

23 August 2013

ASX ANNOUNCEMENT

RE: Quarterly Cash Flow Statement for the period ending 30 June 2013

RKS Consolidated Limited (**RKS**) refers to your letter dated 20 August 2013 in respect of the Quarterly Report in the form of Appendix 4C for the period ending 30 June 2013.

In response to your letter, we are pleased to provide the following answers to your questions:

1. The company will have sufficient cash to fund its activities. The negative operating cash flow for the quarter of \$164,000 was a result of once off costs associated with the completion of the various outstanding audits and corporate fees associated with the OzCrest Minerals Ltd transaction. These costs will be significantly lower in the current quarter. In addition, cash advanced as a short term loan of \$88,000 and /or the \$98,000 paid for non-current assets will be realised during this quarter.
2. The company does not expect the negative operating cash flows to be similar to that reported in the Appendix 4C for the period ending 30 June 2013.
3. The company continues to seek to acquire projects with potential for future cash flow and profit as part of the Company's principal objectives. The Company is actively seeking the acquisition of suitable projects to achieve this objective.
4. The company confirms that it is in compliance with the Listing Rules, and in particular, listing rule 3.1.
5. In the view of the Directors, there is no doubt that the Company's financial condition warrants continued listing on the ASX. As at the date of this letter, the company has cash of \$42,654 while current liabilities are \$13,386.

For further information, please contact Peter Dykes on 02 8079 2940.

Yours faithfully



Peter Dykes
Director



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

GPO Box D187
PERTH WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9221 2020
www.asx.com.au

20 August 2013

Mr Peter Dykes
Company Secretary
RKS Consolidated Limited
Level 4
95 Pitt Street
SYDNEY NSW 2000

Dear Peter

RKS Consolidated Limited ("Company")

I refer to the Company's Quarterly Report in the form of Appendix 4C for the period ended 30 June 2013, released to ASX Limited ("ASX") on 30 July 2013 (the "Appendix 4C").

ASX notes that the Company has reported the following.

1. Receipts from product sales and related debtors of \$0.
2. Net negative operating cash flows for the quarter of \$164,000.
3. Cash at end of quarter of \$4,000.

In light of the information contained in the Appendix 4C please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 4C, taking into account future administration costs, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 4C for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?

5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response may be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on **facsimile number +61 8 9221 2020** or **email Sandra.Wutete@asx.com.au**. It should not be sent to ASX Market Announcements.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **3.00 pm WST on Friday, 23 August 2013**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries please let me know.

Yours sincerely,

[sent electronically without signature]

Sandra Wutete
Adviser, Listings Compliance (Perth)
Direct: +61 8 9224 0035