



Broadening Base

Creating a unique mineral sands company

RIU Resources Round Up
May 2018



**BASE
RESOURCES**



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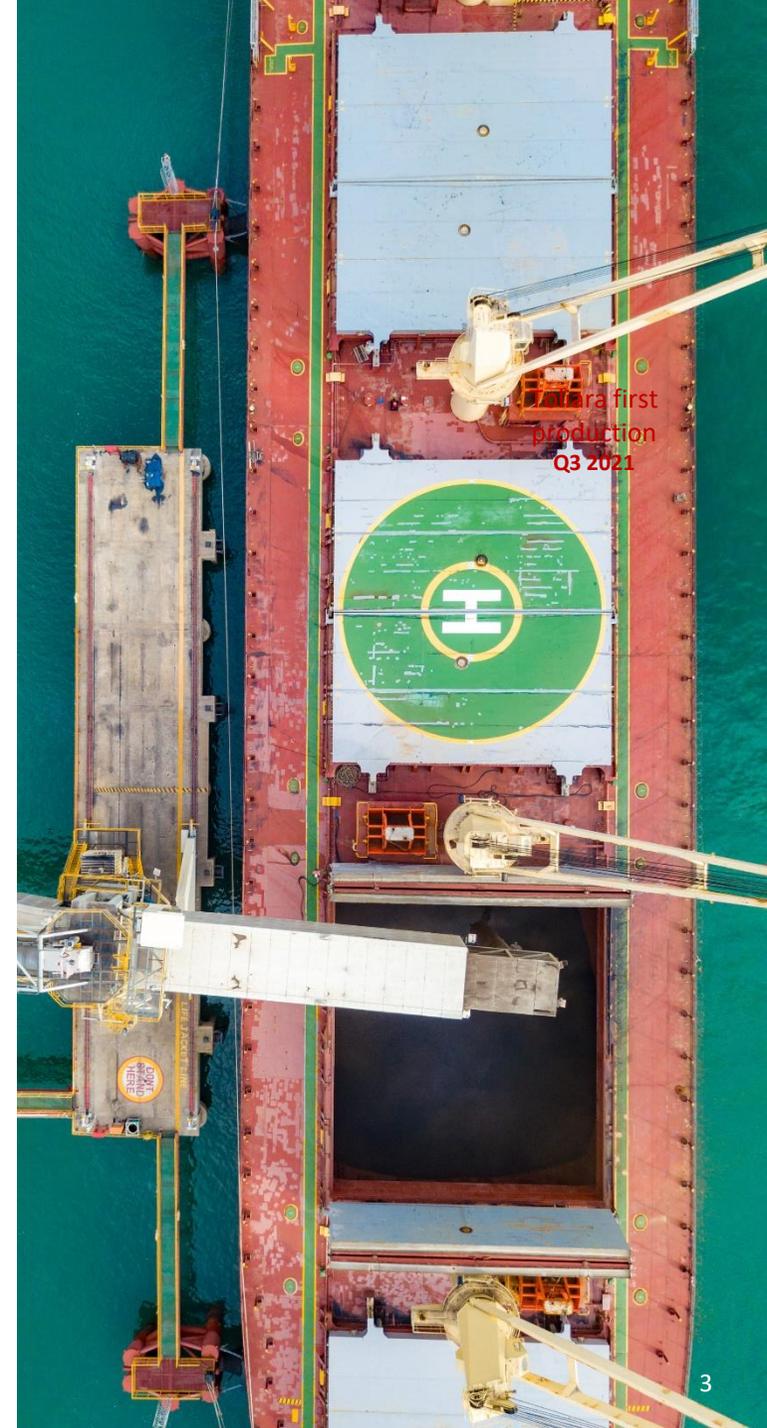
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Broadening Base

- 1 Team with a track record of delivery
- 2 Consistent, high cashflow Kwale Operations, with extension potential
- 3 A sound financial platform from which to grow the business
- 4 Improving markets are supporting a need for new supply
- 5 An advanced, quality Toliara Sands Project
- 6 Creating a unique mineral sands company



A quality Base team

- ▶ Strong, settled Board and management team.
- ▶ Successfully developed Kenya's first large-scale mining project.
- ▶ Track record of project delivery and operational performance at Kwale:
 - Tightly managed construction project.
 - Smooth "mineral sands" ramp up to beyond design outputs.
- ▶ Recognised, successful business model in Africa, including:
 - Government engagement.
 - Safety, training and workforce development.
 - Social license establishment and maintenance.
- ▶ Ready for the next opportunity.



