



BASE RESOURCES LTD

Right sector. Right project. Right time.

**Annual General Meeting
29 November 2012**

Statements



Restriction on Distribution

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Forward Looking Statements

Certain statements made during or in connection with this presentation contain or comprise forward looking statements regarding the capital cost, production and financial performance of the Kwale Project. Although Base believes the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in product prices and exchange rates and business and operational risk management. Base undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

Competent Persons Statement

Information in this presentation that relates to Mineral Resources at the Kwale Project is based on information compiled by BSE's Manager – Geology, Scott Curruthers, who is a member of The Australasian Institute of Mining and Metallurgy. Mr Carruthers has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Carruthers consents to the inclusion in this announcement of the information based on his work in the form and context in which it appears.

Information in this presentation that relates to mineral resources at the Kilfi and Mambrui Projects is based on information compiled by Snowden Mining Industry Consultants in 2005 and reviewed by Mr Terry Parker. Mr Parker is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM) and is currently employed by Snowden.

Mr Parker has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Parker consents to the inclusion in this presentation of the information based on his work in the form and context in which it appears on the basis that no additional information has been obtained since the 2005 information.

Base Resources Limited.



A snapshot.

- Based in Perth, Australia.
- Market Listings
 - ASX - code BSE - S&P ASX300 index member
 - AIM - code BSE - scheduled for Dec 2012.
- An institutionally dominated share register.
- Market capitalisation of approximately A\$185 million at A\$0.33 per share.

<i>Substantial Shareholders</i>	<i>Interest</i>
Pacific Road Capital	20.5%
Taurus Funds Management	13.0%
L1 Capital	8.8%
Acorn Capital	8.2%
Aterra Investments	5.7%
<i>Total interest of Substantial Shareholders</i>	56.2%
<i>Total interest of top 10 shareholders</i>	approx 70%

- 100% owner of the advanced Kwale mineral sands project in Kenya.
- US\$120 million spent on development.
- A\$110 million in cash.
- US\$118 million in undrawn debt facilities (\$52m drawn).
- Estimated project NPV₁₀ (Oct 2012 post-tax real) of US\$485 million at current TZMI price forecasts and assumptions.

Covering Brokers

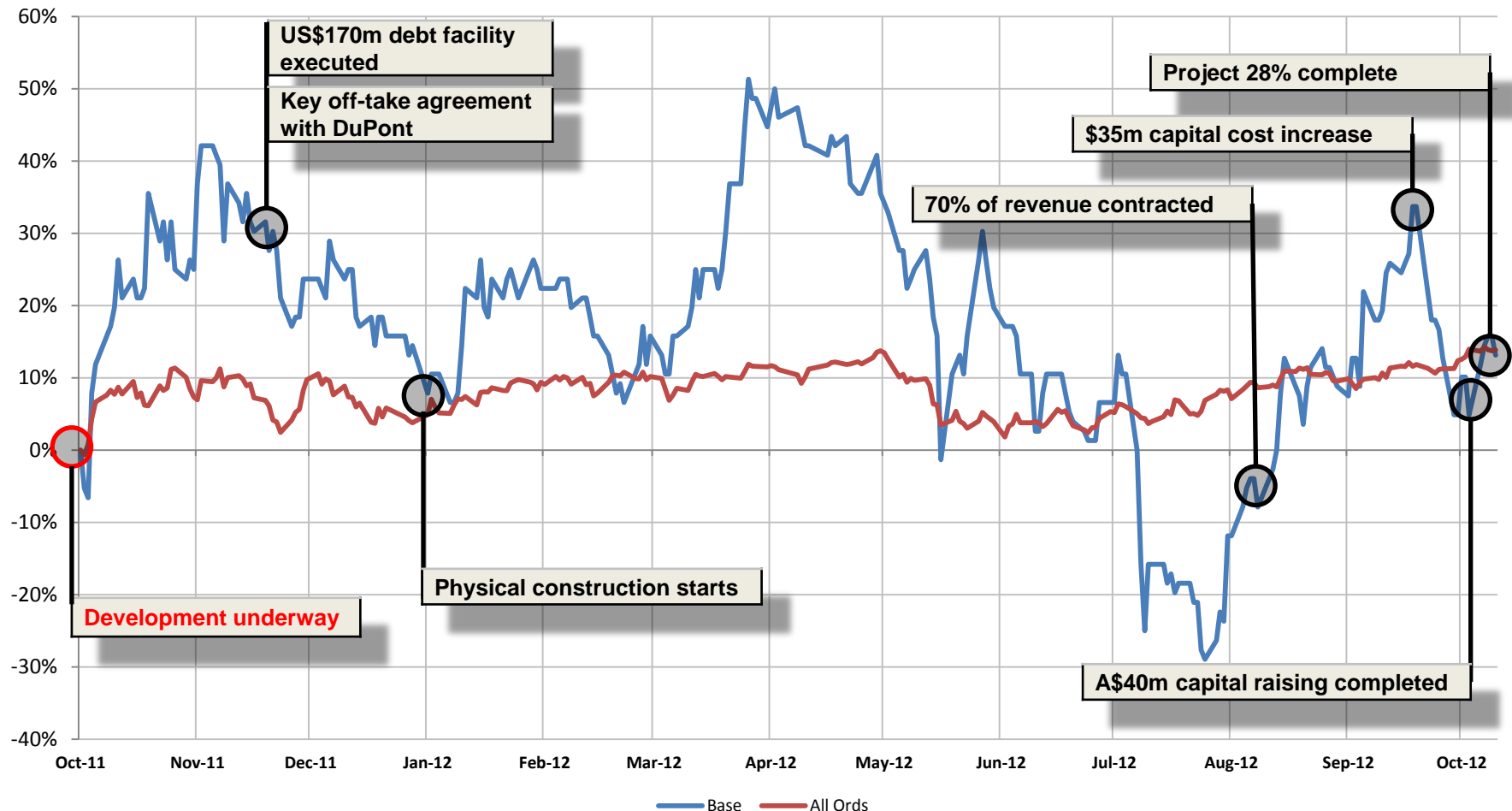
RFC Ambrian
Euroz
Credit Suisse
GMP
RBC
Goldman Sachs

