

A close-up photograph of a hand holding a large amount of shimmering, blue-tinted mineral sands. The hand is cupped, and the sand is piled in the center, catching the light and creating a sparkling effect. The background is dark, making the sand stand out.

Broadening Base

Creating a unique mineral sands company

Annual General Meeting – Management Presentation
23 November 2018



Base Resources - a unique mineral sands company

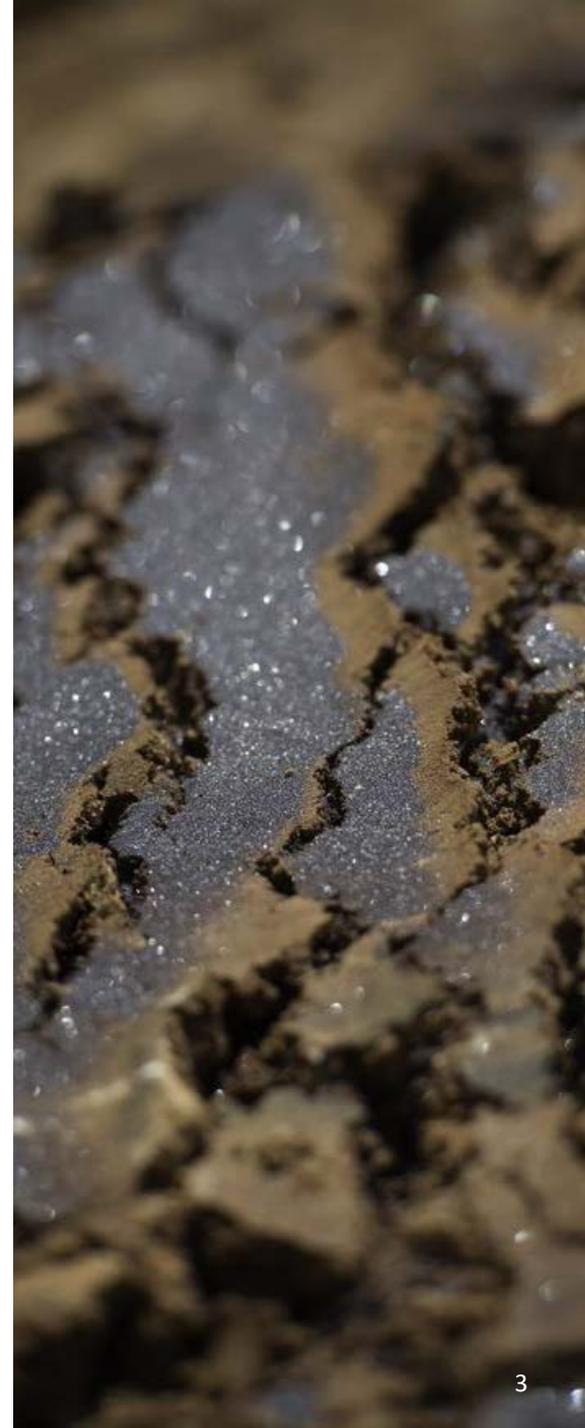
- ▶ “Mid cap” pure mineral sands company:
 - Established profitable Kwale Operations with extensional potential in Kenya
 - A world-class mineral sands development project in the Toliara Project in Madagascar
 - Long combined mine life
 - Track record of excellence in safety, community engagement and environmental management
 - An experienced team and capacity to execute well
- ▶ Creating a company of strategic relevance in a sector likely to continue to evolve



FY18 highlights and achievements

Safety	Total Recordable Injury Frequency Rate of zero
Revenue up	Consistent production and higher average price achieved for all products
Mine optimised	Kwale Phase 2 mine optimisation successfully completed
Resources increased	Kwale Measured and Indicated mineral resources increased by 19%*
Growth path	Acquisition of world-class Toliara Project in Madagascar
Record results	Revenue up 22%, EBITDA up 32%, NPAT up 114%
Debt down	Net debt down to US\$33.2m – reduced by US\$65.3m

* Refer to the Appendix for Kwale Mineral Resource information.



