



Delivering on Potential

Africa Downunder Conference
September 2015



Disclaimer and important notices

This document has been prepared by Base Resources Limited (“Base”). Information in this document should be read in conjunction with other announcements made by Base to ASX.

No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information contained in this document (or any associated presentation, information or matters). To the maximum extent permitted by law, Base and its related bodies corporate and affiliates, and their respective directors, officers, employees, agents and advisers, disclaim any liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) for any direct or indirect loss or damage arising from any use or reliance on this document or its contents, including any error or omission from, or otherwise in connection with, it.

Certain statements in or in connection with this document contain or comprise forward looking statements. Such statements may include, but are not limited to, statements with regard to capital cost, capacity, future production and grades, sales projections and financial performance and may be (but are not necessarily) identified by the use of phrases such as “will”, “expect”, “anticipate”, “believe” and “envisage”. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside Base’s control. 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. Subject to any continuing obligations under applicable law or relevant stock exchange listing rules, 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.

Nothing in this document constitutes investment, legal or other advice. You must not act on the basis of any matter contained in this document, but must make your own independent investigation and assessment of Base and obtain any professional advice you require before making any investment decision based on your investment objectives and financial circumstances.

This document does not constitute an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any security in any jurisdiction. In particular, this document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any “US Person” (as defined in the US Securities Act of 1933). This document may not be distributed or released in the United States or to, or for the account of, any US Person.



A snapshot



- ▶ Based in Perth, Australia.
- ▶ Market listings - ASX & AIM - code BSE
- ▶ An institutionally dominated share register.

Substantial Shareholders

Interest

| | |
|--------------------------|-------|
| Pacific Road Capital | 20.5% |
| Taurus Funds Management | 18.6% |
| Sustainable Capital | 12.5% |
| L1 Capital | 7.8% |
| Aterra Investments | 7.7% |
| Genesis Asset Management | 6.0% |

- ▶ A\$45 million market capitalisation @ \$0.08.
- ▶ US\$224 million in drawn debt facilities.
- ▶ US\$41 million in unrestricted cash (at 30 June 2015).
- ▶ 100% of the Kwale Mineral Sands Project in Kenya:
 - ▶ Capex US\$310 million.
 - ▶ Operations commenced in December 2013.
- ▶ Corporately cashflow positive since Q4 2014.

