



Into Production

Annual General Meeting
26 November 2013



Statements



Restriction on Distribution

Not for distribution directly or indirectly, to US persons or in or into the United States, Canada, Japan or South Africa

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 Carruthers, 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.

A snapshot



- ▶ Based in Perth, Australia.
- ▶ Market Listings
 - ASX - code BSE
 - AIM - code BSE – debut in Jan 2013.
- ▶ An institutionally dominated share register.
- ▶ Market capitalisation of around A\$235 million at A\$0.42 per share.

- ▶ 100% owner of the advanced Kwale mineral sands project in Kenya.
- ▶ US\$292 million incurred on development. (to 31 October 2013).
- ▶ US\$50 million in cash (at 31 October 2013).
- ▶ US\$190 million in drawn debt facilities (\$25m extension in process).
- ▶ Estimated project NPV₁₀ (Dec 2013 post-tax, post-debt, real) of US\$400 million at current TZMI price forecasts and assumptions.

Substantial Shareholders

Interest

Pacific Road Capital	20.5%
Taurus Funds Management	13.0%
L1 Capital	8.8%
Acorn Capital	8.2%
BT Investment Management	7.0%
Aterra Investments	5.7%
<i>Total interest of Substantial Shareholders</i>	63.2%
<i>Total interest of top 10 shareholders</i>	<i>approx 75%</i>

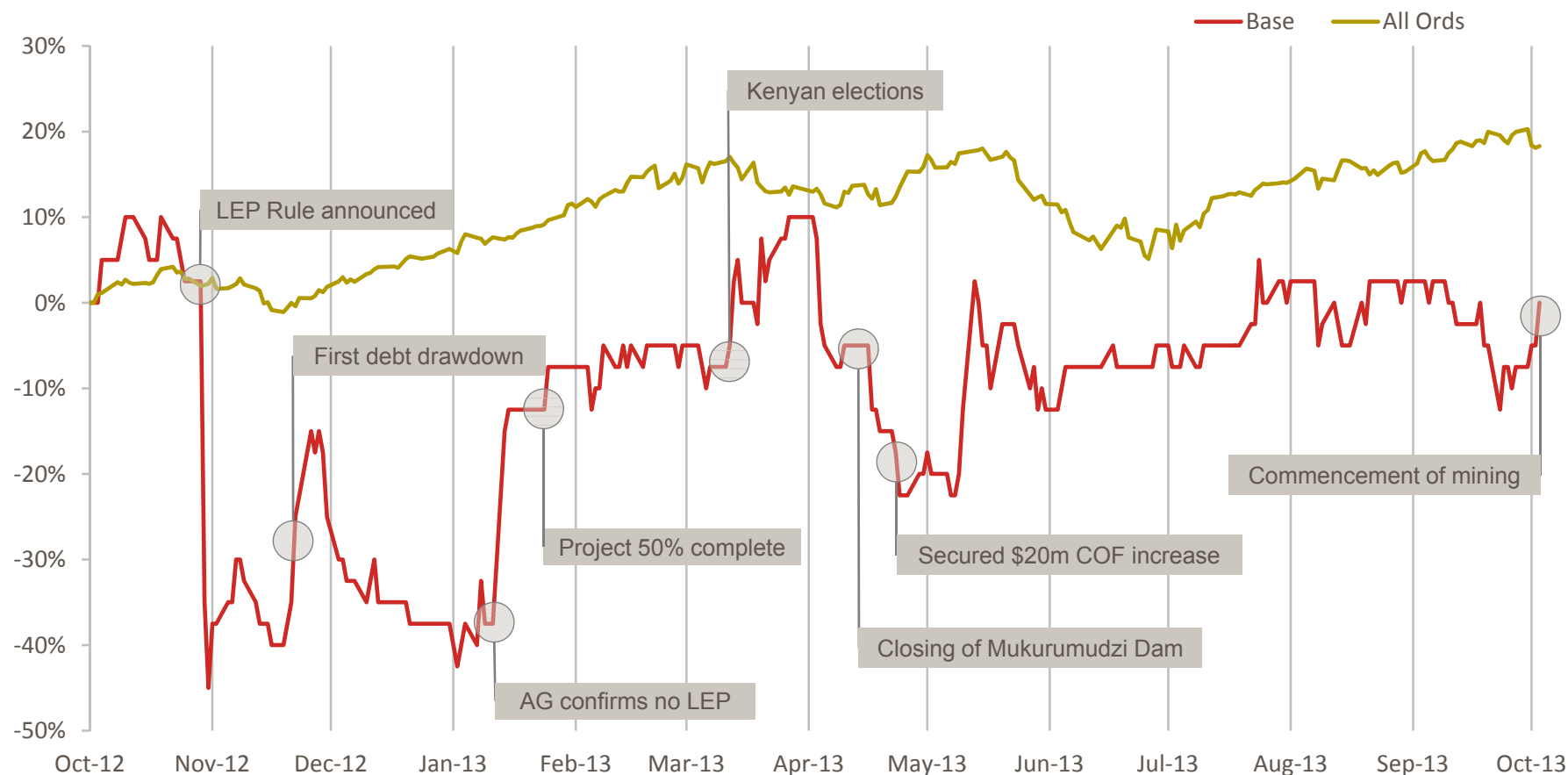
Global Covering Brokers

RFC Ambrian
Euroz
Credit Suisse
GMP
RBC
Goldman Sachs

Another busy 12 months...