Kwale Mineral Sands Operation



View video at www.basetitanium.com

**No lost time or medical
treatment injuries**

14.1 MILLION

Hours worked with zero Lost-time
Injuries

57 months

Since last Lost-time Injury

Zero TRIFR

No medical treatments in last 16 months



**BASE
RESOURCES**



Further investing in our community



US\$3.8m invested in community and environment programs



Kwale Cotton Project receives World Economic Forum award



60,000 training hours delivered to employees



100 interns, apprentices and graduates employed



20,500 trees planted



240 health workers trained and supported

Creating sustainable value and impact



View video at www.basetitanium.com

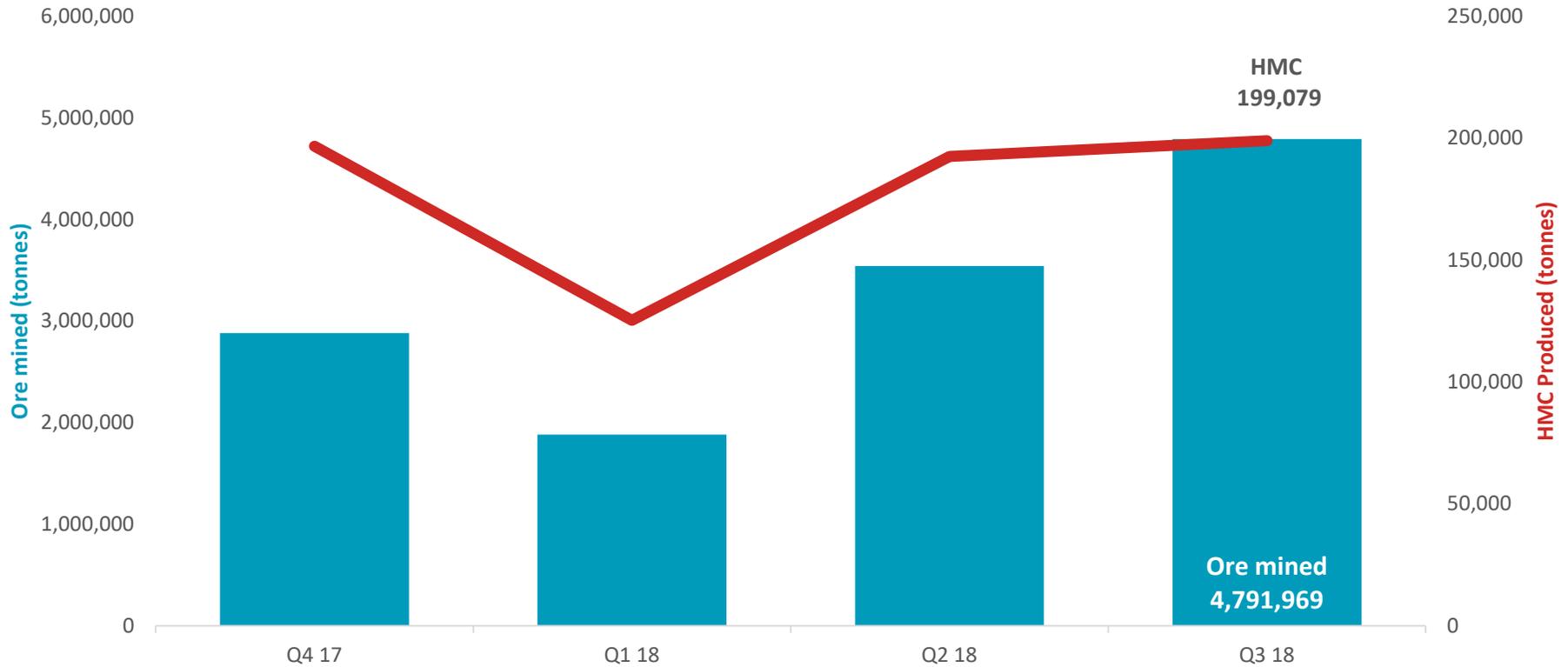
Kwale Phase 2 optimisation complete



- ▶ Three hydraulic mining units now in operation
- ▶ Mining rate increased 63% to 2,400Tph
- ▶ Wet concentrator plant upgraded with a 69% increase in spiral capacity
- ▶ Delivered on time and budget – capex spend of US\$29.8m

