

Building a unique mineral sands company

Cape Town Conference Presentation

Arlington Pre-Daba

121 Mining Investment

February 2020



**BASE
RESOURCES**



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DFS Announcement

The DFS Announcement discloses details about the material assumptions and underlying methodologies adopted for deriving the production information and forecast financial information included in this document in respect of the Toliara Project, such as the material price and operating cost assumptions, which assumptions include the currently legislated government mineral royalty of 2%. It also discloses key pre and post FID risks in respect of the Toliara Project and an NPV sensitivity analysis. Base Resources confirms that all the material assumptions underpinning the production information and forecast financial information disclosed in the DFS Announcement continue to apply and have not materially changed.

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This document contains revenue-to-cost ratio information derived from TZMI's Titanium Feedstock Producers Cost Study, 2018. Base Resources has not independently verified such information.

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Australian based, African focused, producer

A world map with a dark blue background and light blue landmasses. Three specific locations are highlighted with red outlines and red arrows pointing to text boxes. The first location is in Kenya, the second is in Madagascar, and the third is in Australia. The text boxes provide details about each location, including the name of the operation/project, the country, and a brief description of its status and products.

Kwale Operations

Kenya
Operational asset producing
rutile, ilmenite and zircon.

Toliara Project

Madagascar
Mineral sands development
project progressing towards
production.

Base Resources

Perth
Company headquarters.

