



BASE RESOURCES LTD

ASX and Media Release

8 June 2011

MUKURUMUDZI DAM PERMIT RENEWED

Base Resources Limited (ASX:BSE) ("Base") is pleased to announce the renewal of the construction authorisation for the Mukurumudzi Dam by the Kenyan Water Resources Management Authority ("WRMA").

The Mukurumudzi Dam represents the key water supply infrastructure for the Kwale Project. While the Project has held the authorisation to construct the dam for the past 3 years, a renewal application and approval was required under the terms of the original permit. With the granting of the renewal, the only permit outstanding for the Project is the final approval for 5 boreholes in the Gongoni Forest as part of the supplementary water supply scheme which is expected to be received in the next couple of weeks.

ENDS

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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 attractive supply/demand fundamentals.

The Kwale Project represents an advanced development opportunity with all material project approvals, permits and licenses required for development currently in place and a full definitive feasibility study (DFS) having been completed.

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.

Financing and product off-take negotiations are currently underway and scheduled to be concluded in the September quarter of 2011. A realistic development time line should see the Kwale Project in production in 2013.

Base Resources also has a portfolio of early stage exploration projects in Western Australia's Mid West region, with established targets for iron ore, gold, base metals and uranium. The Company continues to progress the granting of the tenements, the evaluation of their potential and the consideration of the various development alternatives to maximize realized value.

The Board of Base Resources brings together a diverse skill set and considerable experience in all aspects of exploration and development, operations, finance, corporate development and capital markets - together with a commitment to unlock value for its shareholders from the Company's growing and diverse portfolio of assets in both Africa and Australia.