Kwale Mineral Sands Operation



View video at www.basetitanium.com

**Built, commissioned
and operating safely**

21 MILLION

Hours worked with 3 Lost-time Injuries

50 months

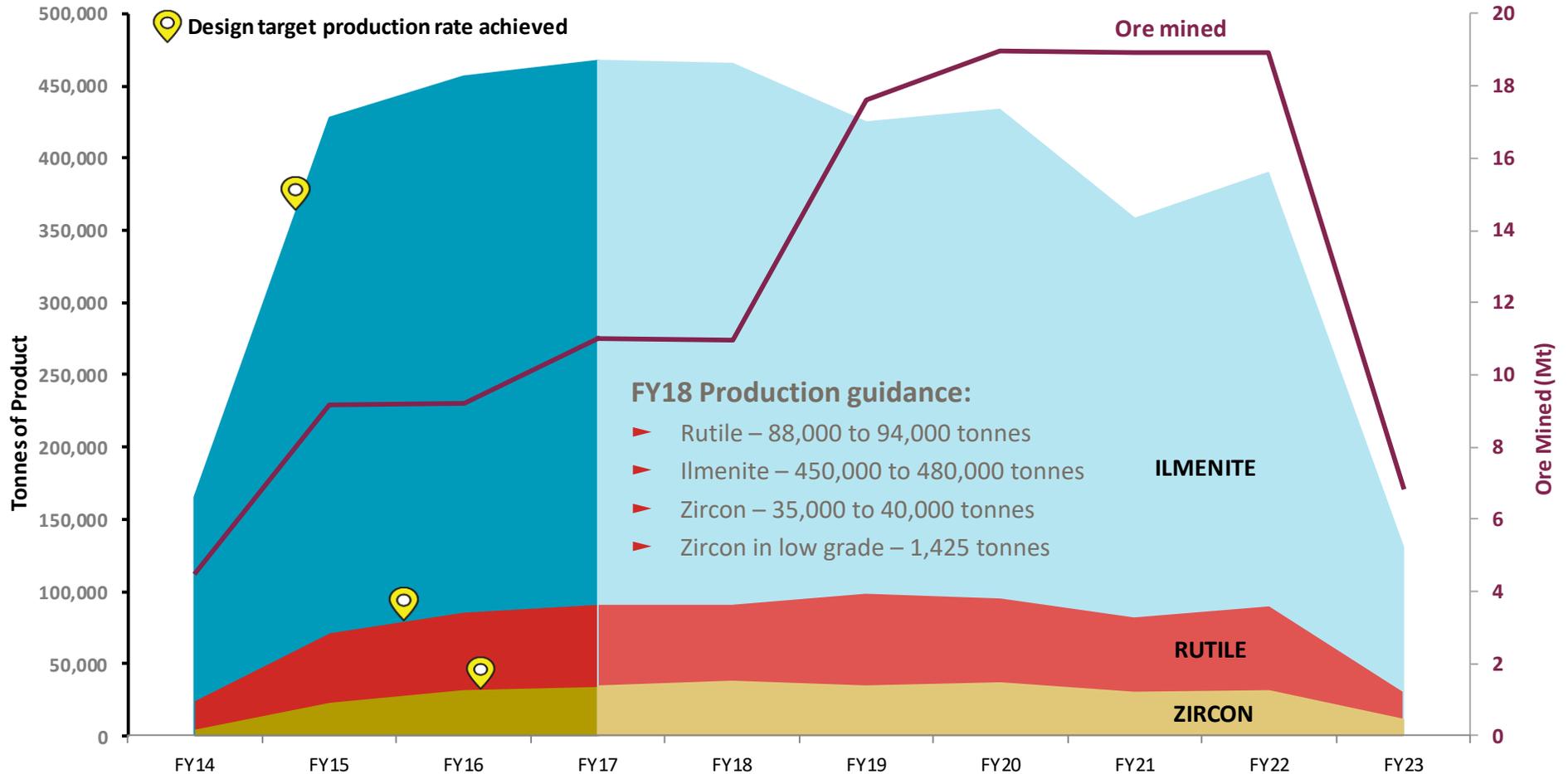
Since last Lost-time Injury



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Consistent LOM production profile with KP2



Notes: Current Kwale Ore Reserves will be fully depleted in November 2022. Production targets are based solely on Ore Reserves prepared by Competent Persons in accordance with the JORC Code (2012 edition) and are the result of detailed studies based on the actual performance of the Kwale mine and processing plant. These studies include the assessment of mining, metallurgical, ore processing, environmental and economic factors. FY2018 production guidance is based on the following assumptions: Mining of 10.9Mt at an average heavy mineral grade of 7.28%; mineral separation plant (MSP) feed rate at 91tph; and MSP product recoveries of 100% for ilmenite, 100% for rutile and 77% for zircon.