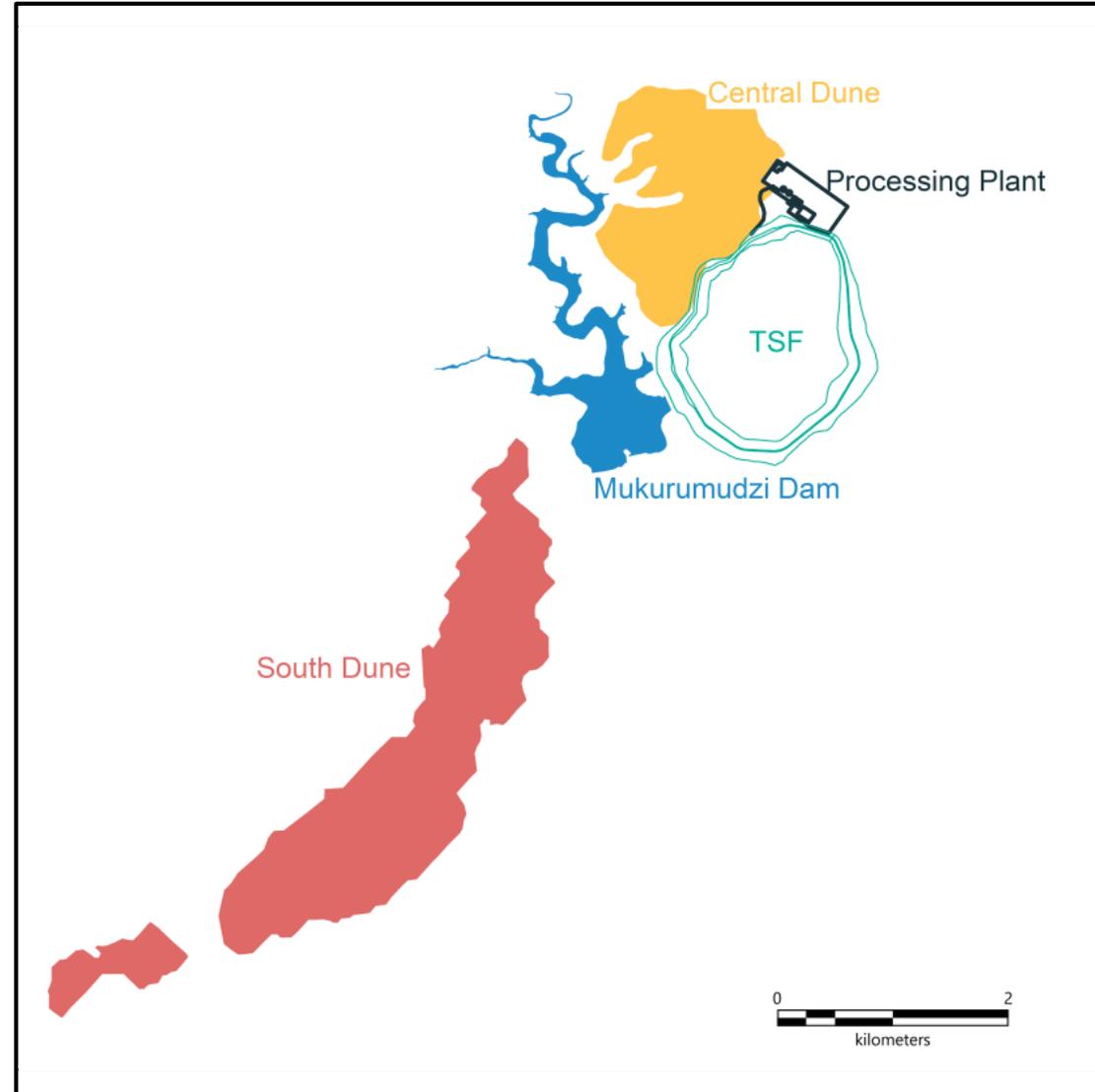
The foundation – The Kwale operation

Video available at
www.basetitanium.com

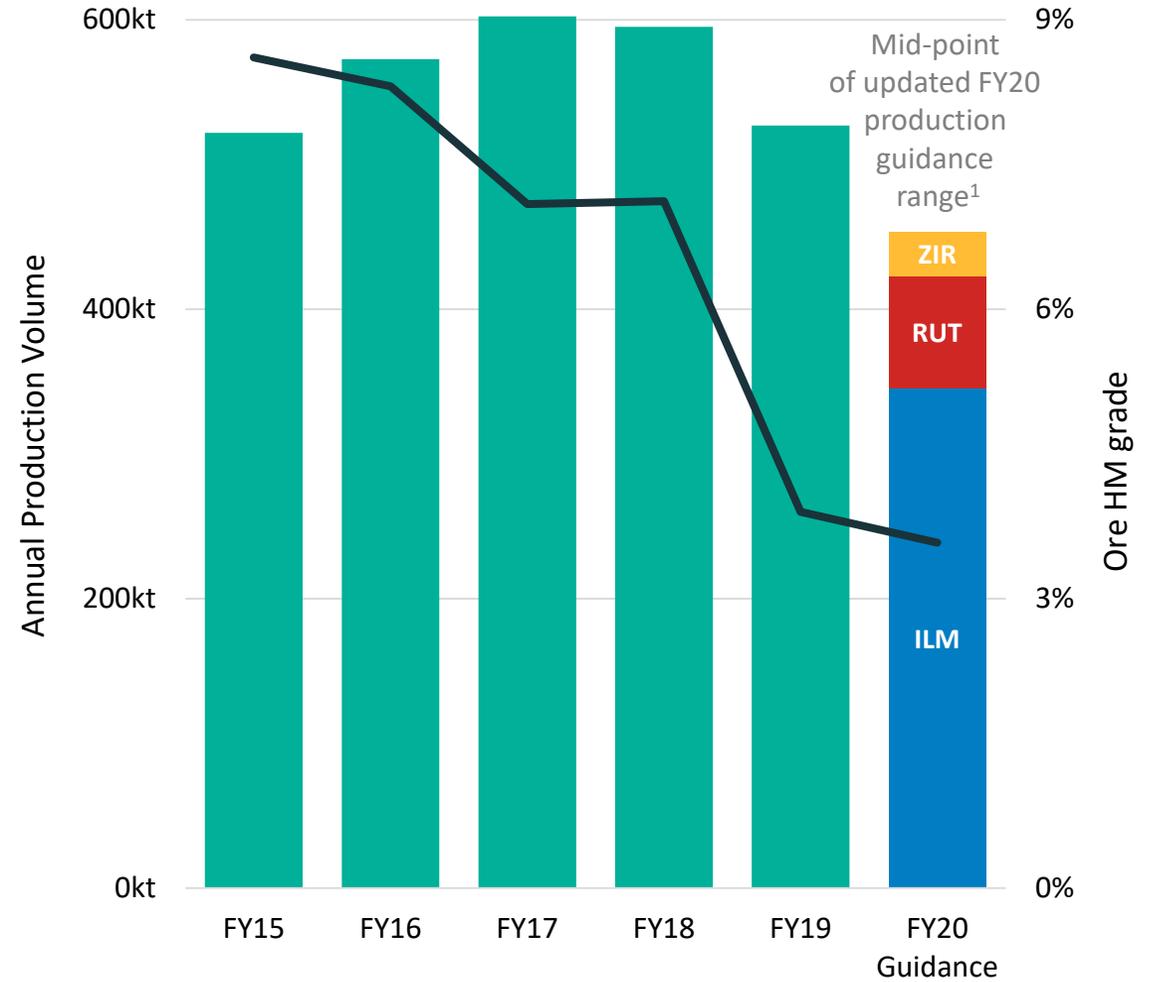


Kwale Operation enters the next phase...

