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**ASX and Media Release**

11 October 2012

## **Issue of shares under Placement and Institutional Entitlement Offer**

**Base Resources Limited (ASX: BSE) (Base)** advises that 90,931,863 fully paid ordinary shares in the capital of Base (**Institutional Shares**) will be issued on 12 October 2012 pursuant to the placement and institutional component of the accelerated non-renounceable pro rata entitlement offer described in the ASX announcement and investor presentation lodged with ASX on 4 October 2012.

Following the issue of the Institutional Shares, Base's issued share capital will consist of 551,371,892 fully paid ordinary shares.

ENDS

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This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. The Institutional Shares have not been, and will not be, registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the Institutional Shares may not be offered or sold to persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

**IMPORTANT NOTICE TO NOMINEES**

Because of legal restrictions, you must not send copies of this announcement or any material relating to the Entitlement Offer to any of your clients (or any other person) in the United States and on whose behalf you are the registered owner of shares. Failure to comply with these restrictions may result in violations of applicable securities laws.

**Corporate Details:**

**Board of Directors:**

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

**Principal & Registered Office:**

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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.