Construction is nearing completion, mining & production of concentrate is underway and we are on schedule for first bulk product shipments in January 2014.



The right project.



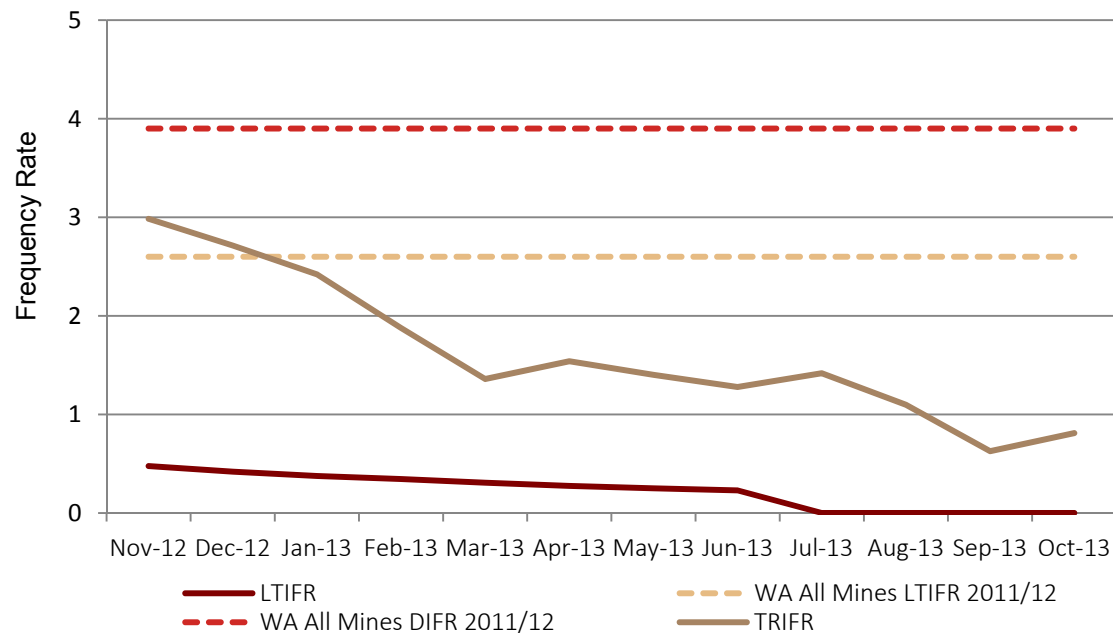
Kwale is large scale, technically straightforward
and supported by well developed physical and social infrastructure.

See project animation at www.baseresources.com.au

Developed safely.



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



- ▶ 7.2 million man hours (mmh) worked to date.
- ▶ 2 LTI's for entire project (6.5 mmh LTI free)
- ▶ 2400 people on site at peak.
- ▶ 1000 people recruited from local community – most have never had a job before.
- ▶ 20 full time safety specialists.

BASE RESOURCES ▶ BUILDING THE FOUNDATIONS



Operational management team



A highly experienced management team is in place, with deep experience in mineral sands, African operations and their respective fields.

Colin Bwye
Director - Operations

- Metallurgist
- Mineral sands experience: 24 yrs
- Project commissionings: 2

Tim Carstens
Managing Director

- Chartered accountant
- Mining industry experience: 15 yrs

Denham Vickers
GM - Operations

- Mining engineer
- Project commissionings: 5
- African experience: 10 yrs

Kevin Balloch
Chief Financial Officer

- Certified practicing accountant
- Mining industry: 10 yrs
- African experience: 8 yrs

Christo Schmidt
Manager - Production

- Metallurgist
- Mineral sands experience: 25 yrs
- African experience: 25 yrs

Stephen Hay
GM - Marketing

- Lawyer
- Marketing experience: 10 yrs
- Mineral sands experience: 13 yrs

Vaughan Shaw
Manager - Mining

- Tailings dam const. & ops: 20 yrs
- Mineral sands experience: 10 yrs
- African experience: 20 yrs

Joe Schwarz
GM – External Affairs

- Chemical engineer
- Mining industry: 40 years
- African experience: 35 years

Scott Perry
Manager - Maintenance

- MBA – maintenance management
- Mineral sands experience: 3 yrs
- Project commissionings: 3

Colin Forbes
GM – Social & Enviro

- Social management
- Community engagement: 14 yrs
- African experience: 24 yrs

Pieter Kros
Manager - Port

- Port management: 25 yrs
- Worldwide experience

Georgina Jones
Manager - Environment

- Environmental science
- Environmental consulting: 12 yrs
- African experience: 20 yrs

Off-take arrangements



Portfolio of agreements with global customers covering first 5 years of production is in place.