- Central Dune fully depleted in June 2019
- Mining operations transitioned to the South Dune over a 2-week period in late June 2019
- Successful ramp up of mining and processing operations following the transition
- Mining rates equivalent to 18.7Mtpa achieved to date, exceeding the 18Mtpa plan
- Total project cost of US\$12m, delivered on budget, on time and safely



...with South Dune production levels the new normal



Outstanding safety outcomes indicative of performance culture

19.1
Million

Hours worked with
zero Lost-Time
Injuries

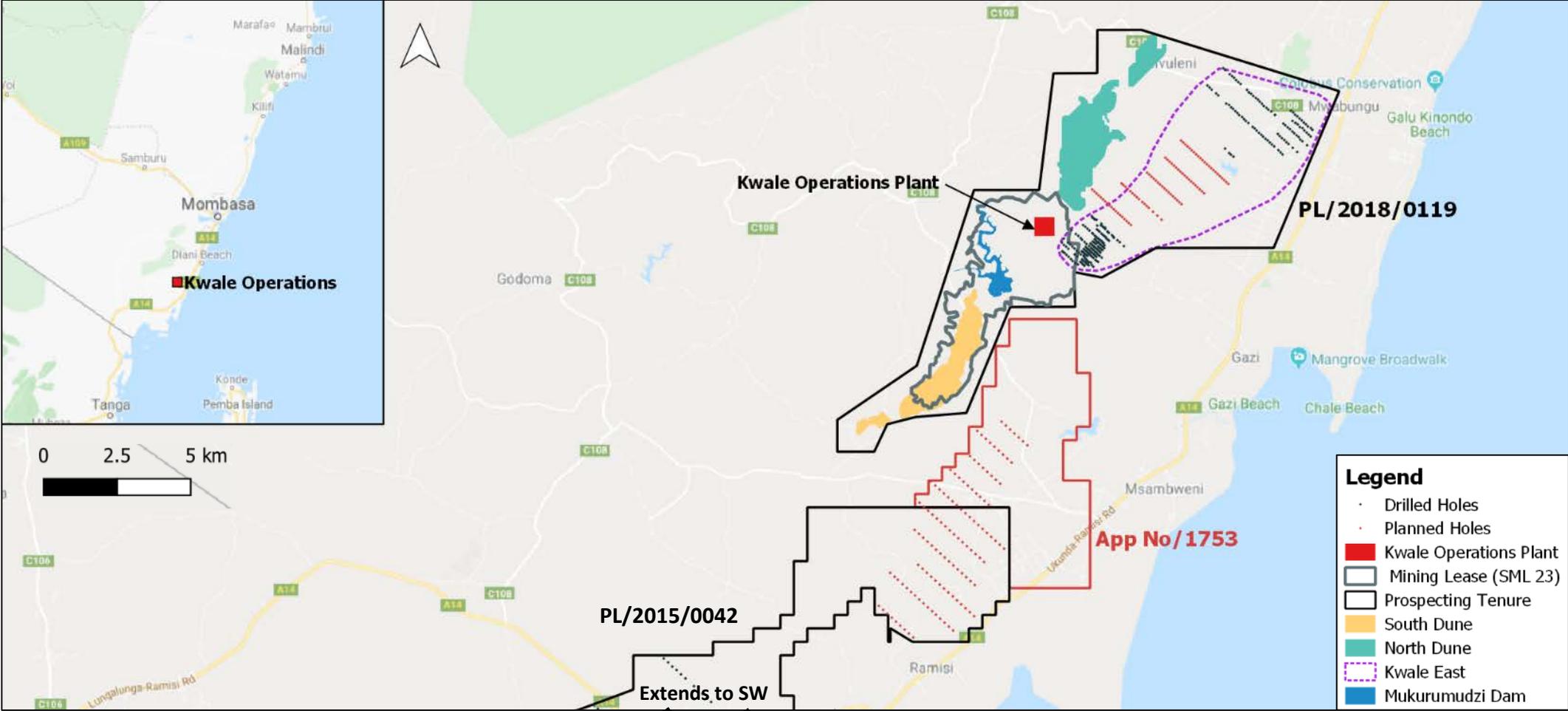
70
Months

Since last Lost-Time
Injury

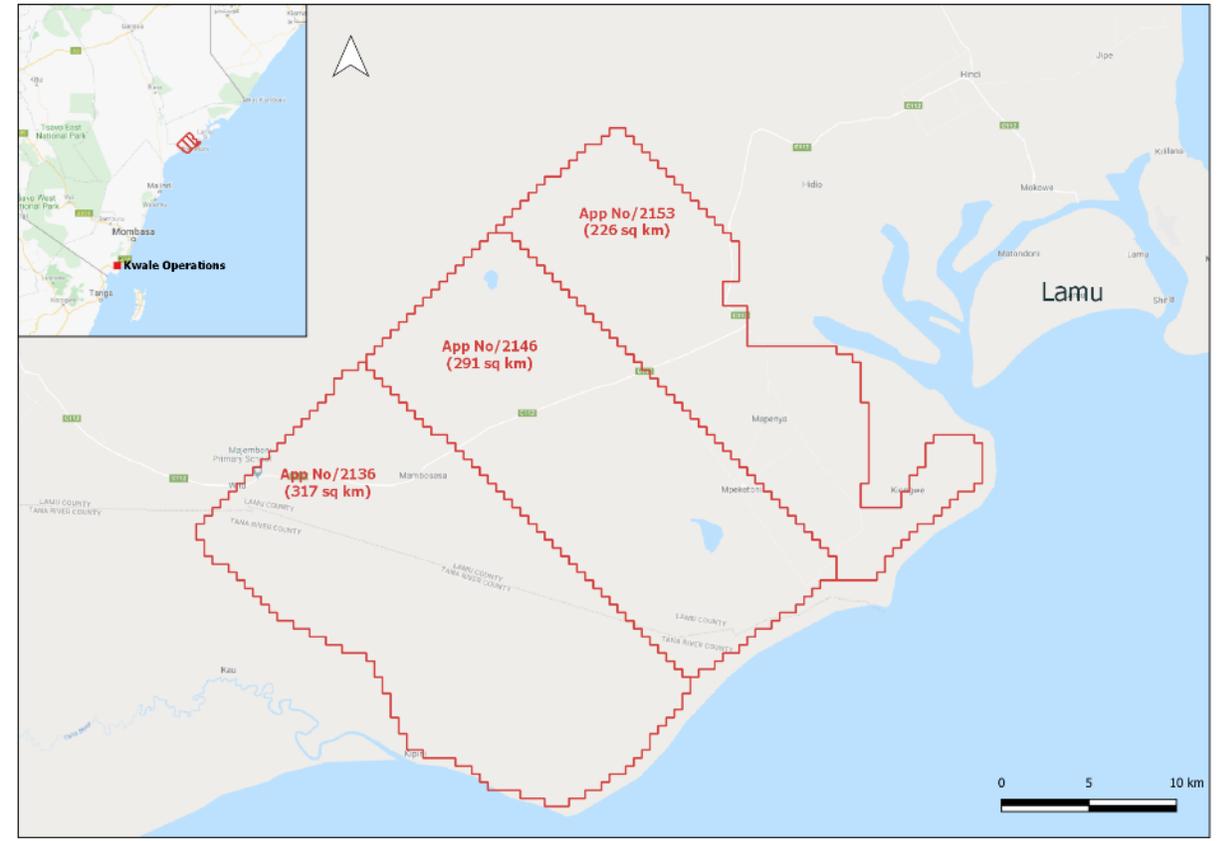
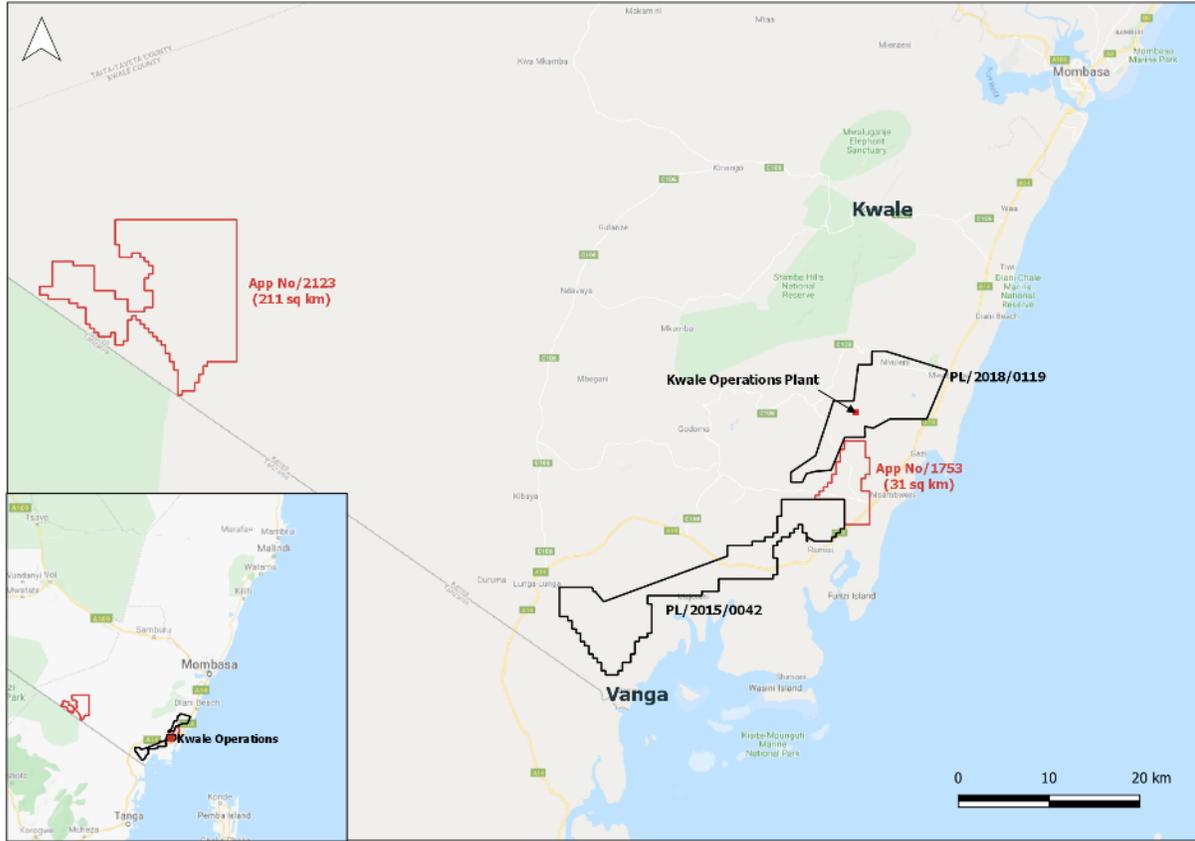
9.4
Million

