

## A\$10 million Renounceable Entitlement Offer

Base Resources Limited (ASX & AIM: BSE) ("**Base**" or the "**Company**") is pleased to advise that it has launched a partially underwritten accelerated pro rata renounceable entitlement offer to existing shareholders offering 1 new fully paid ordinary share in Base for every 3.35 shares held at the record date ("**New Shares**") at A\$0.06 per New Share ("**Offer Price**") to raise gross proceeds of approximately A\$10 million ("**Entitlement Offer**").

The proceeds from the Entitlement Offer will be used to provide continuity and certainty of corporate funding, and allow progression of Base's strategic plan and capitalise on achievements to date. Further details in relation to the rationale for the Entitlement Offer are set out in an investor presentation released by Base to ASX today.

The Entitlement Offer will comprise two components:

- an accelerated entitlement offer to existing institutional shareholders of Base ("**Institutional Entitlement Offer**"); and
- an entitlement offer to existing retail shareholders of Base ("**Retail Entitlement Offer**"), which includes the ability for eligible retail shareholders to trade their retail entitlements on market on ASX.

New Shares issued under the Entitlement Offer will rank equally with existing fully paid ordinary shares in Base.

The Entitlement Offer has been partially underwritten by RFC Ambrian Limited ("**RFC Ambrian**") subject to the terms and conditions of an offer management and underwriting agreement to a cap of A\$7.0 million. Base's largest shareholder, Pacific Road Capital (and its related entities) has committed to take up its full entitlement (approximately A\$2 million) and sub-underwrite the remaining A\$5 million of RFC Ambrian's commitment. Other major shareholders with combined holdings of 29% have already committed to subscribing for their full entitlements, representing approximately A\$2.9 million of the Entitlement Offer.

In addition to being the underwriter, RFC Ambrian is the lead manager and book runner for the Entitlement Offer.

### Entitlement Offer overview

Under the Entitlement Offer, eligible Base shareholders may subscribe for 1 New Share for every 3.35 Base shares held at the record date of 7.00pm (Sydney time) on Thursday, 3 March 2016<sup>1</sup> at the Offer Price per new share ("**Entitlement**"). The Offer Price of A\$0.06 per New Share represents a discount of:

- 6.2% to the 10 day VWAP<sup>2</sup> of Base's shares traded on ASX;
- 24.6% to the 5 day VWAP of Base's shares traded on ASX; and
- 26.8% to the last closing share price on ASX on Friday, 26 February 2016 (being the last trading day prior to this announcement).

Under the Institutional Entitlement Offer, Entitlements not taken up by existing institutional shareholders will be offered to other eligible institutional investors by way of an institutional bookbuild at a price not less than the Offer Price. In the event that subscriptions are received at a price above the Offer Price this premium will be paid (less any applicable withholdings) proportionally to the institutional shareholders who do not accept their Entitlement in full.

To the extent that there is a subscription shortfall through the Institutional Entitlement Offer, then the underwriter will subscribe for or procure subscriptions for these shares at the Offer Price up to the maximum of A\$7 million.

The Retail Entitlement Offer will be open from Thursday, 10 March 2016 to Thursday, 24 March 2016. Retail entitlements may be traded on market on the ASX from Thursday, 3 March 2016 to Thursday, 17 March 2016.<sup>3</sup> Entitlements not taken up by

<sup>1</sup> The record date for holders of depositary interests on Base's UK register is 5.00pm (London time) on Thursday, 3 March 2016.

<sup>2</sup> VWAP means the volume weighted average price.

<sup>3</sup> Subject to ASX granting quotation.



existing retail shareholders, and entitlements of ineligible shareholders, will be offered to eligible institutional investors by way of a retail bookbuild at a price not less than the Offer Price. In the event that subscriptions are received at a price above the Offer Price, this premium will be paid (less any applicable withholdings) proportionally to those shareholders who do not accept their Entitlement in full.

Subject to reconciliation of Entitlements, the Institutional Entitlement Offer is expected to be comprised of an offer of approximately A\$8.3 million under the Institutional Entitlement Offer, with the balance of approximately A\$1.7 million to be offered under the Retail Entitlement Offer.

Base expects to announce the outcome of the Institutional Entitlement Offer to ASX prior to market open on Thursday, 3 March 2016 with trading of Base shares due to recommence on that day.

### Anticipated Timetable

Institutional Entitlement Offer opens	Monday, 29 February 2016
Institutional Entitlement Offer closes	Tuesday, 1 March 2016
Institutional Entitlement Offer shortfall bookbuild	Wednesday, 2 March 2016
Institutional Entitlement Offer results announced Trading resumes on an ex-entitlement basis Retail entitlements commence trading on ASX on a deferred settlement basis	Thursday, 3 March 2016
Record date for shareholders on Base's Australian register	7.00pm on Thursday, 3 March 2016
Record date for shareholders on Base's UK register	5.00 pm (London time) on Thursday, 3 March 2016
Retail Entitlement Offer opens Settlement of Institutional Entitlement Offer	Thursday, 10 March 2016
Trading of retail entitlements on ASX ends	Thursday, 17 March 2016
Retail Entitlement Offer closes for Base's UK register	Wednesday, 23 March 2016
Retail Entitlement Offer closes for Base's Australian register	Thursday, 24 March 2016
Retail Entitlement Offer shortfall bookbuild	Wednesday, 30 March 2016
Settlement of Retail Entitlement Offer	Wednesday, 6 April 2016
Retail Entitlement Offer results announced	Thursday, 7 April 2016

Base reserves the right to change these dates without prior notice. All references to time are to Sydney time unless otherwise specified. The commencement of quotation of New Shares and trading of retail entitlements is subject to confirmation from ASX.

### Shareholder Enquiries

Eligible retail shareholders will be sent further details about the Retail Entitlement Offer via a retail offer booklet expected to be lodged with ASX and released on AIM on Wednesday, 9 March 2016 and despatched on the same date.

Further information in relation to the matters described in this announcement, including important notices and key risks, is set out in an investor presentation released by Base today. The information in the Disclaimer and Important Notices section of that presentation applies to this announcement as if set out in full in this announcement.

ENDS.

For further enquiries contact:

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# CORPORATE PROFILE

Base Resources Limited ABN 88 125 546 910

## DIRECTORS

<b>Keith Spence</b>	Non-Executive Chairman
<b>Tim Carstens</b>	Managing Director
<b>Colin Bwy</b>	Executive Director

<b>Sam Willis</b>	Non-Executive Director
<b>Michael Anderson</b>	Non-Executive Director
<b>Michael Stirzaker</b>	Non-Executive Director
<b>Malcolm Macpherson</b>	Non-Executive Director

## COMPANY SECRETARY

Chadwick Poletti

## NOMINATED ADVISOR & BROKER

### **RFC Ambrian Limited**

As Nominated Advisor:

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As Broker:

Jonathan Williams

Phone: +44 20 3440 6800

## AUSTRALIA MEDIA RELATIONS

### **Cannings Purple**

Warrick Hazeldine / Annette Ellis

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## UK MEDIA RELATIONS

### **Tavistock Communications**

Jos Simson / Emily Fenton

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## SHARE REGISTRY

### **ASX**

#### **Computershare Investor Services Pty Limited**

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### **AIM**

#### **Computershare Investor Services PLC**

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## KENYA MEDIA RELATIONS

### **Africappractice (East Africa)**

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