Broker Coverage

Australia

Euroz

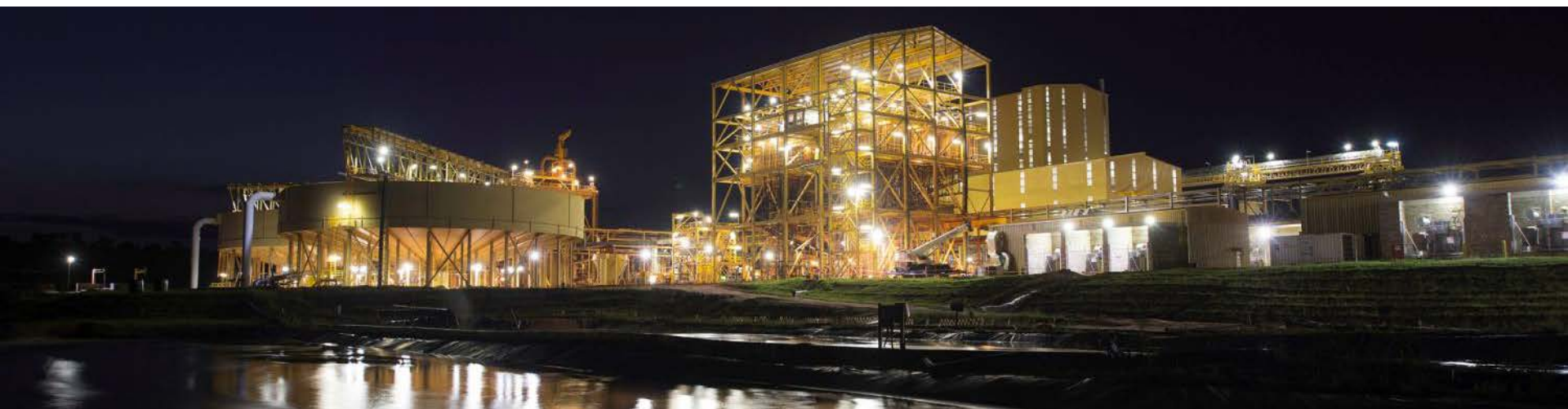
J P Morgan

UK

GMP

RBC

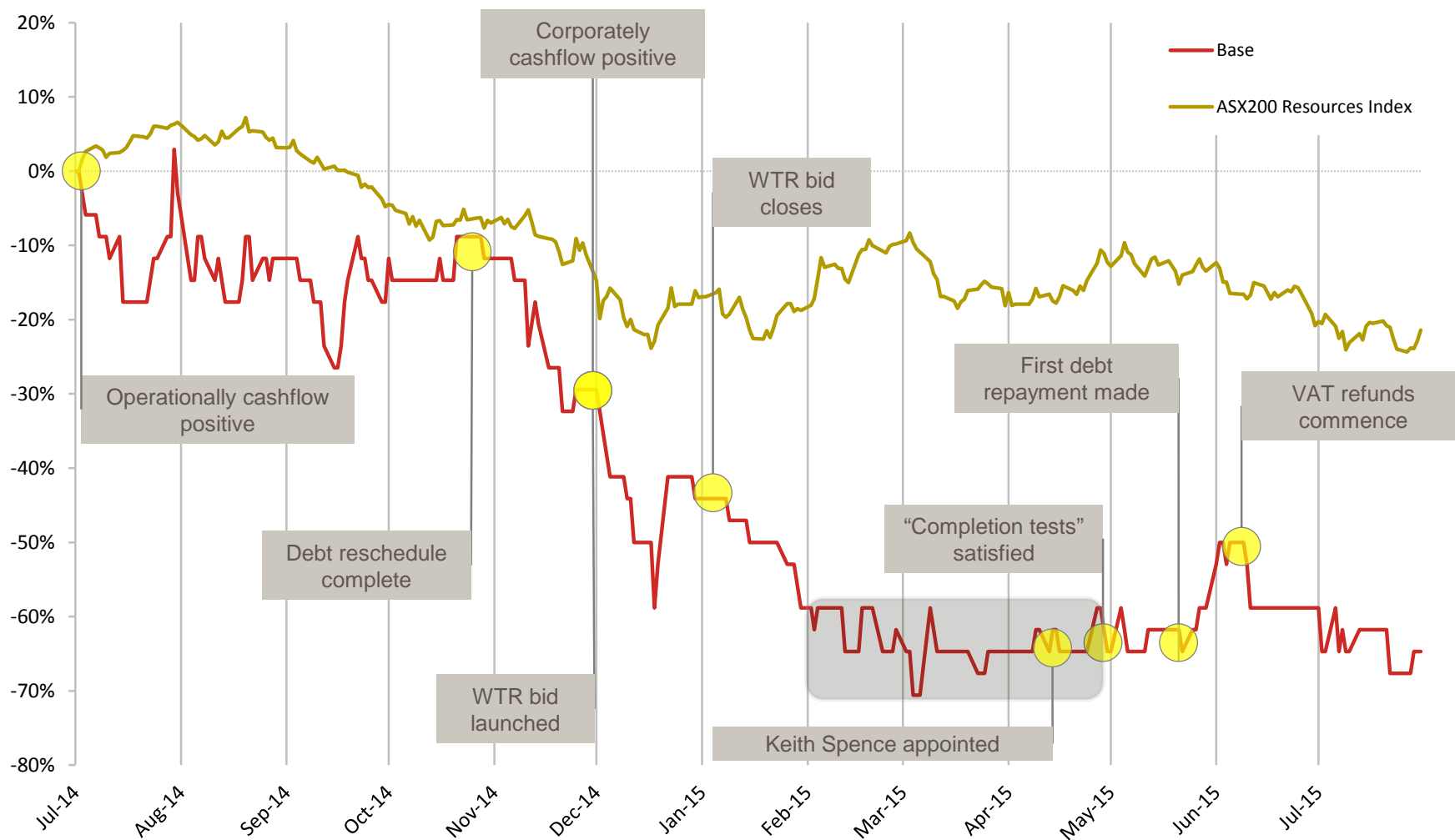
RFC Ambrian



Another busy 12 months....