35% increase in mined ore

Ore mined and HMC produced

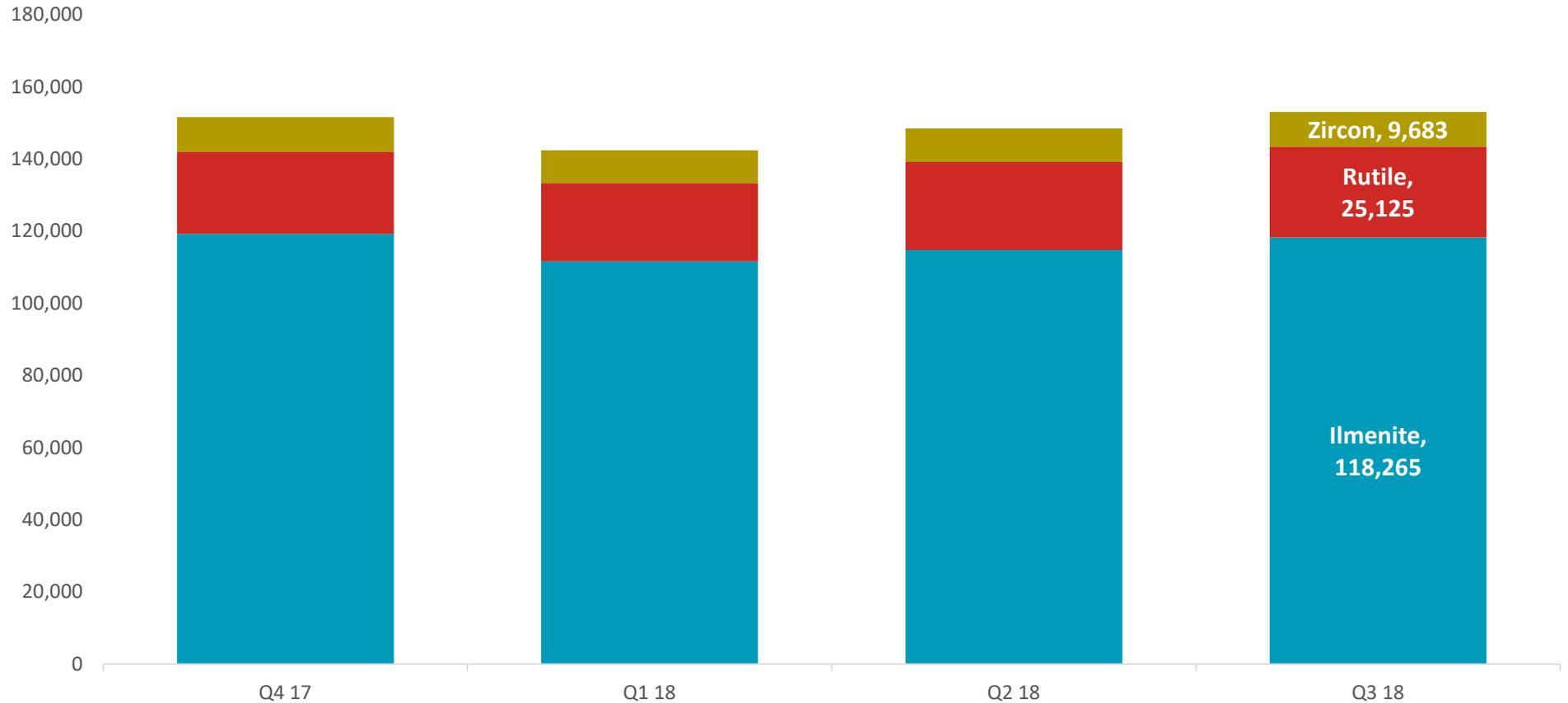


HM%	7.61	6.88	6.36	4.78
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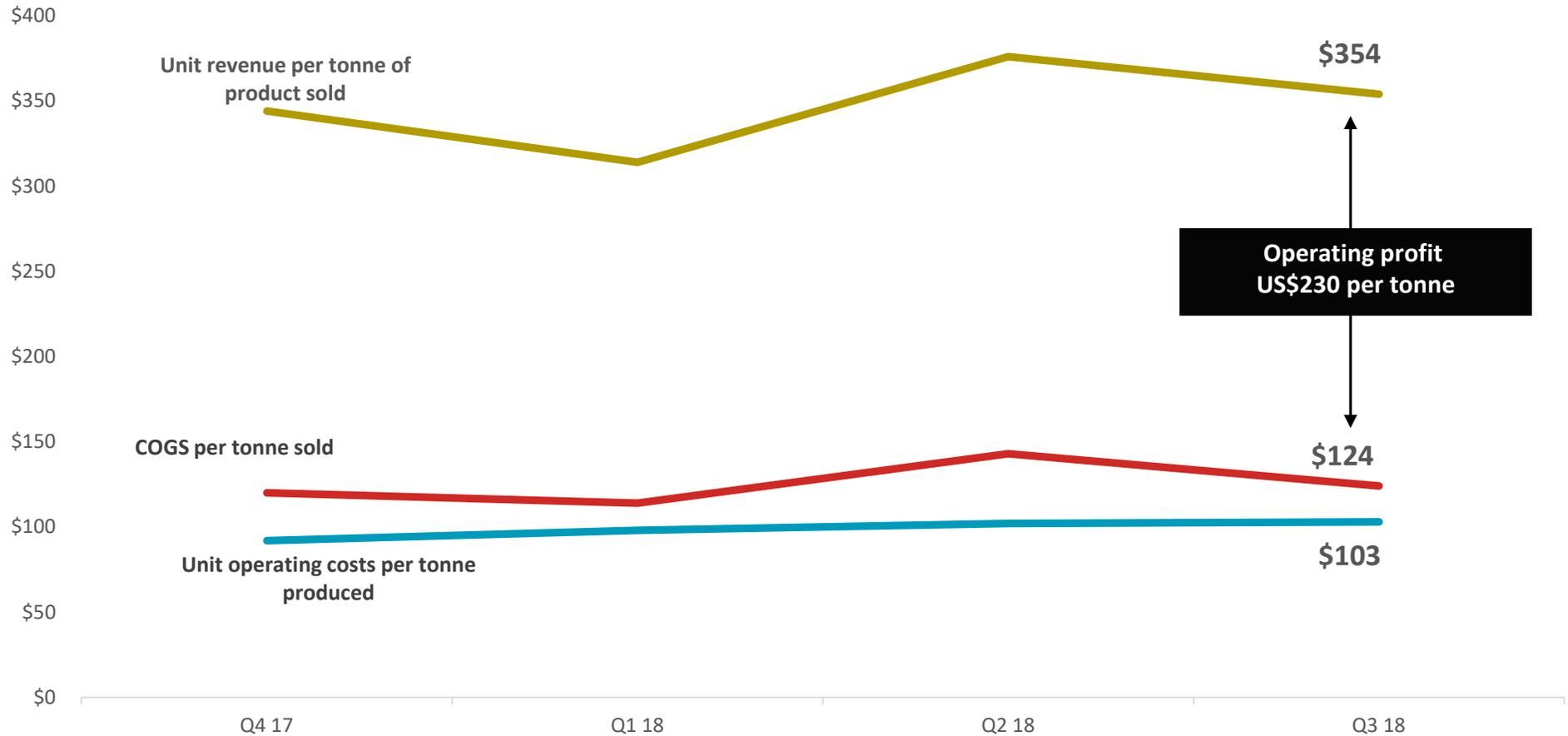
Record rutile and zircon production

Kwale Production (tonnes)