Strong operating margins

OPERATING MARGIN

64%

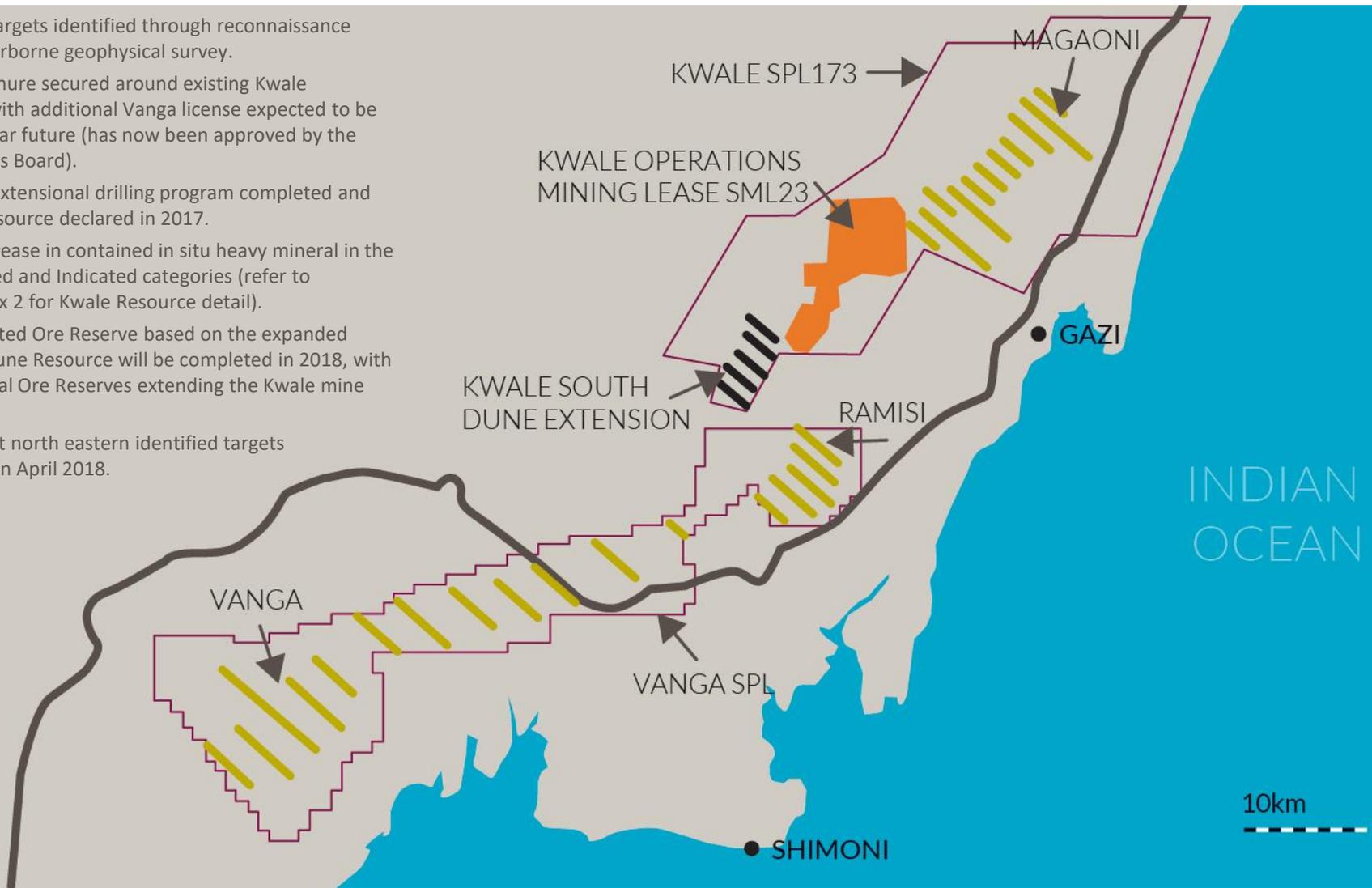
**OPERATING COSTS
AND ROYALTIES**

36%

**R/C
RATIO
2.8**

Further drilling underway in pursuit of additional mine life extension

- ▶ Exploration targets identified through reconnaissance drilling and airborne geophysical survey.
- ▶ Significant tenure secured around existing Kwale operations, with additional Vanga license expected to be granted in near future (has now been approved by the Mineral Rights Board).
- ▶ South Dune extensional drilling program completed and expanded Resource declared in 2017.
 - 19% increase in contained in situ heavy mineral in the Measured and Indicated categories (refer to Appendix 2 for Kwale Resource detail).
 - An updated Ore Reserve based on the expanded South Dune Resource will be completed in 2018, with additional Ore Reserves extending the Kwale mine life.
- ▶ Drilling to test north eastern identified targets commenced in April 2018.



A sound financial platform

► Solid equity base (ASX & AIM: BSE)

- A\$282 million market capitalisation @ A\$0.25

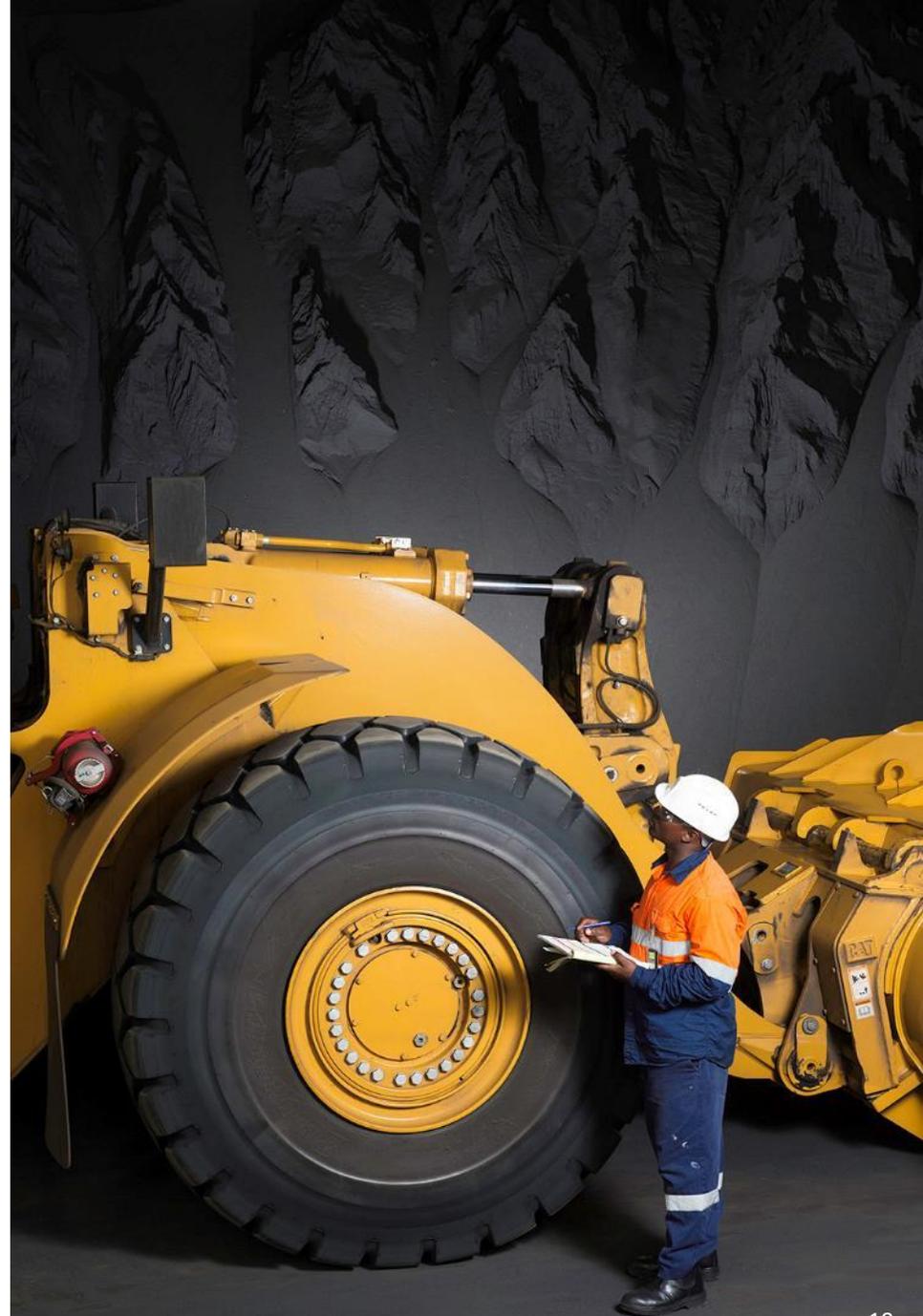
Substantial Shareholders	Interest
Pacific Road Capital	21.5%
Sustainable Capital	15.0%
Regal Funds Management	11.0%
M&G Investment Management	6.1%
Bank of America Corporation	5.3%