Another busy 12 months.....



With financing secured and key offtake arrangements in place, development of Kwale is now well advanced and on schedule.

Share Price Performance vs ASX All Ordinaries



A quality resource base.



The 275 hole drilling program at Central and South produced an increase in resource tonnes, contained mineral and value of the mineral assemblage.

Resource tonnes ↑ 7.2%

Contained mineral ↑ 16%

Rutile ↑ 16%

Ilmenite ↓ 3%

Zircon ↑ 4%

Assemblage value ↑ 4%

Dune	Classification	Resource (Mt)	HM (%)	HM (Mt)	Ilmenite (%)	Ilmenite (Mt)	Rutile (%)	Rutile (Mt)	Zircon (%)	Zircon (Mt)
Central	Measured	46.2	7.1	3.3	4.01	1.85	0.93	0.43	0.43	0.20
	Indicated	29.9	4.6	1.4	2.47	0.74	0.61	0.18	0.26	0.08
	Total	76.2	6.1	4.6	3.40	2.59	0.81	0.61	0.36	0.28
South	Measured	40.0	3.8	1.5	1.95	0.78	0.54	0.22	0.22	0.09
	Indicated	29.8	3.4	1.0	1.36	0.40	0.39	0.12	0.17	0.05
	Total	69.9	3.6	2.5	1.70	1.18	0.47	0.33	0.20	0.14
Combined	Measured	86.2	5.5	4.8	3.05	2.63	0.75	0.65	0.33	0.29
	Indicated	59.8	4.0	2.4	1.91	1.14	0.50	0.30	0.22	0.13
	Total	146.0	4.9	7.1	2.59	3.78	0.65	0.95	0.29	0.42

North	Indicated	116.0	2.1	2.44	1.01	1.17	0.20	0.23	0.11	0.13
Combined	Measured	86.2	5.5	4.8	3.05	2.63	0.75	0.65	0.33	0.29
	Indicated	175.8	2.8	4.8	1.31	2.31	0.30	0.53	0.15	0.26
	Total	262.0	3.7	9.64	1.9	4.94	0.45	1.18	0.21	0.55

The right project.