Hours worked
without a medical
treatment injury

Multiple mine life extension opportunities being explored



As well as Kenyan opportunities further afield



Toliara – a world class development project

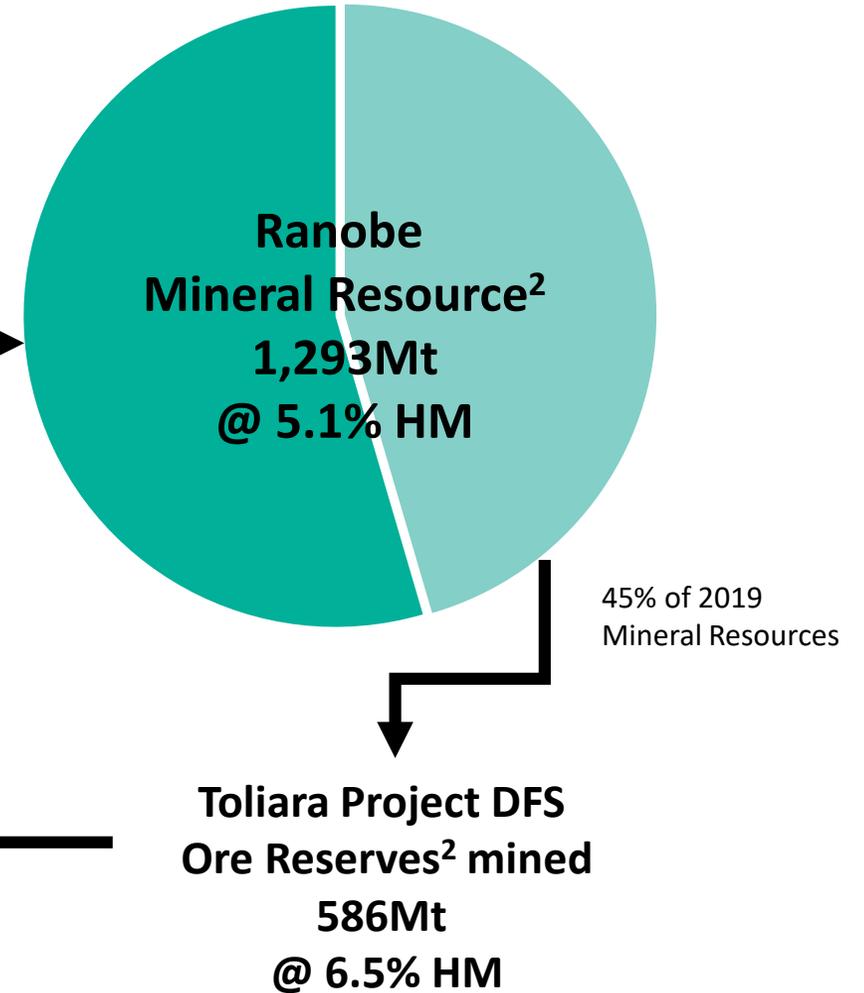
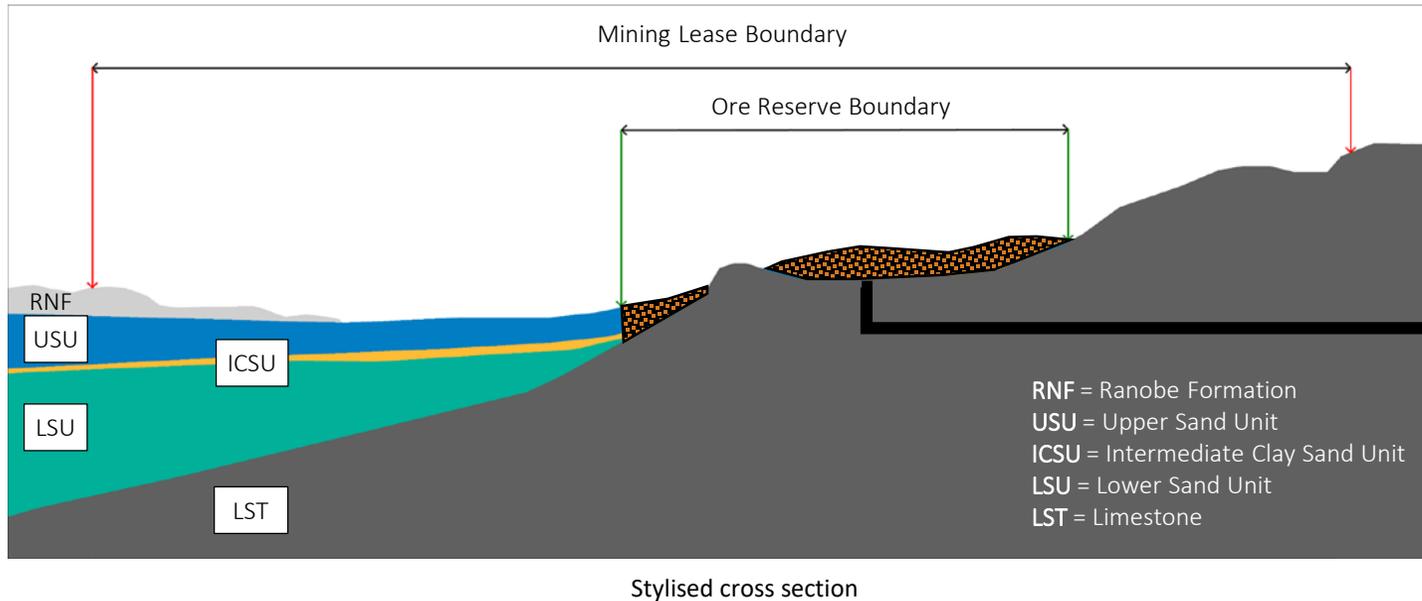
Project video available at
www.baseresources.com.au