► Rapidly reducing debt

- US\$61 million in net debt at 31 March 2018 and expected to be retired by the end of 2018.
- US\$105 million paid down since June 2015

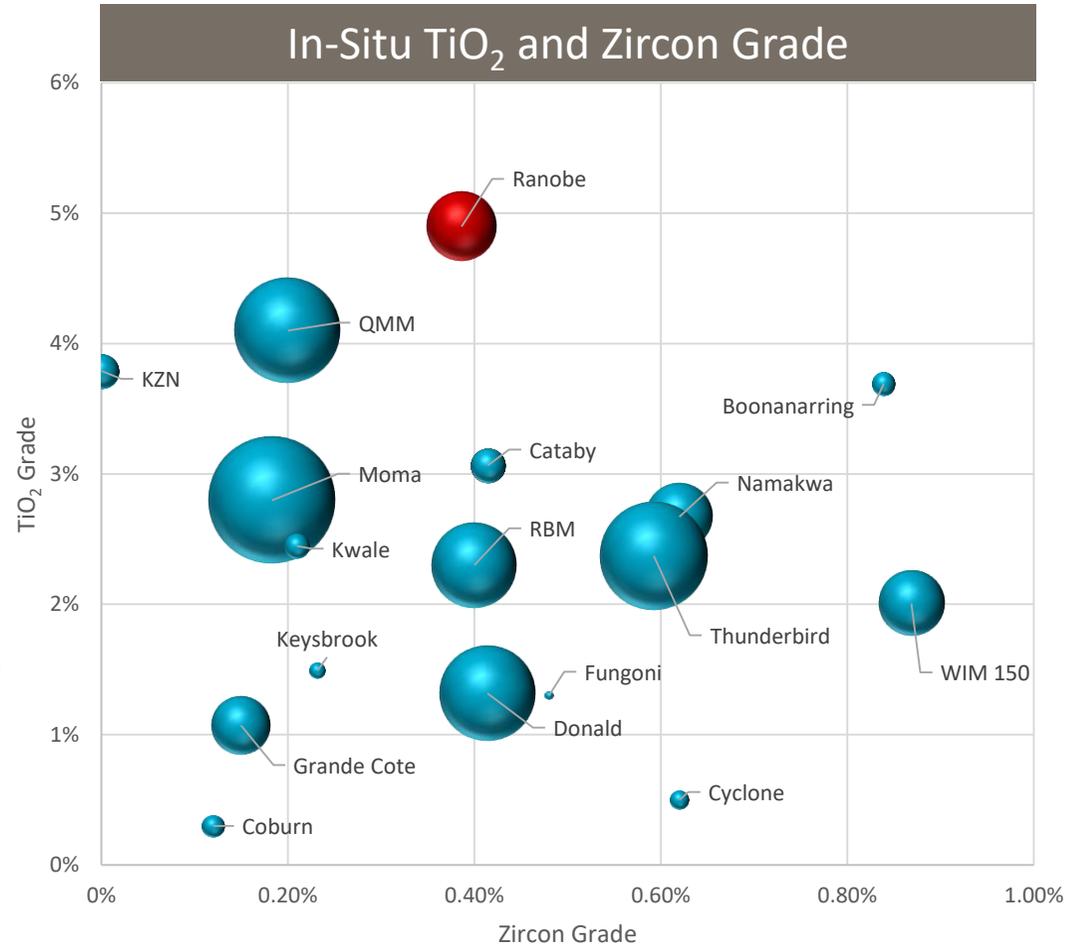
► Strong and improving earnings and cashflow

- A\$70 million group EBITDA for H1 FY2018



Why the Toliara Sands Project?

- ▶ The large, high grade Ranobe deposit underpins the Toliara Sands Project, located in the south-west of Madagascar:
 - Resource of 857mt, with 612mt in the Measured and Indicated categories, **sufficient to support a 40+ year mine life at a scale similar to Kwale.**
- ▶ The Ranobe deposit has **expansion potential.**
- ▶ **Scope for operational scale-up** over time.
- ▶ Simple mineralogy and technically **straight forward processing.**
- ▶ Simplicity, high grade and scale produce an **expected 1st quartile Revenue to Cash Cost ratio** (similar to Kwale at around 3+ times).
- ▶ The **stage of development**, and consequent timeline to production, balances capitalising on market opportunity with the ability to get the development concept right.
- ▶ The project enjoys the **support of the Madagascan government.**
- ▶ Is a project **Base can execute well** and should generate significant shareholder returns.