Characterised by strong operational achievement, a very challenging market and positioning for growth.



The right project

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

See project video at www.baseresources.com.au

Mining operations



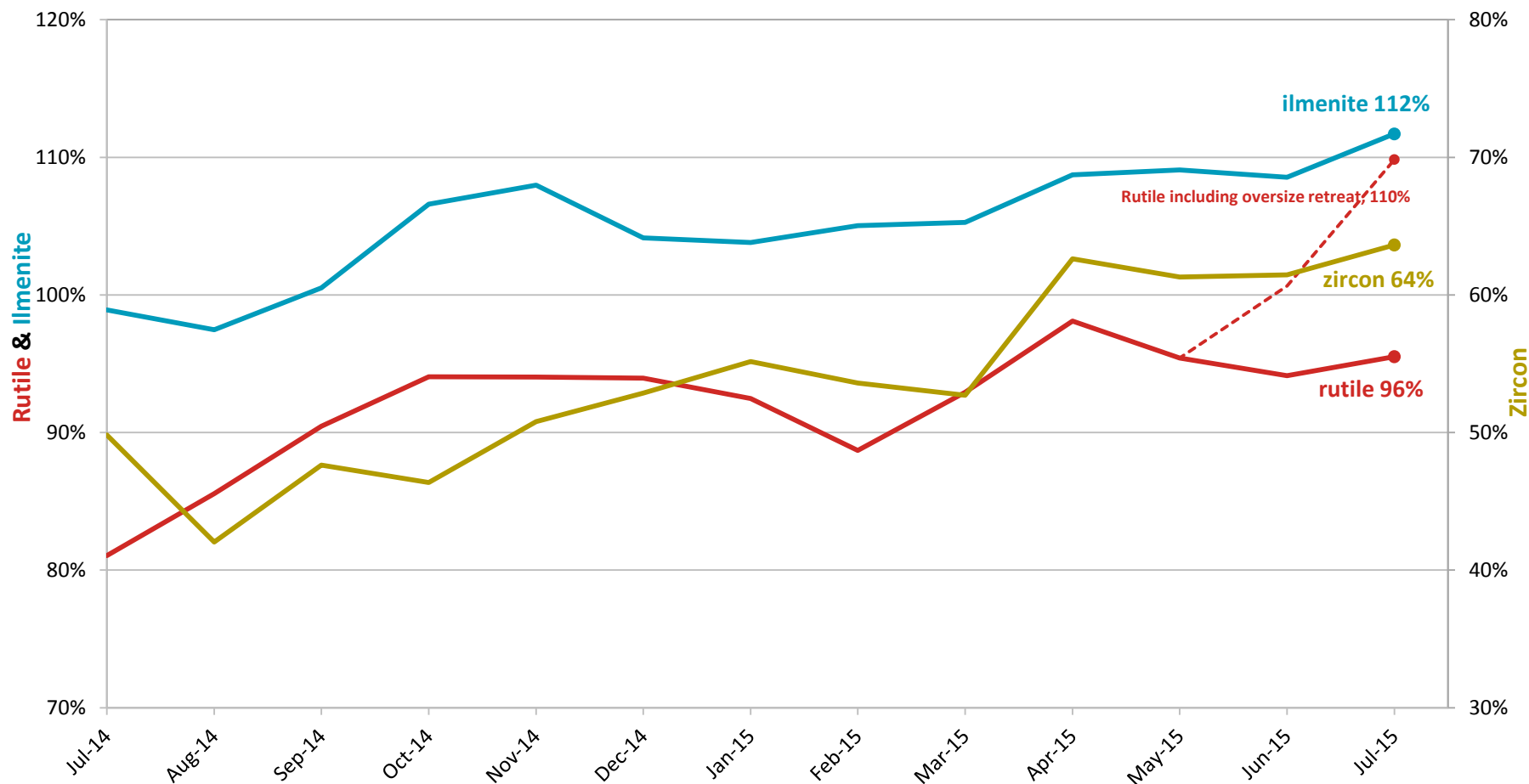