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Mineral Resources afford long mine life...



33 year mine life
Average annual production¹:
Ilmenite 780kt
Zircon 53kt
Rutile 7kt



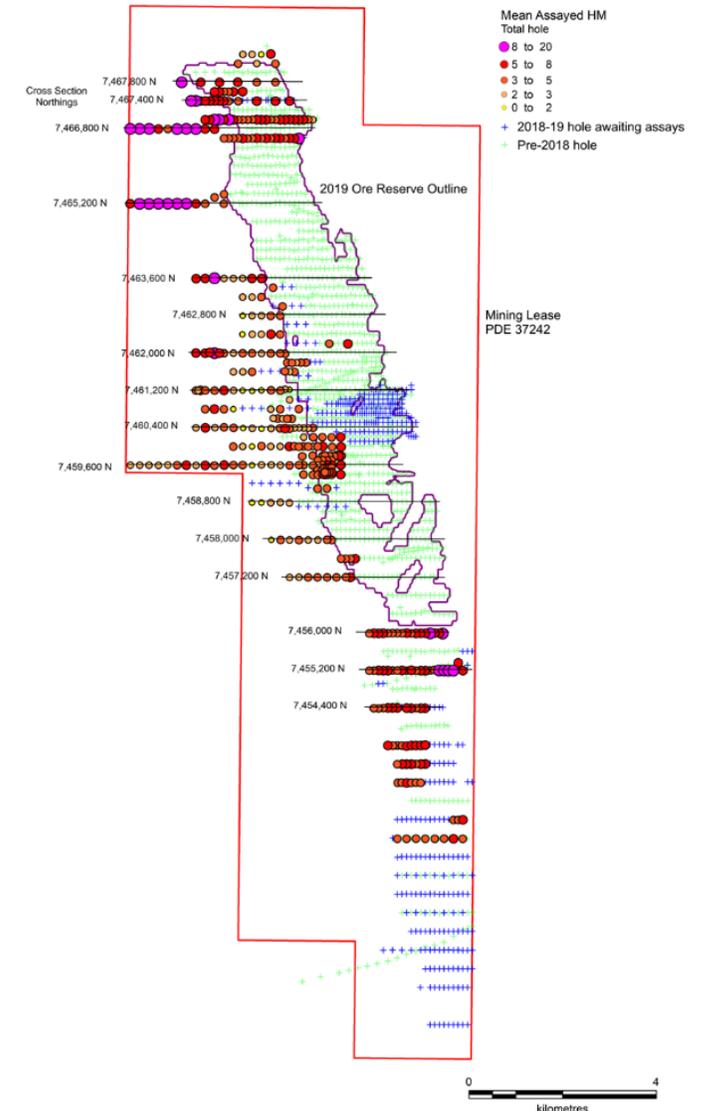
1. The anticipated annual production information is derived from the Toliara Project Definitive Feasibility Study and excludes the first and last partial operating years. For further information about that study, refer to Base Resources' announcement on 12 December 2019 "DFS reinforces Toliara Project's status as a world-class mineral sands development" available at <https://www.baseresources.com.au/investor-centre/asx-releases/>.
2. For further information about the Ranobe Mineral Resources and Ranobe Ore Reserves, refer to the Appendices to this document.