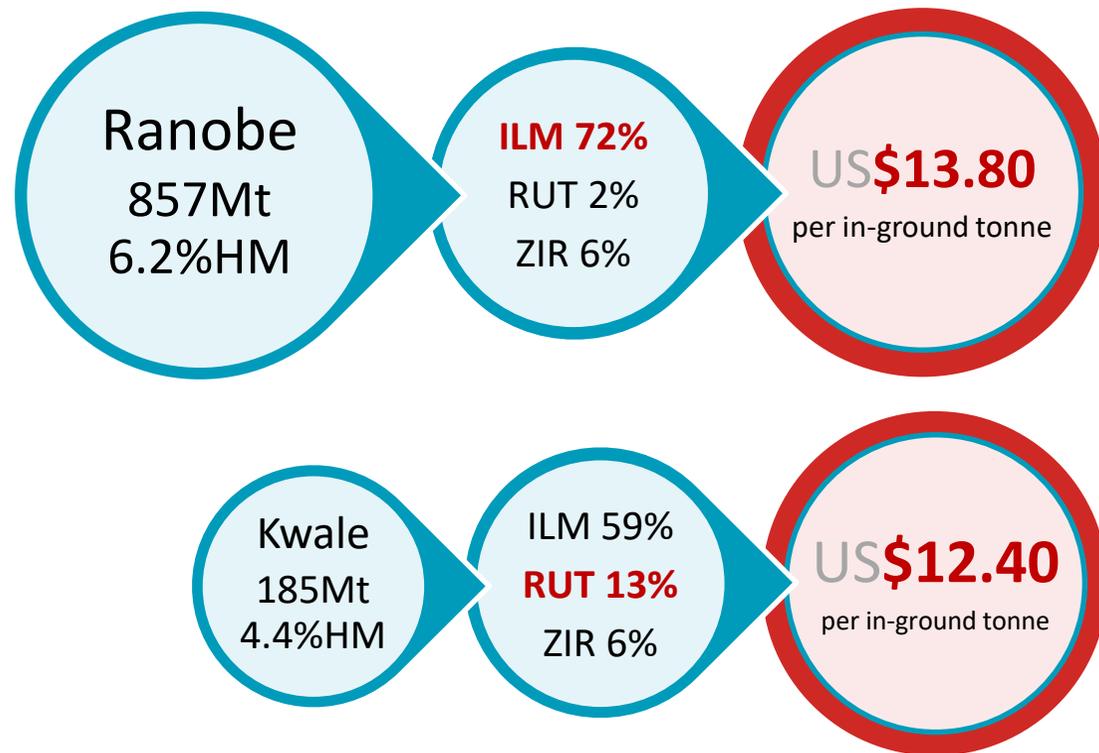


Note:

- All projects shown on the basis of last reported Measured & Indicated Mineral Resources estimate.
- TiO₂ grade represents the in-ground grade of titanium minerals (ilmenite, leucoxene and rutile). Zircon represents the in-ground grade of zircon
- Size of bubble represents the VHM contained (ilmenite, leucoxene, rutile and zircon). For scale Cataby contains 8Mt of VHM, RBM contains 49Mt of VHM and Moma contains 108Mt of VHM
- Hard rock deposits are excluded from the analysis

Source: RFC Ambrian research

Grade and assemblage produce in-ground value similar to Kwale



Notes:

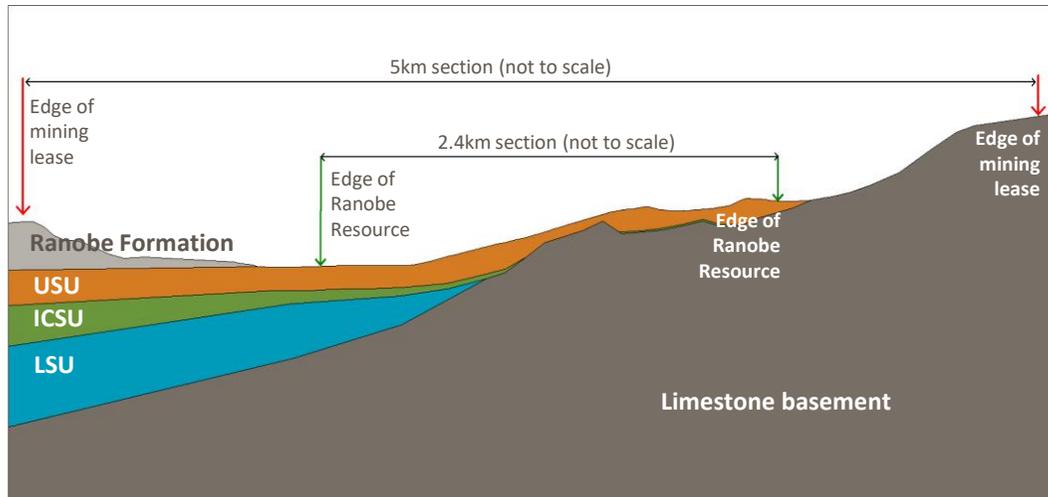
- (1) Calculated on in-ground contained mineral in M&I Resource categories and based on approximate spot prices of: Ilmenite US\$170/t, Rutile US\$900/t and Zircon US\$1,200/t. Refer to Appendix 1 for Ranobe Mineral Resource information.
- (2) Refer to Appendix 1 for Ranobe Mineral Resource information.
- (3) Kwale Central and South Dune Mineral Resource estimate as at commencement of operations taking into account subsequent resource updates. Refer to Appendix 2 for Kwale Mineral Resource information.