Costs continue to be tightly managed

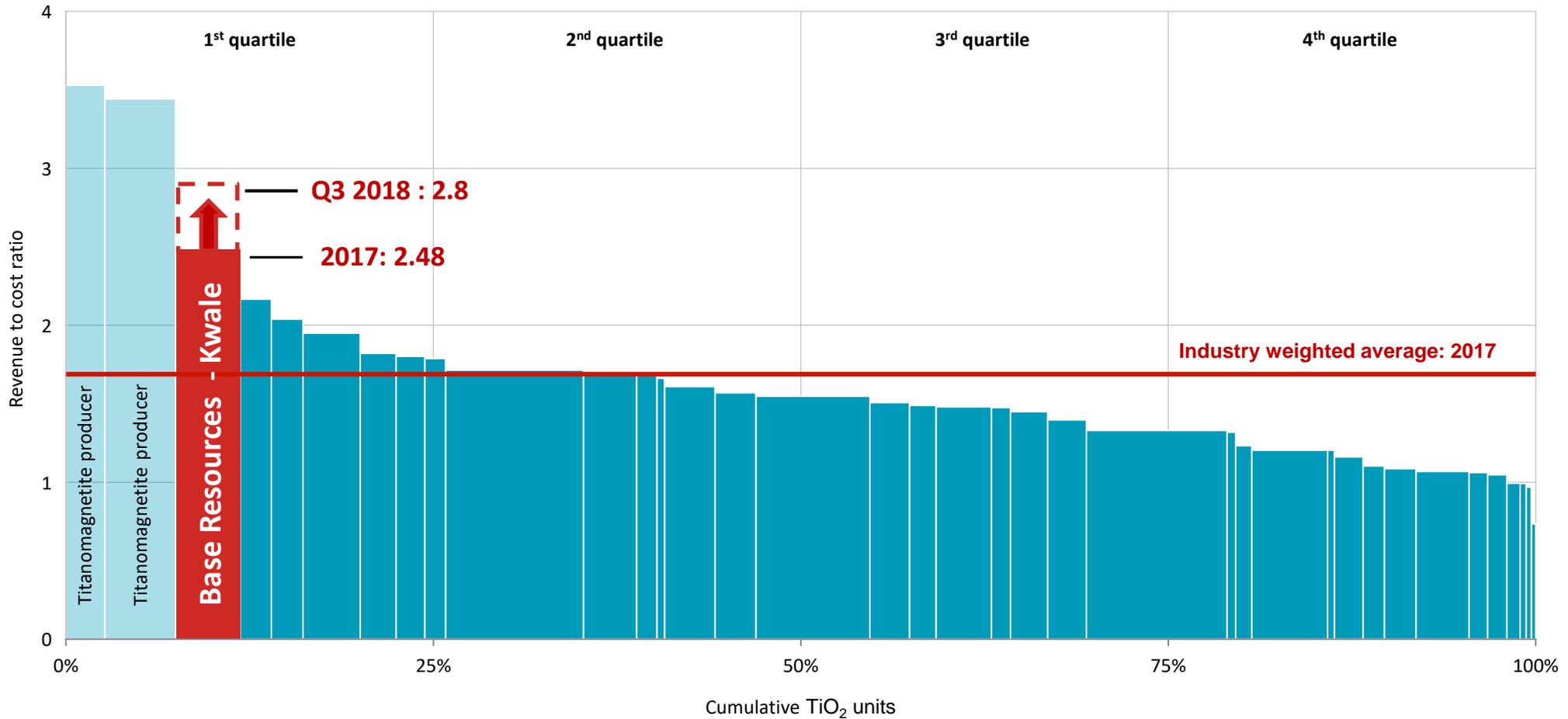
Unit costs and revenue per tonne (\$US)



Sector leading revenue-to-cost ratio



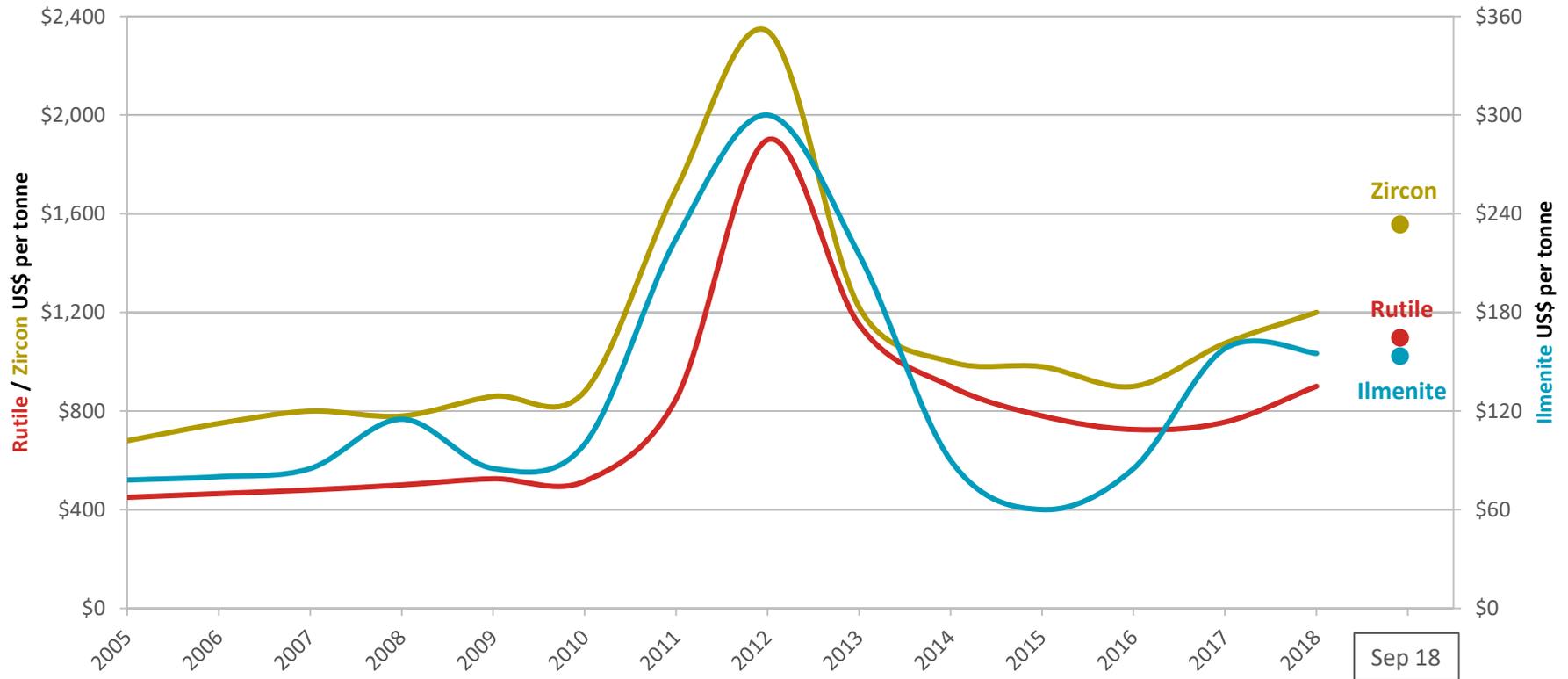
Industry revenue-to-cash cost curve: 2017