...with significant expansion potential

- 2018/19 drilling program - 29,753m in 770 holes
- Assay results received to date show material heavy mineral intercepts - particularly in the lower sand unit
- Further drilling targeting high-grade lower sand unit zones to be planned once assaying of remaining samples is complete

Notable drill results:

- Hole R2076 - 81m @ 15.7% HM, with LSU of 67.5m @ 18.3% HM
- Hole R2074 - 87m @ 13.9% HM, with LSU of 69m @ 16.4% HM
- Hole R2084 - 71.5m @ 12.2% HM, with LSU of 41.5m @ 17.6% HM
- Hole R1507A - 72m @ 11.6% HM, with LSU of 43.5m @ 16.5% HM
- Hole R2022 - 87m @ 9.1% HM, with LSU of 52.5m @ 13.8% HM

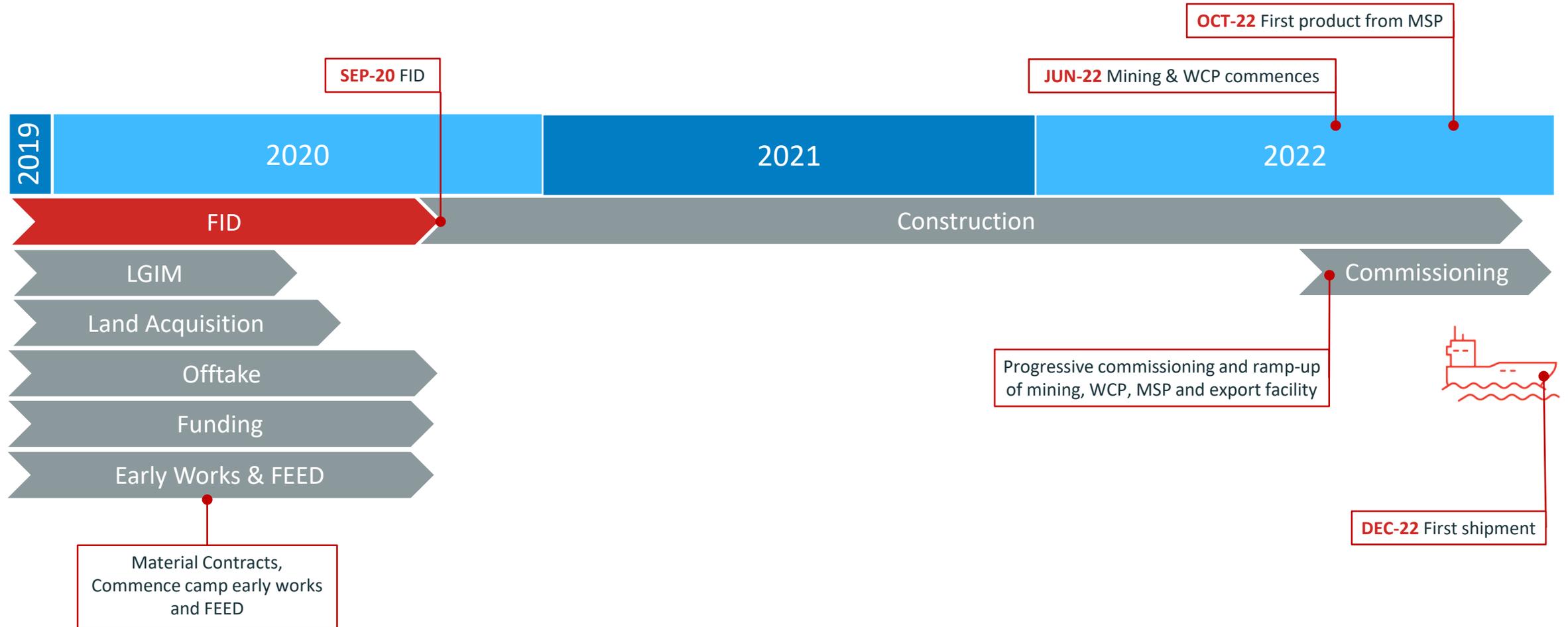


Toliara DFS confirms a world-class mineral sands development

- NPV₁₀ post tax, pre-debt, real **US\$652m** & IRR of **21.4%**
- Revenue to cost of sales ratio of **3.15**
- Stage 1 capex **US\$442m** for 13Mtpa
- Stage 2 capex **US\$69m** to increase to 19Mtpa
- LOM average annual revenue of **US\$248m**
 - 65% ilmenite, 32% zircon, 3% rutile
- LOM average annual EBITDA of **US\$164m**
- LOM average annual free cash flow of **US\$132m**



Indicative timeline



Building a unique mineral sands company



- Team with a track record of delivery in Africa
- Consistent, high cash flow Kwale Operations, with extension potential
- Reputation for excellence in safety, community and environment
- A sound financial platform from which to grow the business
- Improving markets are supporting a need for new supply
- A world class development in the Toliara Project



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Appendices



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Kwale Ore Reserves and Mineral Resources

Category	Material	In Situ HM	HM	SL	OS	HM Assemblage		
						ILM	RUT	ZIR
	(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)
Mineral Resources¹ as at 30 June 2019								
Measured	81	2.6	3.2	25	1	59	14	6
Indicated	169	2.9	1.7	36	3	47	12	5
Inferred	34	0.5	1.4	36	3	46	13	6
Total	285	6.0	2.1	33	2	52	13	6
Ore Reserves as at 30 June 2019								
Proved	39	1.6	4.0	27	1	59	14	6
Probable	23	0.8	3.3	26	5	53	13	6
Total	62	2.3	3.8	27	3	57	13	6

Notes:

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