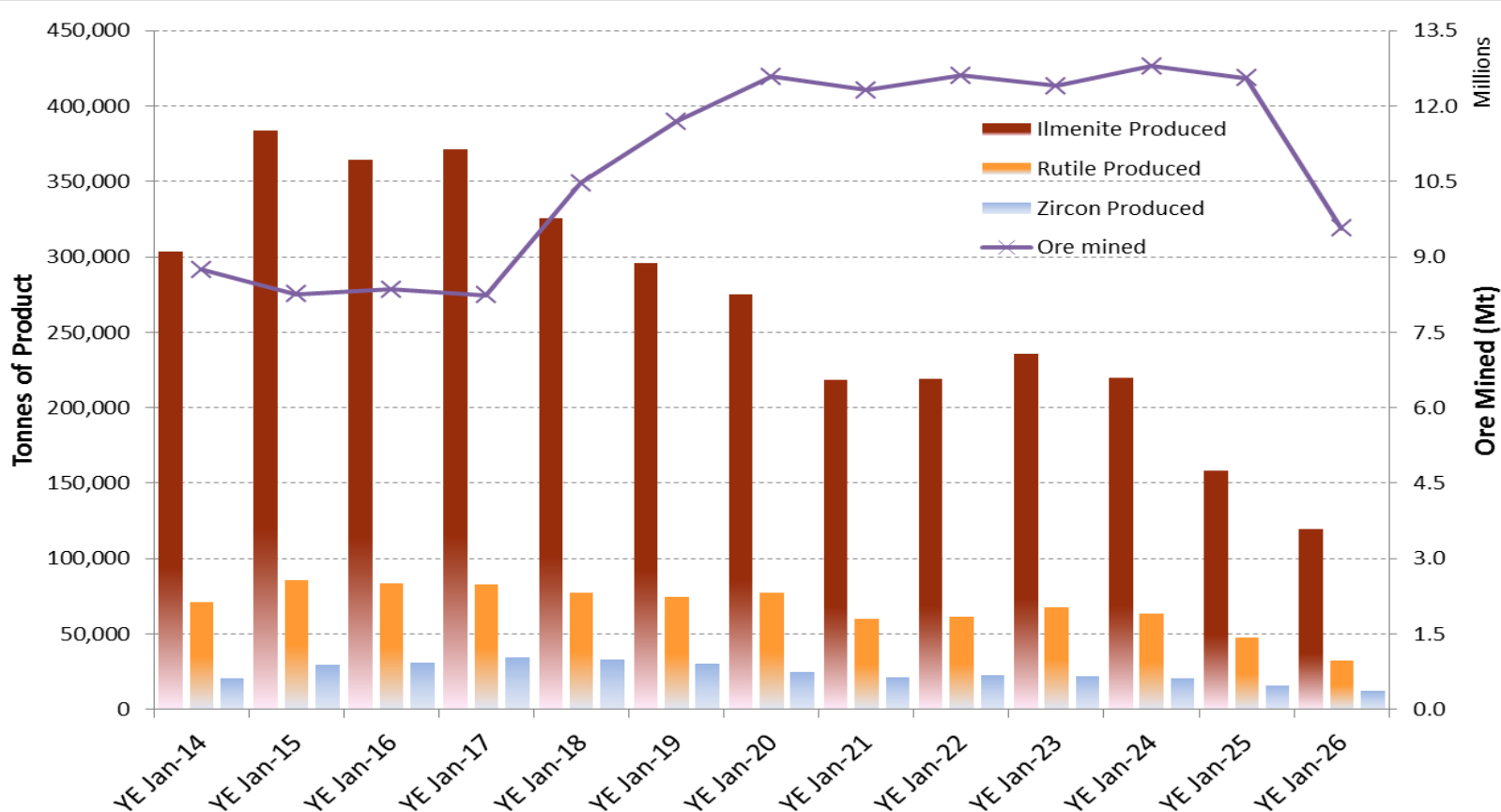
Kwale is large scale, technically straightforward and supported by well developed physical and social infrastructure.

See project animation at www.baseresources.com.au

Production profile.



A “globally significant” producer, with a front-ended production profile over a 13-year mine life.



The EDFS financial statistics.



Based on the November 2012 TZMI price outlook, the EDFS shows Kwale to be robust with an estimated LOM cash surplus approaching US\$1 billion.....

	Unit	Total
Capital cost (inc.contingencies)	US\$m	298
Estimated NPV ₁₀ (Oct 2012 post-tax real)	US\$m	485
IRR	%	36
Expected Capital Payback Period	Months	28
Anticipated LOM Operating Costs	US\$/t ore	4.99
Anticipated LOM Cash Margin	US\$/t ore	9.23
Anticipated LOM Free Cash Flow (post-tax real) – from project commencement	US\$m	823
Anticipated LOM Free Cash Flow (post-tax real) – from November 2012	US\$m	931

All Project statistics and cash flows:

- Are post-tax and in October 2012 real terms.
- Exclude financing and corporate costs.
- Assume that project contingency is spent.