Further substantial resource potential exists

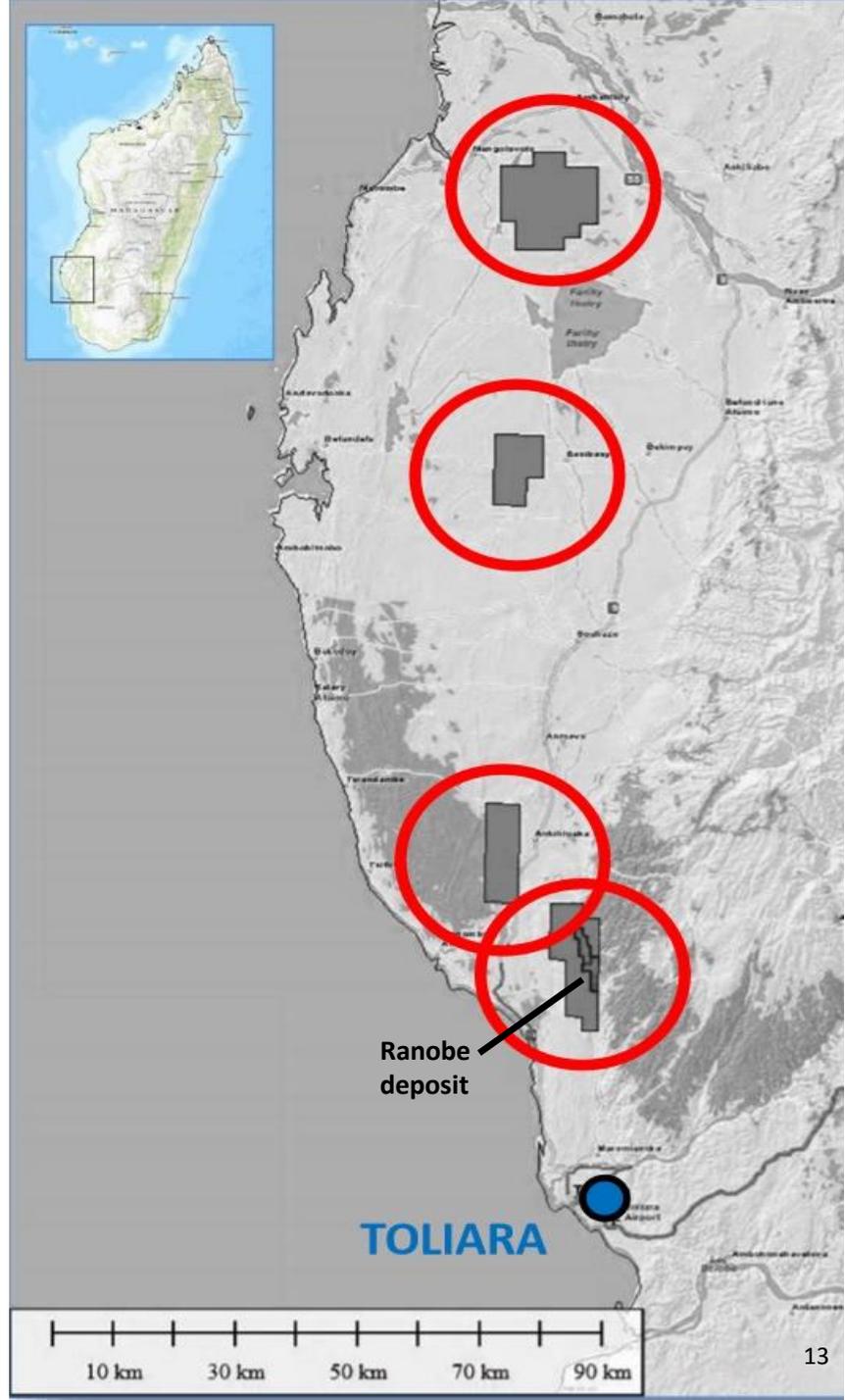
At Ranobe

- ▶ The current Resource is limited to the Upper Sandy Unit (USU)
- ▶ Two lower geological units (Intermediate Clay Sandy Unit (ICSU) and Lower Sandy Unit (LSU), refer below) have been tested by some limited drilling, indicating mineralisation.
- ▶ A substantial drilling program will commence mid-2018 to define the boundaries of the Mineral Resource, upgrade Inferred resource classification and update mineralogy data and modelling for completion of an Ore Reserve estimate.



Three additional tenement packages to the North of Ranobe

- ▶ Preliminary drilling conducted to date suggests areas of prospectivity justifying further evaluation.