Source: Titanium Feedstock Producers Cost Study 2018, TZMI, and Company data

Continued strengthening of rutile and zircon prices

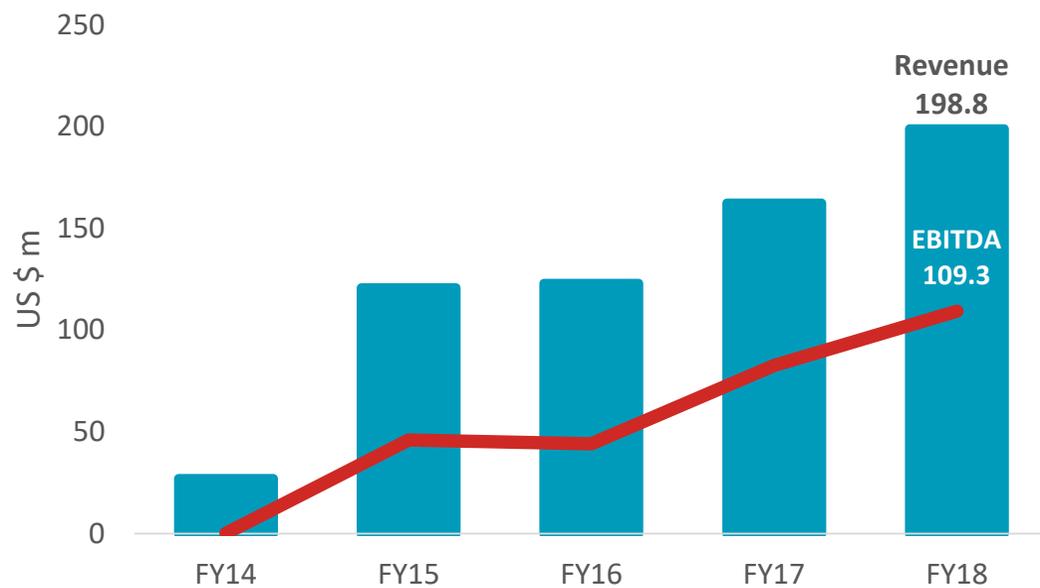
Historical Product Prices



* Source: TZMI and Company data



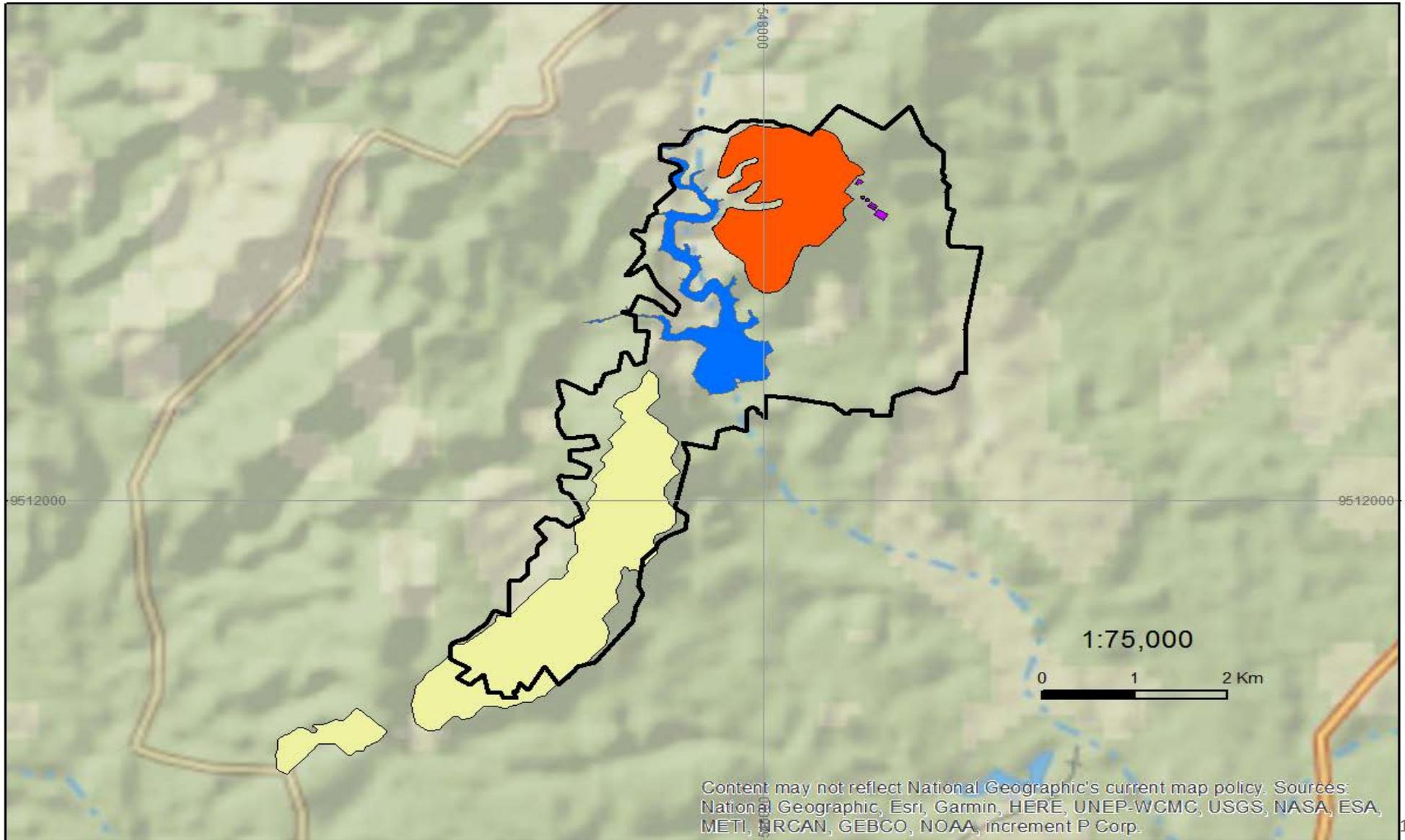
Strong earnings growth



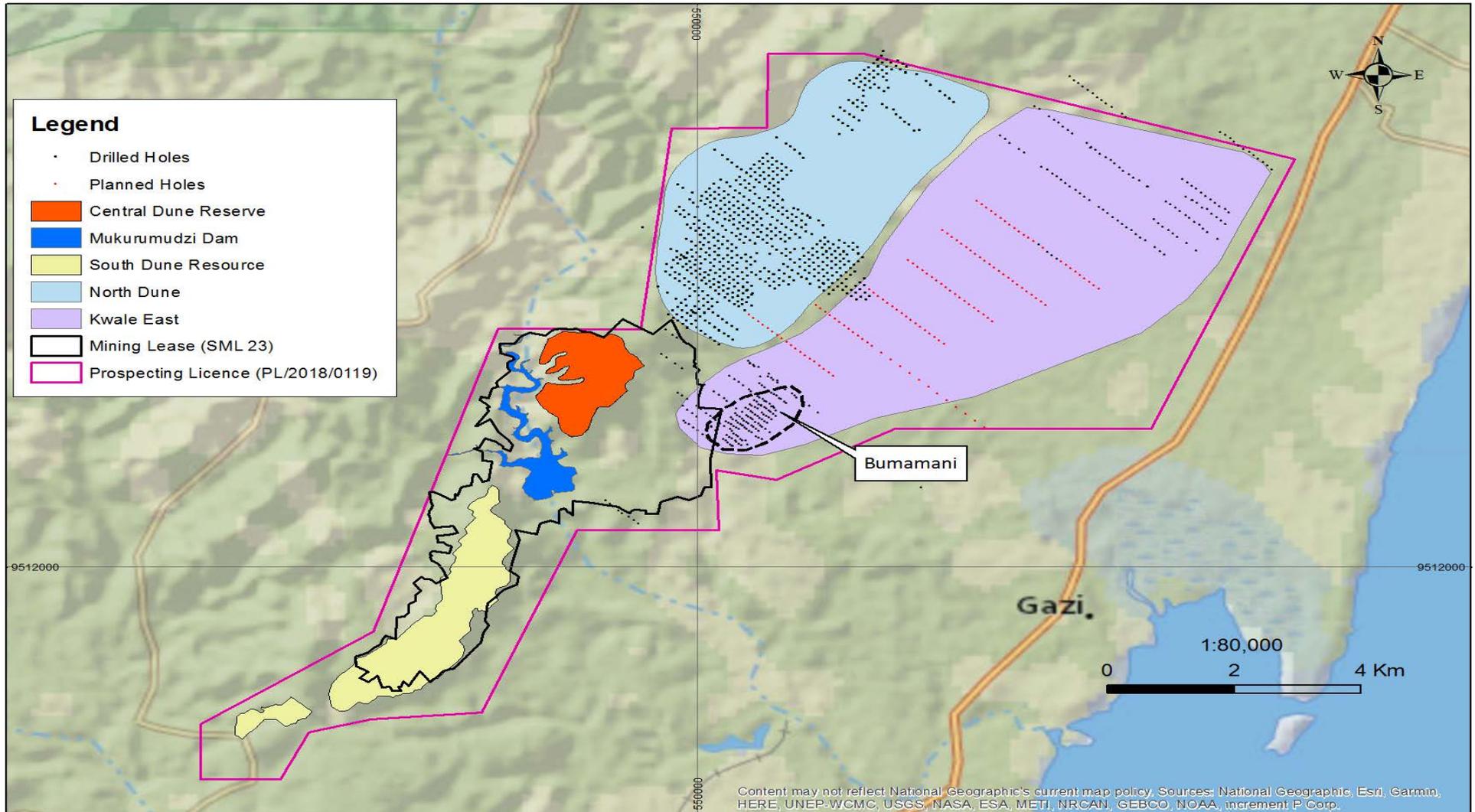
Kwale mine life extension – South Dune



**BASE
RESOURCES**



Kwale mine life extension – North and East



A sound financial platform

► Solid equity base (ASX & AIM: BSE)

- A\$303m market capitalisation @ A\$0.26

Substantial Shareholders	Interest
Pacific Road Capital	20.8%
Sustainable Capital	16.9%
Regal Funds Management	13.1%
UBS Group	5.3%

► Rapidly reducing debt

- US\$23.8m in net debt at 30 September 2018
- US\$62.8m paid down in last 12 months
- Net debt expected to be **less than US\$5m** by the end of 2018