For further information on the Kwale Deposit Mineral Resources and Ore Reserves, for the Kwale South Dune Deposit, refer to Base Resources' announcement on 9 October 2017 "2017 Kwale Mineral Resources and Ore Reserves Statement" and, for the Kwale North Dune Deposit, refer to Base Resources' announcement on 1 May 2019 "Mineral Resource for Kwale North Dune Deposit", each of which is 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 9 October 2017 and the 1 May 2019 announcements and all material assumptions and technical parameters underpinning the estimates in the 9 October 2017 and the 1 May 2019 announcements continue to apply and have not materially changed. For further information on the depleted Kwale Deposit Mineral Resources and Ore Reserves as at 30 June 2019, refer to Base Resources' announcement on 21 August 2019 "2019 Mineral Resources and Ore Reserves Statement" available at <https://www.baseresources.com.au/investor-centre/asx-releases/>.

Ranobe Ore Reserves and Mineral Resources

Category	Material	In Situ HM	HM	SL	OS	HM Assemblage				
						ILM	RUT*	LEUC**	ZIR	
	(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	
Mineral Resources¹ at 30 June 2019										
Measured	419	28	6.6	4	0	75	2	-*	6	
Indicated	375	18	4.9	8	1	72	2	-*	6	
Inferred	499	20	3.9	7	1	70	2	-*	5	
Total	1,293	66	5.1	6	0	72	2	-*	6	
Ore Reserves at 6 December 2019										
Proved	347	24	7.0	3.8	0.1	75	1.0	1.0	5.9	
Probable	239	14	5.8	4.2	0.2	73	1.3	0.8	5.7	
Total	586	38	6.5	3.9	0.1	74	1.1	0.9	5.9	

Notes:

* Rutile reported in the Mineral Resources table is rutile + leucoxene mineral species

** Recovered Leucoxene will be split between Rutile and Chloride Ilmenite products depending on product specification requirements.

1) Mineral Resources estimated at a 1.5% HM cut-off grade.

2) Table subject to rounding differences.

3) Mineral Resources are reported inclusive of the Ore Reserves.

For further information on the Ranobe Deposit Mineral Resources and Ore Reserves, refer to Base Resources' announcement on 23 January 2019 "Updated Ranobe Deposit Mineral Resources (corrected)" and the announcement on 6 December 2019 "Maiden Ranobe Ore Reserves estimate", each of which is 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 and 6 December 2019 announcements and all material assumptions and technical parameters underpinning the estimates in the 23 January 2019 and 6 December 2019 market announcements continue to apply and have not materially changed.