



31 May 2013

The Manager Announcements
Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

NOTICE UNDER SECTION 708AA(2)(f) OF THE CORPORATIONS ACT

As announced by East Africa on 17 May 2013, the Company is undertaking a 1 for 1 non-renounceable rights issue ("Entitlement Issue") to shareholders registered on 28 May 2013 with a registered address in Australia or New Zealand. The Entitlement Issue will offer 112,245,520 ordinary fully paid shares ("Shares") in East Africa at a price of \$0.007 per Share to raise \$785,719 before costs.

The Company gives this notice pursuant to section 708AA(2)(f) of the Corporations Act 2001 (Cth) ("Act").

The Shares offered by the Entitlement Issue will be offered without disclosure under Part 6D.2 of the Act. The Company, as at the date of this notice, has complied with:

- (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
- (b) section 674 of the Act.

As at the date of this notice there is no information that is excluded information for the purposes of sections 708AA(8) and (9) of the Act.

The impact that the Entitlement Issue may have on the control of the Company is as follows:

CAPITAL STRUCTURE

The capital structure of the Company immediately following the completion of the Entitlement Issue, assuming all available rights are taken up is expected to be as follows:

Shares	Number
Shares on issue at date of the Entitlement Issue	112,245,520
New Shares now offered	112,245,520
Total Shares on issue at completion of the Entitlement Issue	224,491,040

If all shareholders take up their entitlement under the Entitlement Issue, the Entitlement Issue will have no effect on the control of the Company. It is not possible to predict any other outcomes because it is impossible to know the extent by which shareholders will accept their entitlement, other than to say that the directors intend to take up their entitlements in full.

Yours faithfully

East Africa Resources Limited

A handwritten signature in black ink, appearing to read "E. A. Myers". The signature is written in a cursive, flowing style.

E A Myers

Company Secretary