Tailings Storage Facility



It's all been about recoveries

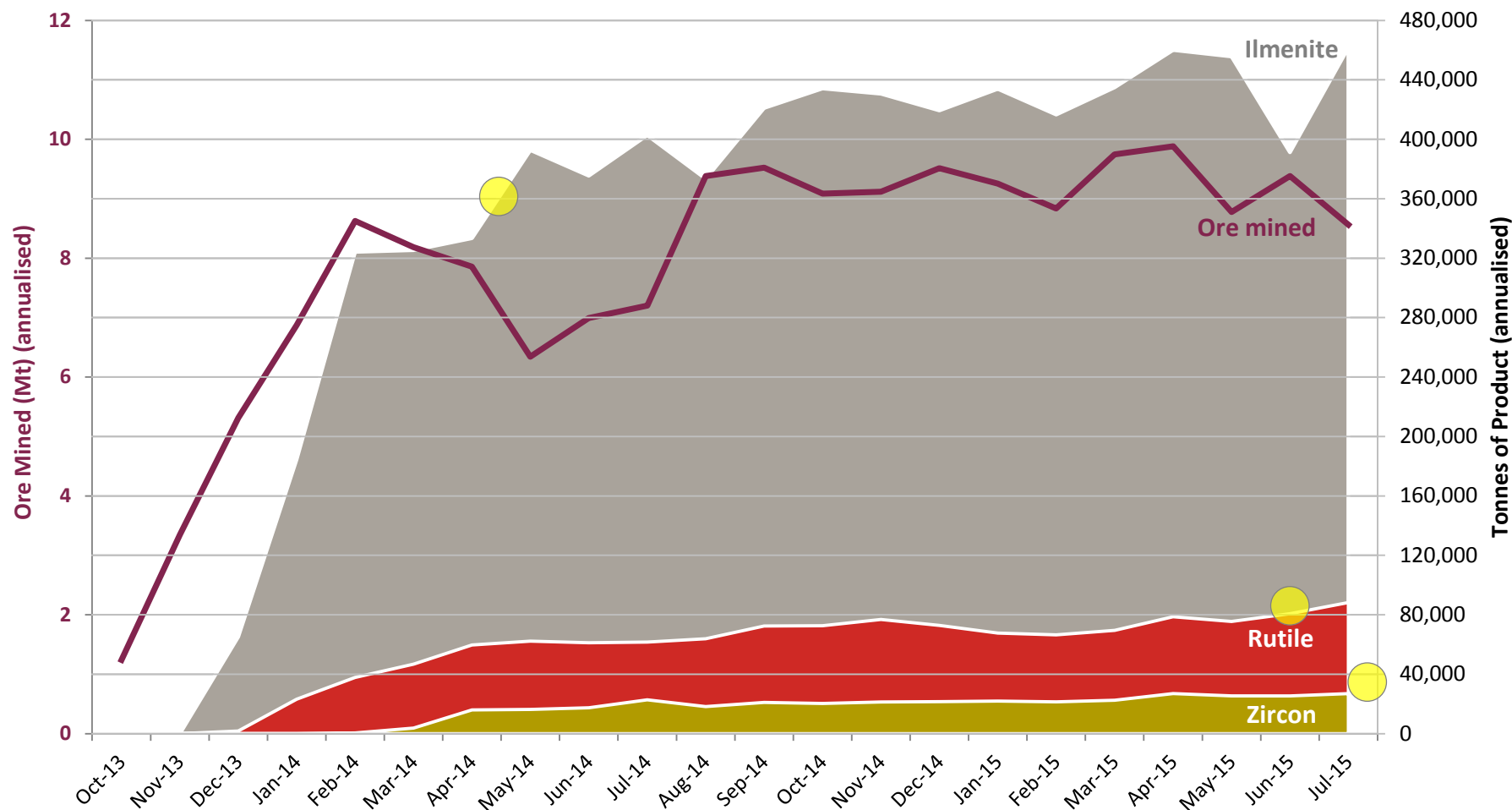
With design throughputs, availabilities and runtimes consistently achieved early, the focus has been on progressive improvement in recoveries. Ilmenite and rutile are at design and zircon is on track.

