

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Equator Resources Limited

ACN

127 411 796

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,000,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Unlisted Options exercisable at 20 cents expiring at 5.00pm (WST) three (3) years from the date of issue – 10 January 2015 |

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>All Shares issued as a result of the exercise of Options will rank equally with existing class of quoted shares;</p> <p>All Unlisted Options rank equally with existing class of quoted Options</p>																		
<p>5 Issue price or consideration</p>	<p>Nil consideration.</p>																		
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Following a Board resolution the Unlisted Options have been issued to the Company's Chief Executive Officer ("CEO").</p> <p>The purpose of the issue is to align the interests of the CEO with that of the Shareholders; to reward him for his services to the Company and to act as an incentive for future performance.</p>																		
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>10 January 2012</p>																		
<p>8 Actual number and +class of all +securities quoted on ASX</p>	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>103,536,846</td> <td>Ordinary Shares</td> </tr> <tr> <td>27,355,806</td> <td>30 June 2013 Listed Options exercisable at 20 cents</td> </tr> </tbody> </table>	Number	+Class	103,536,846	Ordinary Shares	27,355,806	30 June 2013 Listed Options exercisable at 20 cents												
Number	+Class																		
103,536,846	Ordinary Shares																		
27,355,806	30 June 2013 Listed Options exercisable at 20 cents																		
<p>9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>8,713,154</td> <td>Restricted Ordinary Shares</td> </tr> <tr> <td>1,000,000</td> <td>10 January 2015 Unlisted Options exercisable at 20 cents</td> </tr> <tr> <td>5,000,000</td> <td>31 December 2014 Class A Unlisted Options exercisable at 20 cents</td> </tr> <tr> <td>1,500,000</td> <td>7 December 2014 Unlisted Options exercisable at 20 cents</td> </tr> <tr> <td>2,000,000</td> <td>30 June 2014 Class B Unlisted Options exercisable at 20 cents</td> </tr> <tr> <td>2,904,386</td> <td>30 June 2013 Unlisted Options exercisable at 20 cents</td> </tr> <tr> <td>1</td> <td>Performance Share Class A</td> </tr> <tr> <td>1</td> <td>Performance Share Class B</td> </tr> </tbody> </table>	Number	+Class	8,713,154	Restricted Ordinary Shares	1,000,000	10 January 2015 Unlisted Options exercisable at 20 cents	5,000,000	31 December 2014 Class A Unlisted Options exercisable at 20 cents	1,500,000	7 December 2014 Unlisted Options exercisable at 20 cents	2,000,000	30 June 2014 Class B Unlisted Options exercisable at 20 cents	2,904,386	30 June 2013 Unlisted Options exercisable at 20 cents	1	Performance Share Class A	1	Performance Share Class B
Number	+Class																		
8,713,154	Restricted Ordinary Shares																		
1,000,000	10 January 2015 Unlisted Options exercisable at 20 cents																		
5,000,000	31 December 2014 Class A Unlisted Options exercisable at 20 cents																		
1,500,000	7 December 2014 Unlisted Options exercisable at 20 cents																		
2,000,000	30 June 2014 Class B Unlisted Options exercisable at 20 cents																		
2,904,386	30 June 2013 Unlisted Options exercisable at 20 cents																		
1	Performance Share Class A																		
1	Performance Share Class B																		

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

No dividend policy has been established

Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Questions 35 to 42 not applicable

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

+ See chapter 19 for defined terms.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 9 January 2012

Print name: **Robert Marusco**
Company Secretary

== == == == ==