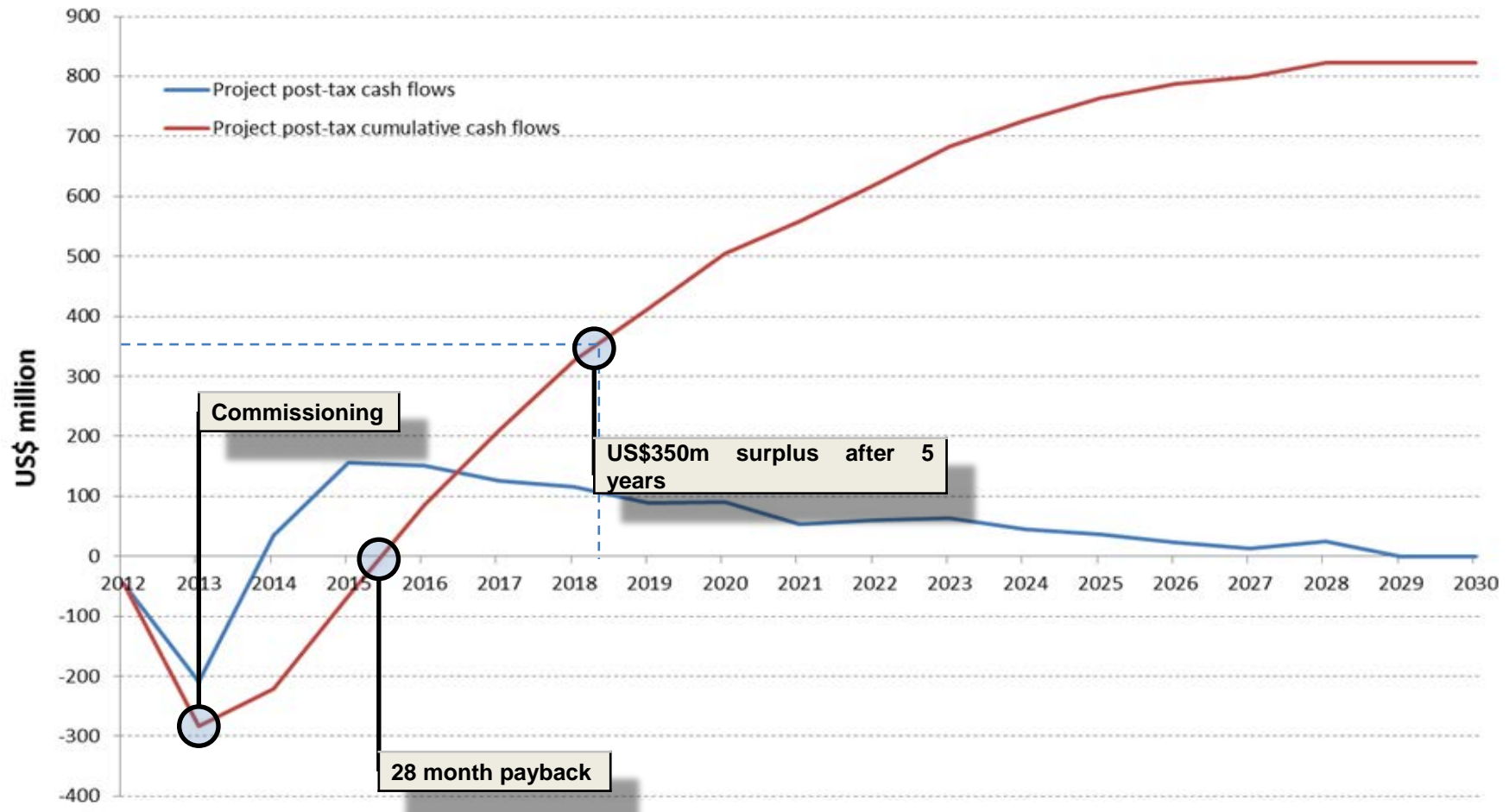
Refer to www.baseresources.com.au for assumptions & explanations



An enviable cash flow profile....



...with over US\$350 million coming in the first 5 years of operations. This is expected to provide the capital base to capitalise on a pipeline of opportunities.



Development financing.



The funding required to progress development through to positive cashflow (on EDFs projections) was secured in 2011.

**A\$15 million
Corporate Funding**

A\$22.6 million 1:3 Renounceable Rights Issue (@ \$0.55 / share)

- Completed mid-September 2011.

