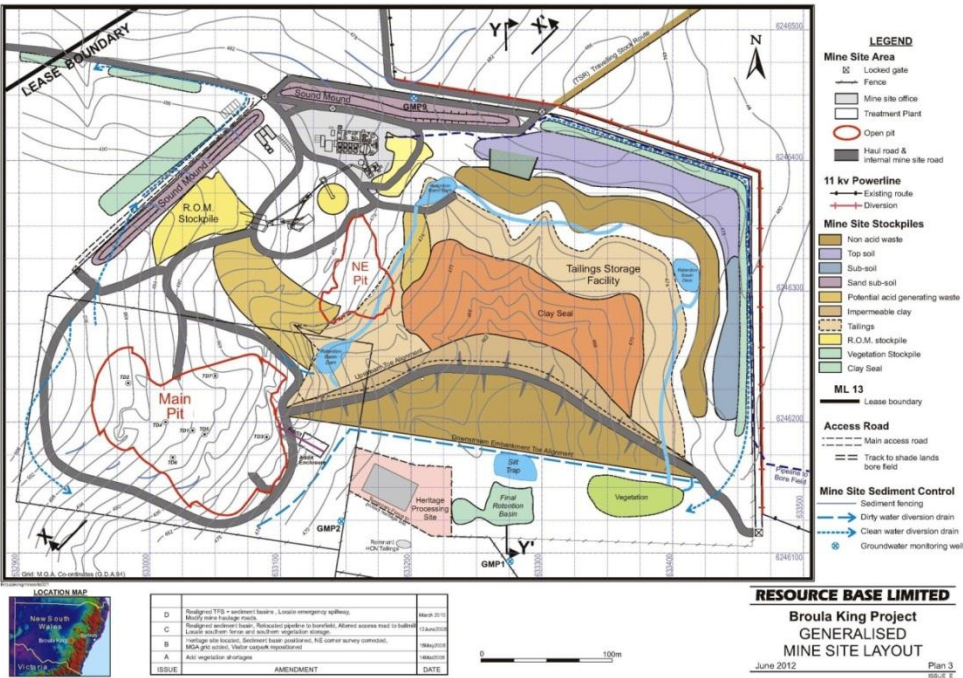
Ore from the Broula King deposit is currently being mined and stockpiled for the gold CIP processing plant.

CORPORATE

During the quarter, the Company issued 17,000,000 convertible notes, raising \$425,000. The funds were applied towards the development and commissioning of the Broula King gold project.

The Company dispatched its 2012 Notice of Annual general Meeting (AGM). The AGM will be held on 27 November 2012.

The Company has been approached and is in preliminary exploratory discussions with third parties in regard to possible joint operations on other projects. The Company does have in board extensive and relevant experience in regard to project acquisition, environmental impact statements, plant procurement and construction and looks to leverage its position from the Broula King gold project. The Company will continue to monitor this position



Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Resource Base Ltd

ABN

57 113 385 425

Quarter ended ("current quarter")

September 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(954) (88)	(954) (88)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	18	18
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid		
1.7	Other (provide details if material)	44	44
	Net Operating Cash Flows	(980)	(980)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10	Loans to other entities	242	242
1.11	Loans repaid by other entities		
1.12	Other (convertible notes)	415	415
	Net investing cash flows	657	657
1.13	Total operating and investing cash flows (carried forward)	(323)	(323)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(323)	(323)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other – capital raising costs		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(323)	(323)
1.20	Cash at beginning of quarter/year to date	414	414
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	91	91

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	10
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	350
4.3 Production	500
4.4 Administration (net)	100
Total	950

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	91	414
5.2 Deposits at call		-
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	91	414

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				

Issued and quoted securities at end of current quarter

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

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	Preference securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	197,429,401	197,429,401		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	23,000,000	-	Exercise price 6	Expiry date 14/12/2014
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	2,000,000	-	20	30/06/2012
7.11	Debentures (totals only)				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (<i>totals only</i>)		
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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:

(Director)

Date: 31 October 2012

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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