



22 January 2014

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 8 January 2014, the Company is undertaking a 1 for 3 non-renounceable rights issue ("Entitlement Issue") to shareholders registered on 17 January 2014 with a registered address in Australia or New Zealand. The Entitlement Issue will offer 75,802,547 ordinary fully paid shares ("Shares") in East Africa at a price of \$0.01 per Share to raise \$758,025 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**

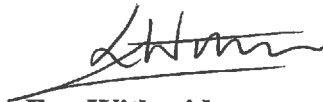
The capital structure of the Company immediately following the completion of the Entitlement Issue, assuming all available rights are taken up is expected to be as follows:

| <b>Shares</b>                                                | <b>Number</b> |
|--------------------------------------------------------------|---------------|
| Shares on issue at date of the Entitlement Issue             | 227,407,640   |
| New Shares now offered                                       | 75,802,547    |
| Total Shares on issue at completion of the Entitlement Issue | 303,210,187   |

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 'Eva Witheridge', written over a horizontal line.

**Eva Witheridge**  
**Company Secretary**