**US\$310 million
Kwale Funding**

A\$140 million equity placement (@ \$0.55 / share)

- Completed in early September 2011.
- Australian, US and UK institutional investors.

US\$170 million syndicated debt facility

- Documentation executed in November 2011.
- Syndicate of 6 international banks and DFIs
- US\$150 million primary facility and US\$20 million cost overrun (COF)

Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team

\$7.1m

budget

- Highly experienced team.
- Wave Engineering functionally integrated.
- Strong systems and controls environment.
- Operational management team already in place.

32%

complete



Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team

CP 1 – Processing Plants



Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team

CP 1 – Processing Plants

CP 2 – Likoni Marine Facility

\$27.6m
budget

32%
complete



Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team

CP 1 – Processing Plants

CP 2 – Likoni Port Facility

CP 3 – Power Line

\$5.5m
budget

62%
complete



Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team



CP 4 – Mukurumudzi Dam



52%
complete

Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team



CP 5 – Tailings Storage Facility

\$7.2m
budget

32%
complete

Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team



CP 6 – Access Road and Camp

58%
complete

Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team



CP 1

CP 2

CP 3

Dam

Facility



\$30m
budget

**Owners
Projects**

Project Implementation.



Our approach ensures “best of breed” expertise is applied to technically diverse project elements and risk is more effectively minimized and managed.

Integrated Management Team

CP 1 – Processing Plants



\$13m
budget

Operations
Set Up

Owners
Projects

Project Implementation.



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Integrated Management Team



**Enviro &
Social**

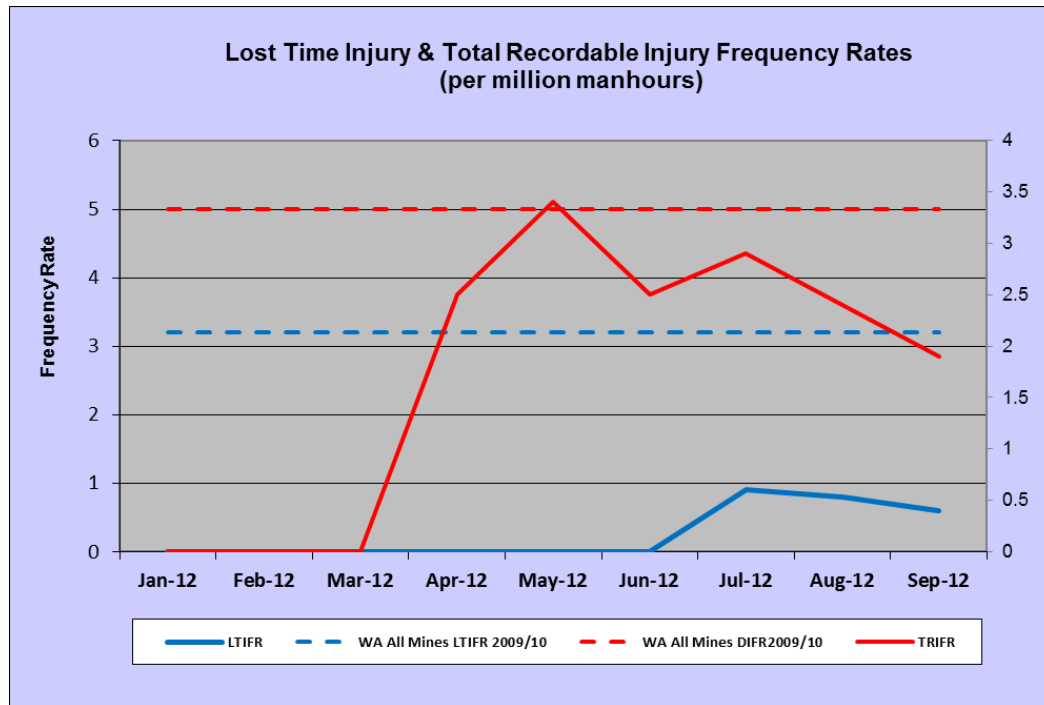
**Operations
Set Up**

**Owners
Projects**

....safely.



Establishing our required safety culture is one of the key challenges.....and a lead indicator for operational performance.



- 1.6 million man hours worked.
- 1100 people on site.
- 457 people recruited from local community – most have never had a job before.
- 20 full time safety specialists.



Off-take arrangements.



Portfolio of agreements covering first 5 years of production is well advanced.

Rutile (50% of revenue)

Contracted

Contracted

Ilmenite (23% of revenue)

Contracted

Negotiations underway

Zircon (27% of revenue)

Contracted



A need for a funding top-up.



