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ASX and Media Release

11 October 2012

Despatch of Retail Entitlement Offer Booklet

Base Resources Limited (ASX: BSE) (Base) confirms the despatch of the Retail Entitlement Offer Booklet, together with personalised Entitlement and Acceptance Forms to eligible retail shareholders, as part of Base's accelerated non-renounceable pro rata entitlement offer (**Entitlement Offer**) announced on 4 October 2012.

A copy of the Retail Entitlement Offer Booklet is also available on Base's website (www.baseresources.com.au).

Shareholder enquiries

Retail shareholders who may have questions relating to the Entitlement Offer should consult their stockbroker, accountant or other professional advisor.

Further information in relation to the matters described in this announcement including important notices and key risks is set out in the Investor Presentation included in the Retail Entitlement Offer Booklet. The information in the Important Notices section of that presentation apply to this announcement as if set out in full in this announcement.

Ashurst Australia is Base's legal adviser in relation to the Entitlement Offer.

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 shares being offered under the Entitlement Offer 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 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.