MSP PRODUCT RECOVERIES



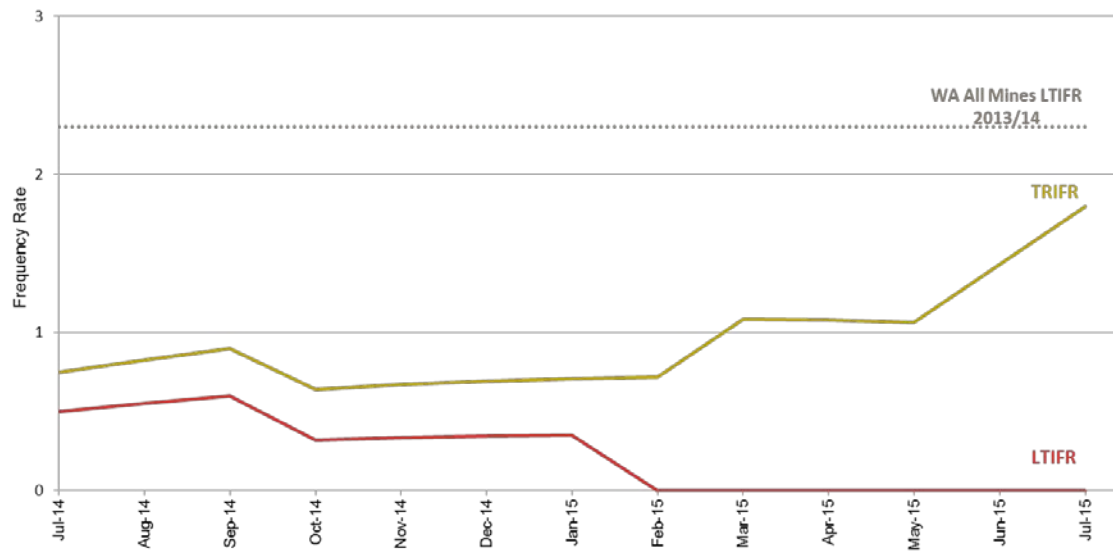
The result - a rapid and smooth ramp up.

With ilmenite exceeding design output rates, rutile at design and zircon on track, the focus is now on both short and longer term throughput maximisation to optimise the operation.