Design complete, 70% committed and construction well underway: outcomes and an assessment of future risks increased the capex estimate by 14%.

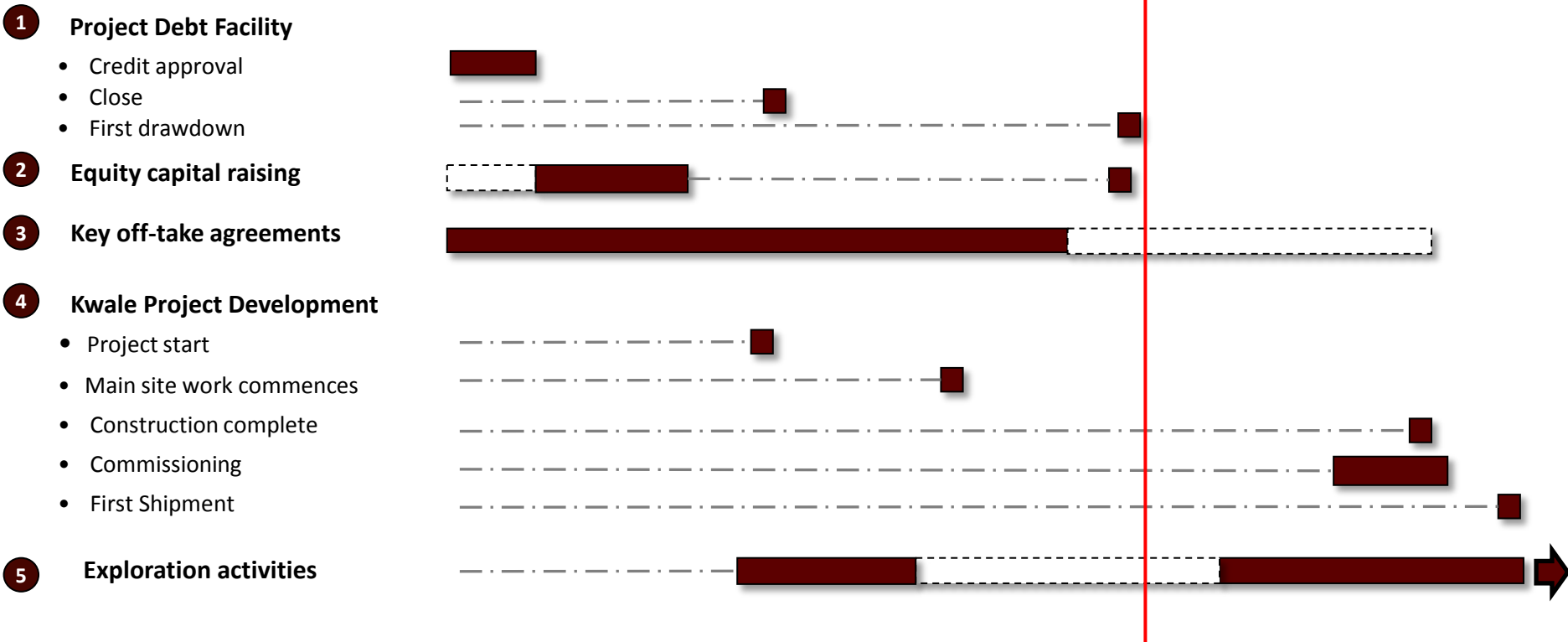
	A\$22.6 million 1:3 Renounceable Rights Issue (@ A\$0.55 / share) <ul style="list-style-type: none">Completed in September 2011.
A\$15 million Corporate Funding	
Completion contingency - US\$23 million (\$28m funded)	A\$40 million Placement and Rights Issue (@ A\$0.40 / share) <ul style="list-style-type: none">Completed in October 2012
Core Capex Re-estimate - US\$12 million	
US\$310 million Kwale Funding	A\$140 million equity placement (@ A\$0.55 / share) <ul style="list-style-type: none">Completed in September 2011.Australian, US and UK institutional investors.
	US\$170 million syndicated debt facility <ul style="list-style-type: none">Documentation executed in November 2011.Syndicate of 6 international banks and DFIs.US\$150 million primary facility and US\$20 million cost overrun facility

Which brings us to now....



Base has driven the rapid development of the Kwale Project with a plan for first production in the second half of 2013.

2011				2012				2013			
July	Aug	Sep	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4





Right sector.
Right project.
Right time.