Rutile (48% of revenue)

Contracted

Contracted

Ilmenite (28% of revenue)

Contracted

Contracted

Contracted

Zircon (24% of revenue)

Contracted

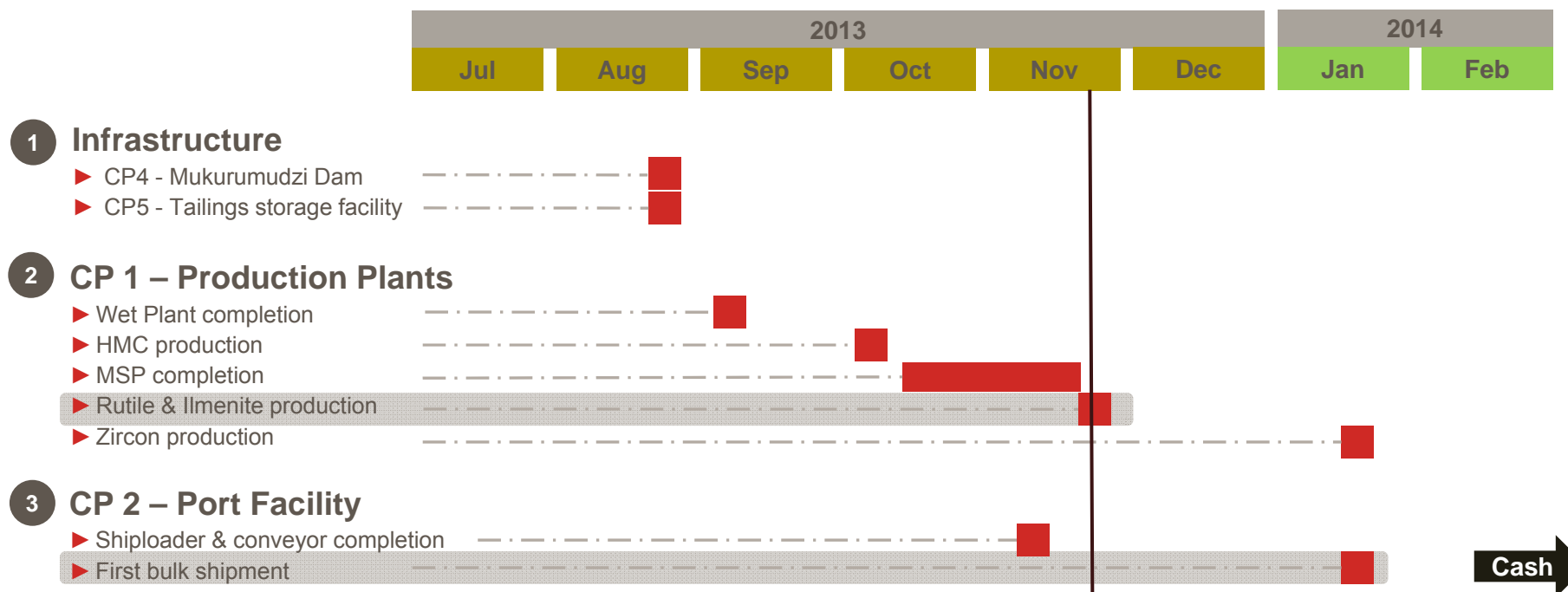
Contracted



Which brings us to now



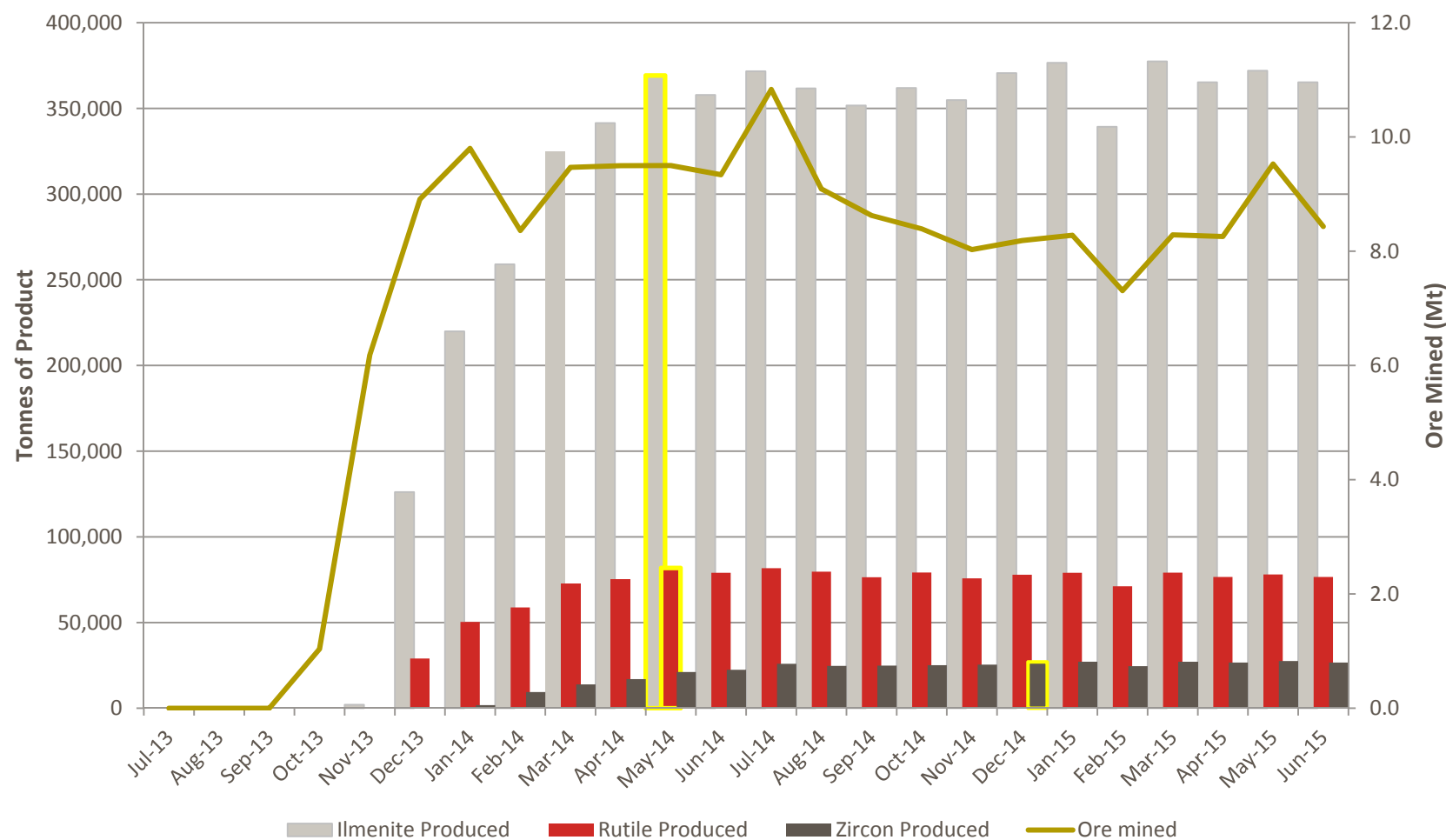
Since acquisition in August 2010, Base has driven the rapid development of the Kwale Project with production of HMC commencing in October 2013 and first bulk shipments in January 2014.



Early production profile



Planning a rapid ramp up for ilmenite and rutile, a little longer for zircon, to being a “globally significant” producer.



What does Kwale mean for Kenya?



A key to unlock the potential of the mineral sector and a model for operations.

Kwale will have significant direct impact on the Kenyan economy:

- ▶ \$305 million FDI and \$900 million in operating costs
- ▶ More than triple mineral sector export earnings – US\$1.9 billion in sales – will replace coffee in 4th on export value.
- ▶ Adds 0.8% to GDP.
- ▶ US\$220+ million in tax and royalties over 13 years.
- ▶ Significant multiplier effect and skills development.

.But an even bigger impact as a catalyst for an inflow of mining investment:

- ▶ Project has high international visibility.
- ▶ Opportunity to establish a model (and benchmark) for effective mining investment in Kenya.
- ▶ The GoK recognises and is playing its role:
 - ▶ Modernisation of mining administration.
 - ▶ Establishment of an “appropriate” fiscal regime.
 - ▶ Encouraging broad local participation.



Community engagement



Achieving our long term goals depends on our ability to build relationships with the communities in which we operate and establish a balanced flow of mutual benefit, not CSR.

Community liaison committees

Capability building

- Training
- Scholarships
- Agricultural development

Basic needs

- Health
- Drinking water
- Education
- Employment
- Transport

Establishment

- Relocation and compensation
- Infrastructure replacement
- Livelihood restoration

NGO's, specialist NFP's,
Co-sponsors (Ausenco, Lenders)



Building the foundations