Sound project progress has been made

Primary permits are in place

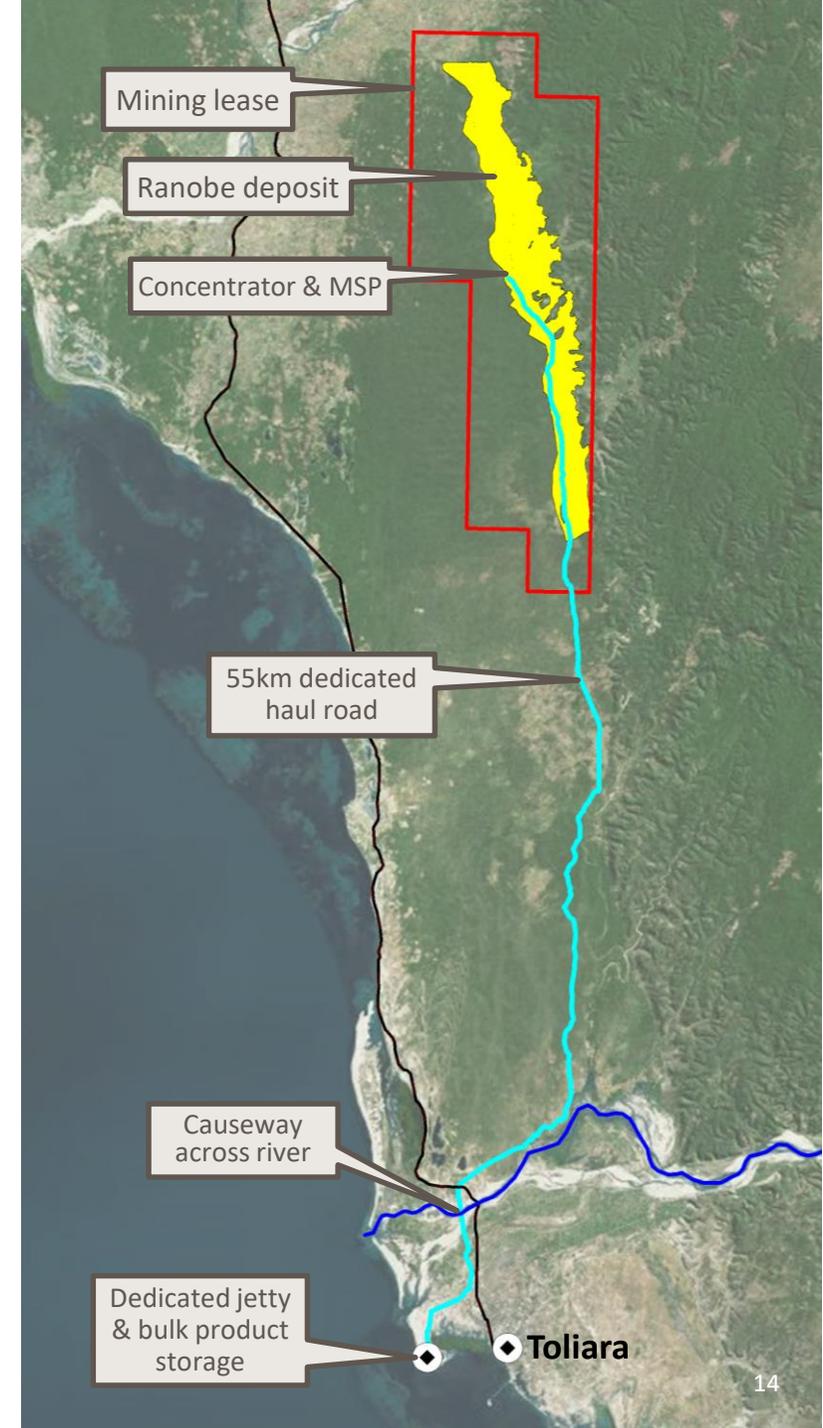
- ▶ **Mining license** covering entire Ranobe Resource is in place.
- ▶ **Environmental approval** has been granted.
- ▶ Established legislated **land acquisition process is now underway** and expected to be completed by July 2018.

Project studies are in progress with significant elements at a DFS level

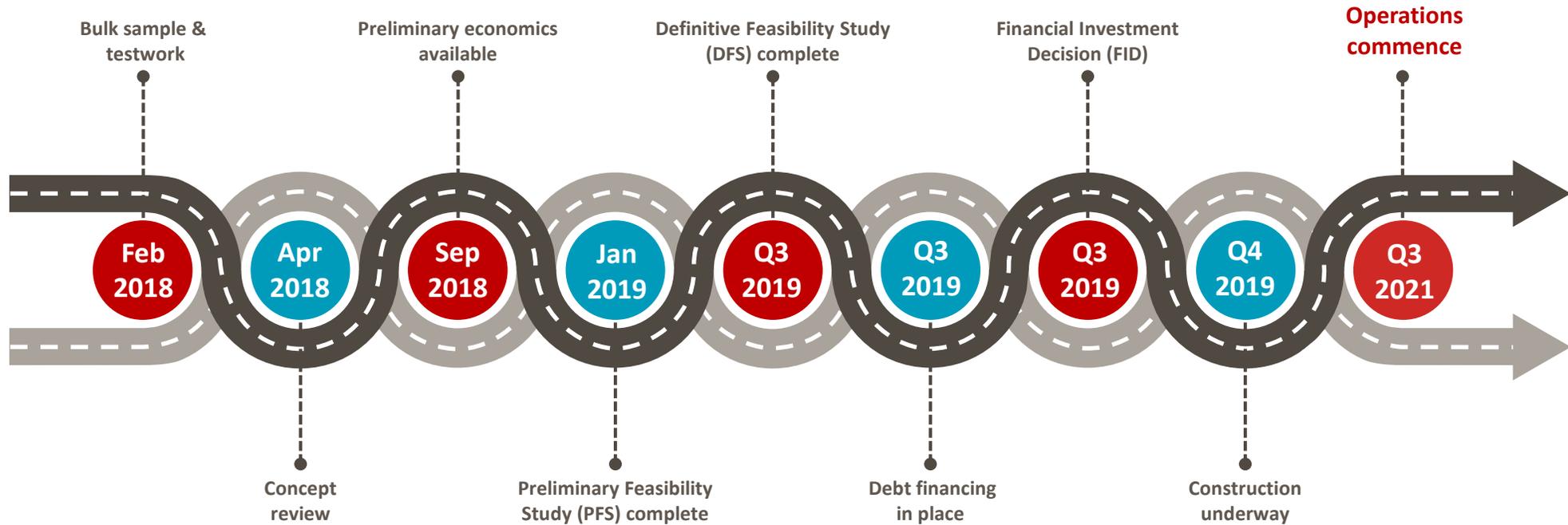
- ▶ Low slimes, free running sands and no overburden enables a simple mining and tailing methodology, supported by **completed mining trials**.
- ▶ A technically straight forward flowsheet is envisaged, supported by a **suite of completed test work**, albeit more is required.

