



BASE RESOURCES LTD

ASX, AIM and Media Release

8 January 2013

RESPONSE TO MEDIA SPECULATION

Base Resources Limited (ASX:BSE) ("Base") notes the media speculation in relation to a gazette notice recently issued by the Kenyan Minister of Environment & Mineral Resources purporting to cancel three exploration licenses held by Tiomin Kenya Limited and subject to an option agreement with Base.

The exploration licenses concerned cover the Kilifi, Mambrui and Vipingu projects on which Base has been conducting drilling and metallurgical test work and evaluations over the last 18 months.

The Company has not as yet received formal notification from the Department of Mines & Geology or any explanation of the rationale for this action. Base believes it is in full compliance with the terms of these licenses and has submitted all required quarterly activity reports. Furthermore, the Company successfully had these three licenses renewed in 2011 and 2012, as such, Base can see no legal basis for the gazette notice purporting to now cancel them. Consequently, the Company is taking the appropriate legal action to protect the rights.

The gazette notice has no relationship in any way to the Company's 100% owned Kwale Project which is covered by a 21 year Special Mining Lease held directly by Base.

ENDS

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Corporate Details:

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Andrew King	Non-Executive Chairman
Tim Carstens	Managing Director
Colin Bwyne	Executive Director
Sam Willis	Non-Executive Director
Michael Anderson	Non-Executive Director
Trevor Schultz	Non-Executive Director
Winton Willesee	Non-Executive Director/ Company Secretary

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About Base Resources

Base Resources Limited (ASX:BSE) is developing the world-class Kwale Mineral Sands Project in Kenya, East Africa. Kwale is an advanced and highly competitive project in a sector with a significant forecast supply shortfall widely expected to emerge in the medium term.

The Kwale Project represents an advanced development opportunity with all material project approvals, permits and licenses required for development currently in place, funding in place and construction of all project elements underway.

The Project enjoys a high level of support from the Government of Kenya as well as the local community and, located just 50km from Mombasa, Kenya's principal port facility, is well serviced by existing physical infrastructure.

Importantly, two pilot plant operations at Kwale provide confidence in processing behaviour and indicate a suite of readily marketable products. The Project's high value mineral assemblage and low stripping ratio result in a projected revenue to cash cost ratio that would place Kwale in the top quartile of world producers.

A realistic development time line should see the Kwale Project in production in the second half of 2013.