

ASX, AIM and Media Release
26 August 2019

Record year for Base Resources

Sales price increases and a focus on efficiency have resulted in record revenue, EBITDA and NPAT for the year ended 30 June 2019 (FY19) for mineral sands producer and developer, **Base Resources Limited** (ASX & AIM: BSE) (**Base Resources** or the **Company**). The Company also successfully transitioned mining operations to the South Dune orebody at its Kwale Operation in Kenya and released the pre-feasibility study for its Toliara Project in Madagascar.

Operational Highlights for FY19

- Kwale production in line with updated guidance – 92,393 tonnes of rutile, 402,698 tonnes of ilmenite and 31,941 tonnes of zircon.
- Mining rate increased by 57% to 17.8Mtpa, facilitated by implementation of the Kwale Phase 2 mine optimisation project in the prior year.
- Successfully transitioned mining operations to the Kwale South Dune after fully depleting the Central Dune.
- Total Recordable Injury Frequency Rate of zero – no lost time injury since early 2014.
- US\$3.8m invested in community and environment programs.

Financial Highlights for FY19

- Average price improvement for both rutile (22% increase) and zircon (28% increase) increased revenue by 5% to US\$209.5m.
- EBITDA increased 4% to US\$113.5m.
- NPAT increased 15% to US\$39.2m.
- Net debt free, with a closing net cash position of US\$19.2m.
- Financing costs lower after early retirement of the Kwale Project Debt Facility in October 2018.
- Revolving Credit Facility increased to US\$75.0m on more favourable terms, increasing funding flexibility.
- Revenue to cost of sales ratio of 2.6:1 maintained Kwale Operations position in the upper quartile of mineral sands producers.

Development Highlights for FY19

- Increased the Ranobe deposit Mineral Resources estimate, on which the Toliara Project is based, to 1.3 billion tonnes at 5.1% HM, a 25% rise in contained HM tonnes¹.
- Toliara Project pre-feasibility study² released, confirming the Company's view that the Toliara Project is a world-class mineral sands development.
- Toliara Project definitive feasibility study commenced and on target for completion by the end of 2019.
- Kwale North Dune Mineral Resources estimate released and feasibility study commenced.
- 136km² Vanga exploration license, south of Kwale, granted with 8,195m drilled.

Managing Director of Base Resources, Tim Carstens, said:

"This has been a busy but rewarding year for Base Resources with our highly productive Kwale Operation in Kenya delivering a consistently strong performance and the world class Toliara Project in Madagascar progressing towards development."

"Strong price improvement for rutile and zircon contributed to record financial results for the Company and we ended the year net cash positive, establishing a strong platform from which to grow the business. Our focal points for FY20 are optimisation and consistent

¹ For further information on the Ranobe deposit Mineral Resources, refer to Base Resources' market announcement on 23 January 2019 "Updated Ranobe Deposit Mineral Resources (corrected)" 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 the 23 January 2019 market announcement and all material assumptions and technical parameters underpinning the estimates in the 23 January 2019 market announcement continue to apply and have not materially changed.

² For further information about the Toliara Project PFS outcomes refer to Base Resources' market announcement on 21 March 2019 "Toliara Project PFS confirms status as a world-class mineral sands development" available at <https://www.baseresources.com.au/investor-centre/asx-releases/>.

performance of the Kwale Operations on the South Dune, pursuit of mine life extension at Kwale, and continued progression of the Toliara Project towards a development decision, with delivery of the DFS and project funding the immediate priorities.”

Outlook

As previously announced³, Base Resources expects to produce from its Kwale Operation in FY20:

- Rutile – 64,000 to 70,000 tonnes;
- Ilmenite – 315,000 to 350,000 tonnes; and
- Zircon – 25,000 to 28,000 tonnes.

Investor and Shareholder calls

Base Resources Managing Director, Tim Carstens, and CFO, Kevin Balloch, will host the following investor and shareholder conference calls to discuss the Company’s FY19 Full Year Results. Tim and Kevin will be available to answer questions following a summary of the results.

Australia conference call

Date: Monday 26 August 2019

Time: 09:00am AWST / 11.00am AEST

Conference ID: [10001672](#)

Telephone dial in details:

Australia Toll Free:	1800 870 643	China Wide:	4001 200 659	Malaysia:	1800 816 294
Other international:	61 7 3145 4010	Hong Kong:	800 966 806	Singapore:	800 101 2785
New Zealand Toll Free:	0800 453 055	Japan:	0053 116 1281		

Europe conference call

Date: Monday 26 August 2019

Time: 5.30pm AWST / 10.30am BST

Conference ID: [10001671](#)

Telephone dial in details:

United Kingdom:	0800 051 8245	Ireland:	1800 948 625	UAE:	8000 3570 2705
Belgium:	0800 72 111	Italy:	800 793 500	United States:	(855) 881 1339
Sweden:	020 791 959	Norway:	800 69 950	Canada:	1855 8811 339
France:	080 098 1498	Switzerland:	0800 820 030	Other international:	61 7 3145 4010
Germany:	0800 182 7617	South Africa:	0800 999 976		

UK conference call

Date: Tuesday 27 August 2019

Time: 8.00pm AWST / 1.00pm BST

Conference ID: [10001854](#)

Telephone dial in details:

United Kingdom:	0800 051 8245	Other international:	61 7 3145 4010
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³ For further information refer to Base Resources’ market announcement on 10 April 2019 “Production Guidance for FY20” available at <https://www.baseresources.com.au/investor-centre/asx-releases/>.

For further information contact:

James Fuller, Manager Communications and Investor Relations

Base Resources

Tel: +61 (8) 9413 7426

Mobile: +61 (0) 488 093 763

Email: jfuller@baseresources.com.au

UK Media Relations

Tavistock Communication

Jos Simson and Barnaby Hayward

Tel: +44 (0) 207 920 3150

About Base Resources

Base Resources is an Australian based, African focused, mineral sands producer and developer with a track record of project delivery and operational performance. The Company operates the established Kwale Operations in Kenya and is developing the Toliara Project in Madagascar. Base Resources is an ASX and AIM listed company. Further details about Base Resources are available at

www.baseresources.com.au