Built, commissioned and operating safely

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

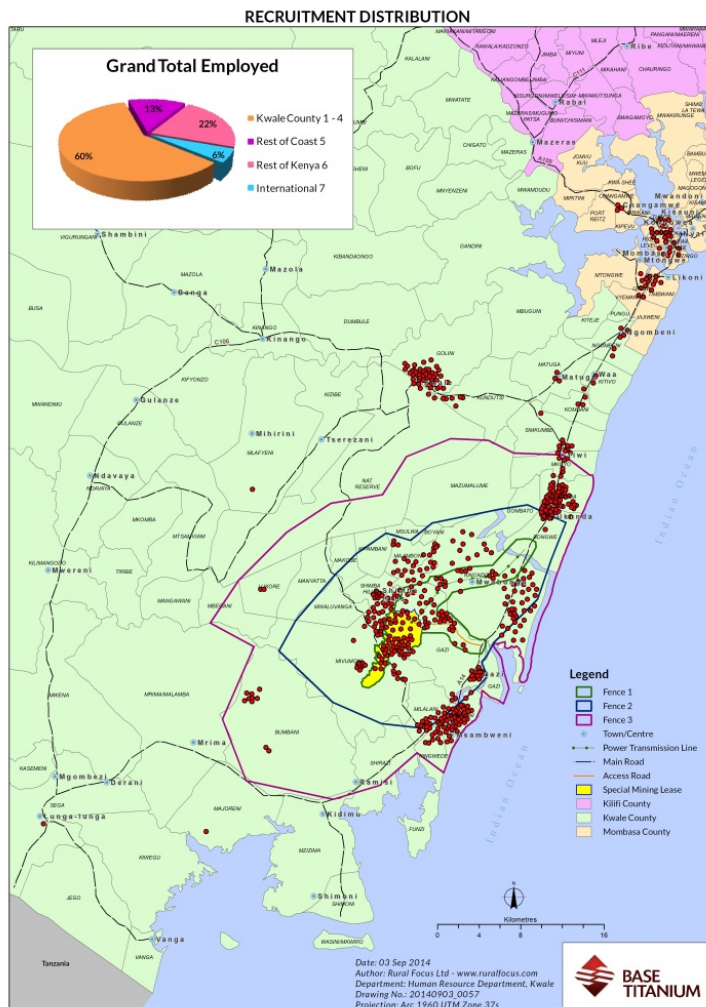


- ▶ 12.6 million man hours (mmh) worked.
- ▶ In construction:
 - ▶ 2 LTI's for entire project (6.5 mmh LTI free)
 - ▶ 2,400 people on site at peak with 1,000 people recruited from local community.
- ▶ In operations:
 - ▶ 1 LTI (4 mmh LTI free)
 - ▶ 26,000 hours of operational readiness training prior to start up.



Employment

A very structured approach to labour recruitment has delivered a capable workforce, that is very Kenyan and sufficiently local, with transparency that is understood by both community and politicians.



- ▶ 800 people directly employed – 94% Kenyan, 62% “local”.
- ▶ Expatriate numbers are now down to 42, with longer term objective of getting to around 15.
- ▶ Similar structured approach to skills transfer and development:
 - ▶ On the job training with mentoring
 - ▶ Tailored programmes for graduates, interns, apprentices and high school students.
 - ▶ Partnering with Technical University of Mombasa.
- ▶ An industrial training model being adopted by NITA.



Delivering on potential for Communities

Base understands that achieving its long-term goals is predicated on building beneficial relationships with the communities in which it operates and establishing a balanced flow of mutual benefit.

Enhancement of household livelihoods is the most direct way to improved socio –economic status



Improvement in educational standards has a direct relationship with increased incomes



Access to education is often restricted by lack of financial resources



School attendance and performance is often associated with good health



Community infrastructure plays an important, but supporting, role in all of the above



Environmental management is crucial to outcomes and perceptions

- ▶ Locally focussed employment and procurement.
- ▶ Commercial agricultural projects in potatoes, cotton and poultry.
 - ▶ Involving NGO's, lenders and co-sponsors.

- ▶ Direct participation in company training programmes.
- ▶ Agricultural training.
- ▶ Economic empowerment training to assist in business start-ups.

- ▶ Scholarship programs are supporting over 200 high potential students.

- ▶ Water quality and access improvement.
- ▶ Specific health programmes - jigger eradication.
- ▶ Little Sports program – 15,000 kids in weekly sport.
- ▶ 20 projects in medical facilities, schools and transport.

- ▶ Rehabilitation of construction areas completed.
- ▶ Establishing a biodiversity corridor linking remnant forest
- ▶ Largest indigenous nursery of its kind in East Africa .

Positioning for growth



While our environment is certainly challenging, we have got ourselves into solid shape to survive the downturn and are firmly focused on executing our strategy for the future.

Operational performance is nearing design

- ▶ Throughputs and availabilities exceeding design.
- ▶ Recoveries are on track (and well ahead for ilmenite).
- ▶ Further optimisation to come.

Generating positive cashflow

- ▶ Sound operating margins of US\$130/t in June 15 quarter
 - ▶ \$230/t revenue - \$100/t cash operating costs (inc. royalties)
- ▶ VAT refunds have commenced (July).

Pursuing a sustainable debt repayment profile

- ▶ Current debt facility repayment profile is a legacy of commodity price expectations of 4 years ago.
- ▶ Progressing a refinancing to suit the current price environment

Established market share for our production

- ▶ Rutile and zircon are currently contracted.
- ▶ Highly competitive into China given costs and shipping rates.
- ▶ Establishing new relationships.....but moving volume is painful.

Have refined and imbedded our business model

- ▶ Board and management team with requisite capability is in place.
- ▶ Business development, project development, operations, community, environmental, external affairs and financial systems.

Pursuing both medium and long term growth options

- ▶ To apply our proven development capabilities.....and capacity.
- ▶ Evaluating global acquisition opportunities.
- ▶ Local exploration potential is also being re-evaluated.