► Kwale Project Debt Facility retired

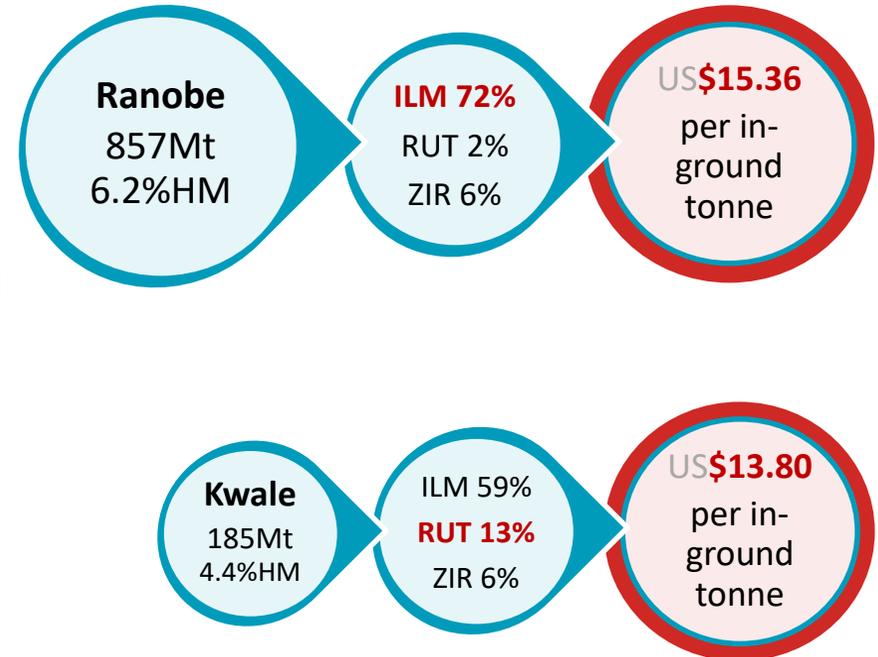
- Kwale Project Debt Facility repaid 20 months ahead of schedule



Why the Toliara Project?

- ▶ Large high grade 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
- ▶ Significant resource expansion potential
- ▶ Scope for operational scale-up over time
- ▶ Simple mineralogy and technically straight forward processing
- ▶ Expected 1st quartile Revenue to Cash Cost ratio
- ▶ Advanced stage of development
- ▶ A high level of government support as a project of national significance
- ▶ A project Base can execute well and should generate significant shareholder returns

Grade and Assemblage Higher in-ground value than Kwale



Notes:

- (1) Kwale Central and South Dune Mineral Resource estimate as at commencement of operations taking into account subsequent resource updates. Refer to the Appendix for Kwale Mineral Resource and Ranobe Mineral Resource information.
- (2) Calculated on in-ground contained mineral in M&I Resource categories and based on approximate spot prices of: Sulphate Ilmenite US\$150/t, Chloride Ilmenite US\$190/t, Rutile US\$1,050/t and Zircon US\$1,600/t