Status as a supported project of national importance has been established

- ▶ Toliara Sands is seen as the next mining **project of national significance**.
- ▶ **Inter-ministerial taskforce** being established to drive development

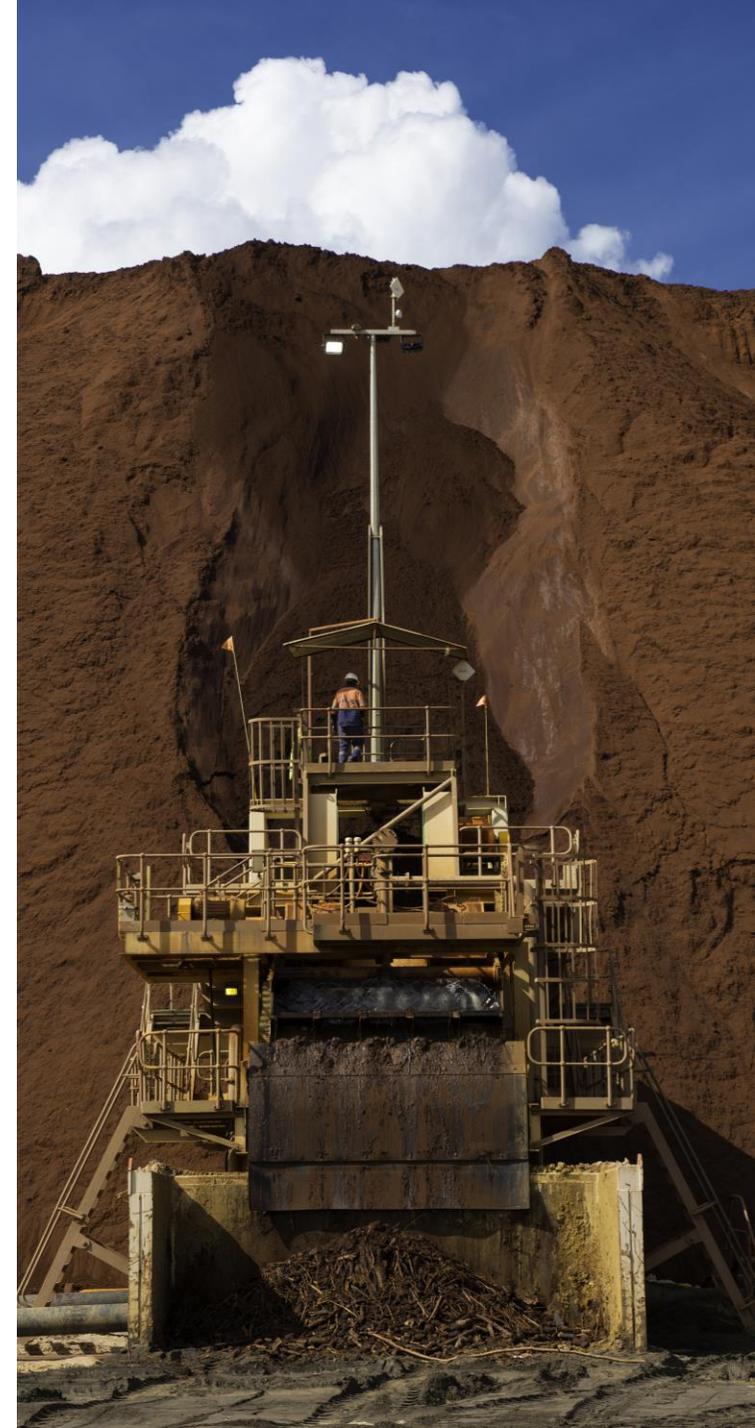


A path to production in 2021



A unique mineral sands company

- ▶ “Mid cap” pure mineral sands company, with:
 - established highly profitable operations with extensional potential;
 - a world-class development asset;
 - long combined life; and
 - the team and capacity to execute well.
- ▶ Creating a company of strategic relevance in a sector likely to evolve.





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Appendix 1 - Ranobe Mineral Resources

Ranobe deposit	Material	HM	HM	SL	OS	HM Assemblage		
Resource Category	Mt	Mt	%	%	%	Ilmenite	Rutile	Zircon
Measured	282	20.3	7.2	4	0	72	2	6
Indicated	330	20.5	6.2	4	0	72	2	6
Inferred	245	12.4	5.0	5	1	71	1	5
Total	857	53.2	6.2	4	0	72	2	6

Notes:

- 1) Mineral Resources estimated at a 3% HM cut-off grade.
- 2) Table subject to rounding differences.

JORC Competent Persons Statement

For further detailed information on the Ranobe Deposit Mineral Resources, refer to Base's ASX market announcement of 19 December 2017 "Investor Presentation - Acquisition and Entitlement Offer" available at <https://www.baseresources.com.au/investor-centre/asx-releases/>. Base confirms that it is not aware of any new information or data that materially affects the information included in that ASX market announcement and all material assumptions and technical parameters underpinning the estimates in that ASX market announcement continue to apply and have not materially changed.

Appendix 2 - Kwale Ore Reserves and Mineral Resources at 30 June 2017

Category	Material	In Situ HM	HM	SL	OS	HM Assemblage		
						ILM	RUT	ZIR
	(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)
Mineral Resources¹								
Measured	106.1	3.99	3.8	25	1	58	13	6
Indicated	41.0	1.16	2.8	26	6	54	13	6
Inferred	0.2	0.003	1.3	27	7	52	14	6
Total	147.3	5.15	3.5	25	2	57	13	6
Ore Reserves								
Proved	61.5	2.86	4.6	26	1	59	14	6
Probable	29.8	1.04	3.5	26	4	55	13	6
Total	91.3	3.90	4.3	26	2	58	13	6

Notes:

- 1) Mineral Resources estimated at a 1% HM cut-off grade.
- 2) Table subject to rounding differences.
- 3) All Ore Reserves are contained within the Mineral Resources.

JORC Competent Persons Statement

For further detailed information on the Kwale Deposit Mineral Resources and Ore Reserves, refer to Base's ASX market announcement of 9 October 2017 "2017 Kwale Mineral Resources and Ore Reserves Statement" available at <https://www.baseresources.com.au/investor-centre/asx-releases/>. Base confirms that it is not aware of any new information or data that materially affects the information included in that ASX market announcement and all material assumptions and technical parameters underpinning the estimates in that ASX market announcement continue to apply and have not materially changed.