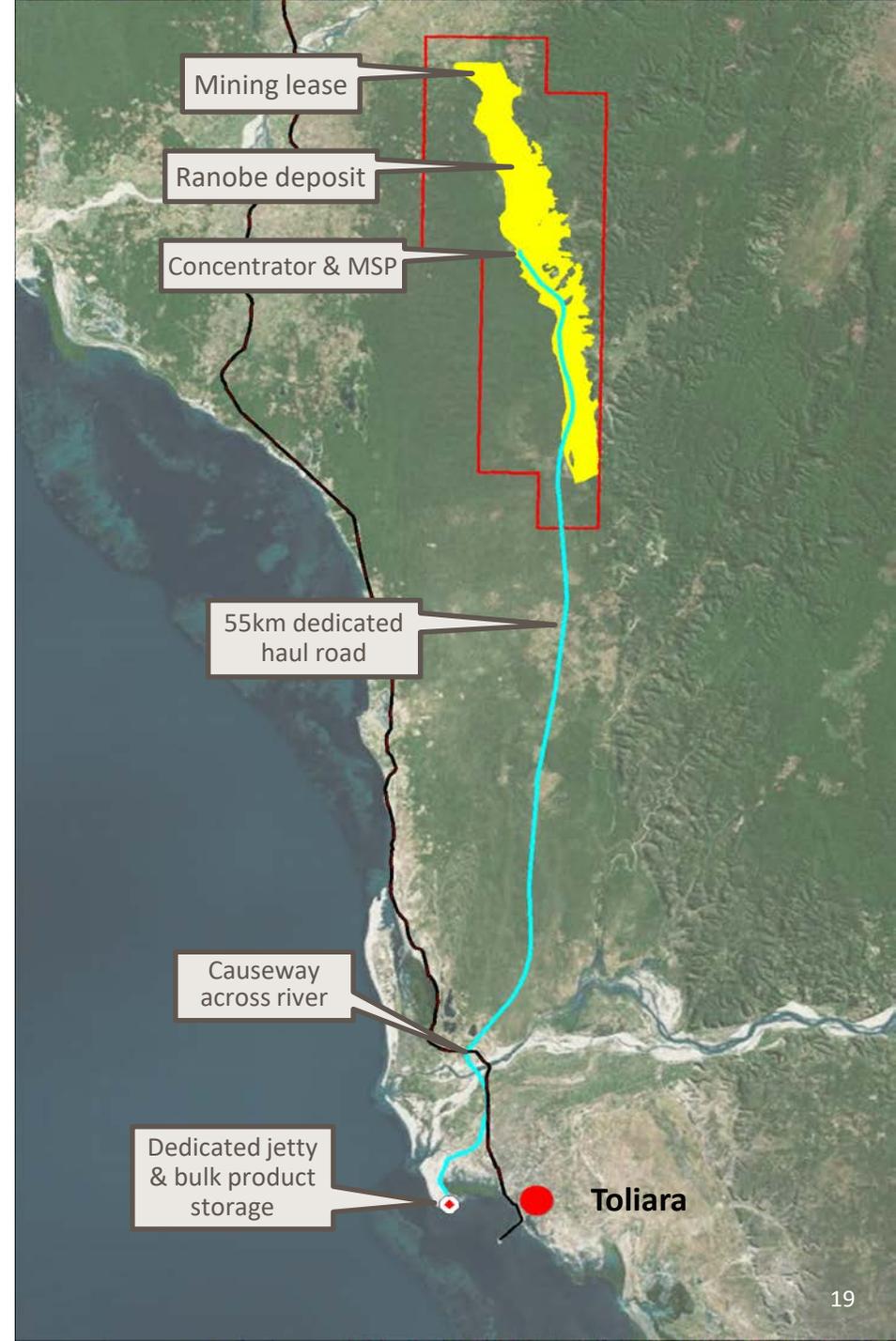
Toliara PFS on track

Progressed in Q3

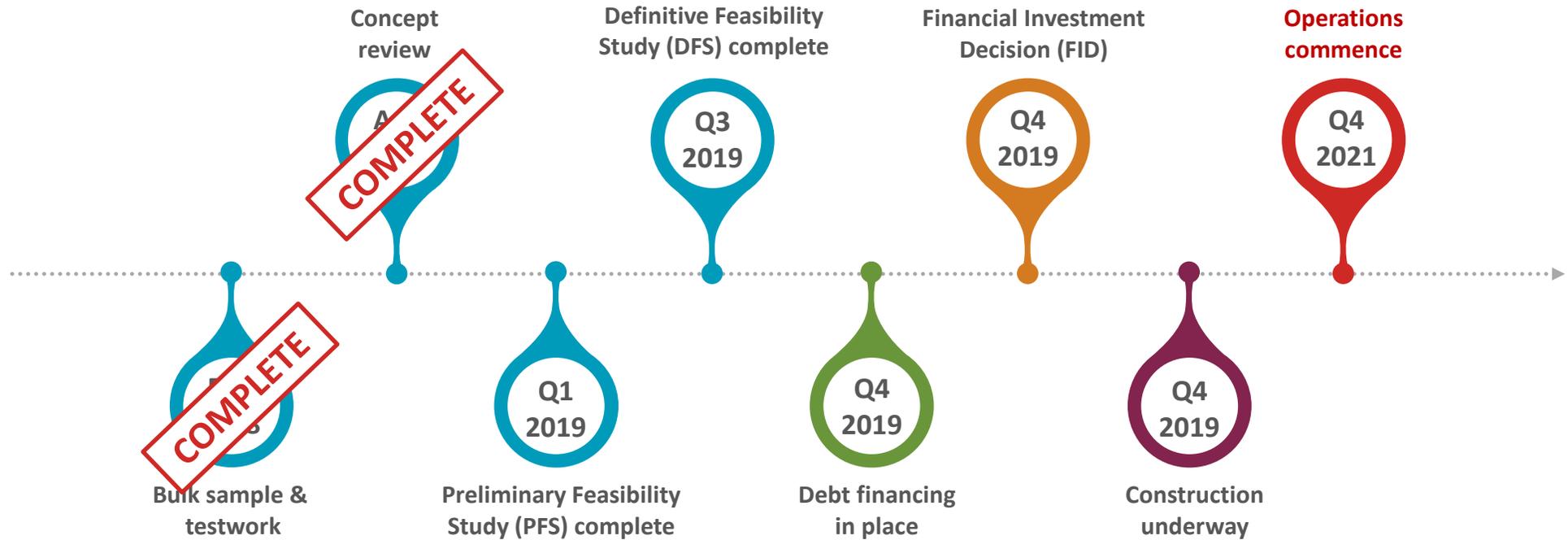
- ▶ A range of mining, processing and infrastructure options were evaluated and the preferred development options selected
- ▶ 100 tonne bulk sample processed by Mineral Technologies - completing the wet concentrator plant test work
- ▶ Completion of the first 3,541 metres of the infill and resource definition drill program
- ▶ Development of environmental and social management plans have commenced
- ▶ Land identification completed for land acquisition and compensation committee established

Q4 focus

- ▶ Mineral separation plant test work for flowsheet design
- ▶ Generating marketing samples from MSP test work
- ▶ Update Ranobe deposit mineralogy
- ▶ Continue drilling program, as land access allows



A path to production in 2021



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 Project
- 6 Creating a unique mineral sands company





Appendices

Mineral sands products widely used

Ilmenite and Rutile

TiO₂ pigment

Titanium metal production

90% pigments

10%

Paint

Plastics

Paper

Aerospace



Zircon

Zircon sand

50%

50%

Ceramics

Chemicals

Refractories and Foundries



Kwale Ore Reserves and Mineral Resources at 30 June 2018

Category	Material	In Situ HM	HM	SL	OS	HM Assemblage		
						ILM	RUT	ZIR
	(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)
Mineral Resources¹								
Measured	94	3.2	3.4	25	1	59	14	6
Indicated	40	1.1	2.7	26	6	53	13	6
Inferred	0.2	0.003	1.3	27	7	54	15	7
Total	134	4.2	3.1	25	2	57	13	6
Ore Reserves								
Proved	52	1.8	3.5	26	1	68	16	7
Probable	28	1.3	4.6	26	4	39	10	4
Total	80	3.1	3.9	26	2	56	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 Statement

For further detailed information on the Kwale Deposit Mineral Resources and Ore Reserves, refer to Base Resources' ASX market announcements of 8 October 2018 "2018 Mineral Resources and Ore Reserves Statement" and 9 October 2017 "2017 Kwale Mineral Resources and Ore Reserves Statement" each available at <https://www.baseresources.com.au/investor-centre/asx-releases/>. Base Resources confirms that it is not aware of any new information or data that materially affects the information included in these ASX market announcements and all material assumptions and technical parameters underpinning the estimates in these ASX market announcements continue to apply and have not materially changed.

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 Statement

For further detailed information on the Ranobe Deposit Mineral Resources, refer to Base Resources' ASX market announcements of 8 October 2018 "2018 Mineral Resources and Ore Reserves Statement" and 19 December 2017 "Investor Presentation - Acquisition and Entitlement Offer" each available at <https://www.baseresources.com.au/investor-centre/asx-releases/>. Base Resources confirms that it is not aware of any new information or data that materially affects the information included in these ASX market announcements and all material assumptions and technical parameters underpinning the estimates in these ASX market announcement continue to apply and have not materially changed.