

Building a unique mineral sands company

Cape Town Conference Presentation
Arlington Pre-Daba
121 Mining Investment

February 2020



**BASE
RESOURCES**



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DFS Announcement

The DFS Announcement discloses details about the material assumptions and underlying methodologies adopted for deriving the production information and forecast financial information included in this document in respect of the Toliara Project, such as the material price and operating cost assumptions, which assumptions include the currently legislated government mineral royalty of 2%. It also discloses key pre and post FID risks in respect of the Toliara Project and an NPV sensitivity analysis. Base Resources confirms that all the material assumptions underpinning the production information and forecast financial information disclosed in the DFS Announcement continue to apply and have not materially changed.

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Australian based, African focused, producer



Kwale Operations

Kenya
Operational asset producing
rutile, ilmenite and zircon.



Toliara Project

Madagascar
Mineral sands development
project progressing towards
production.

Base Resources

Perth
Company headquarters.



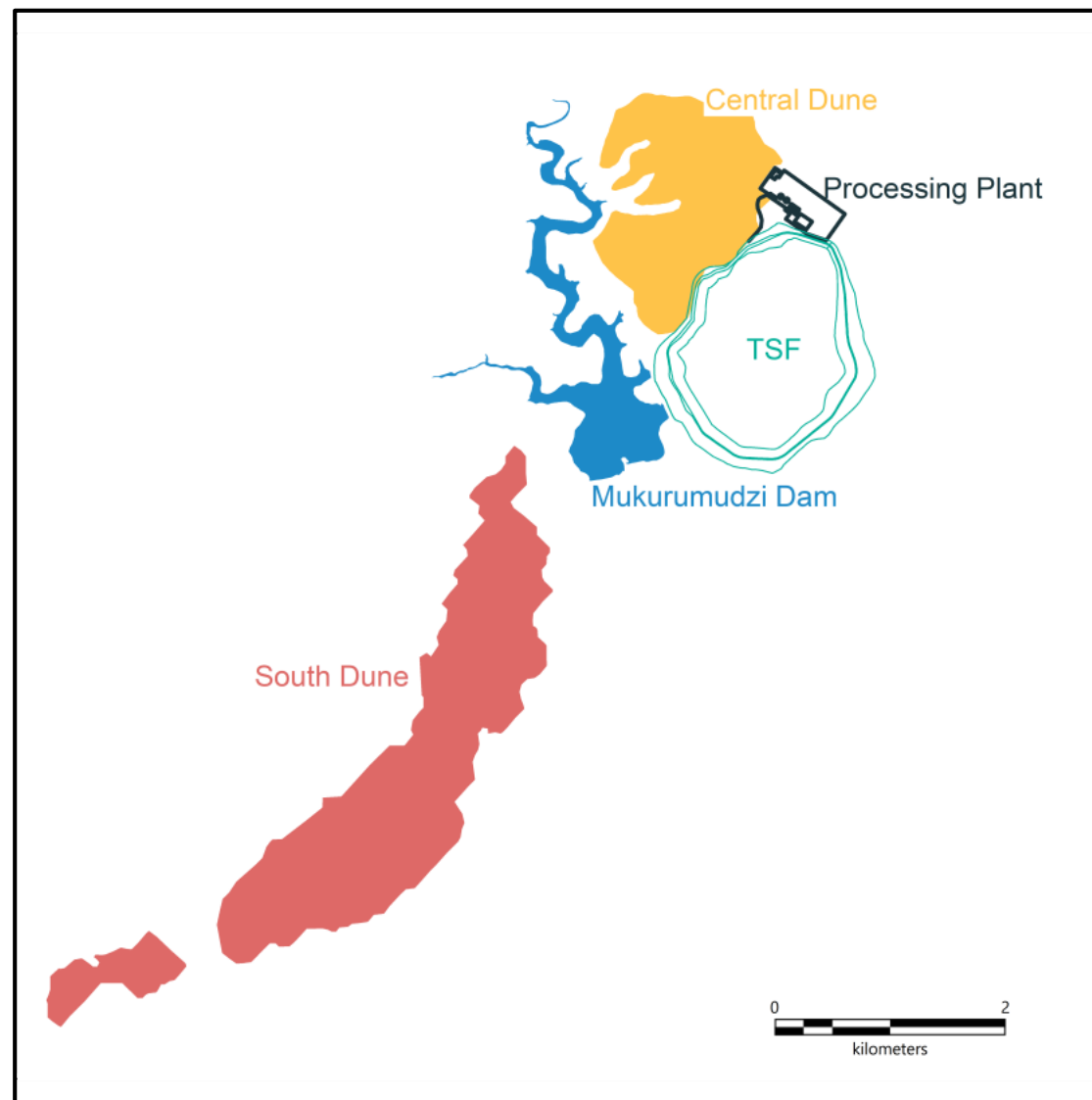
The foundation – The Kwale operation

Video available at
www.basetitanium.com

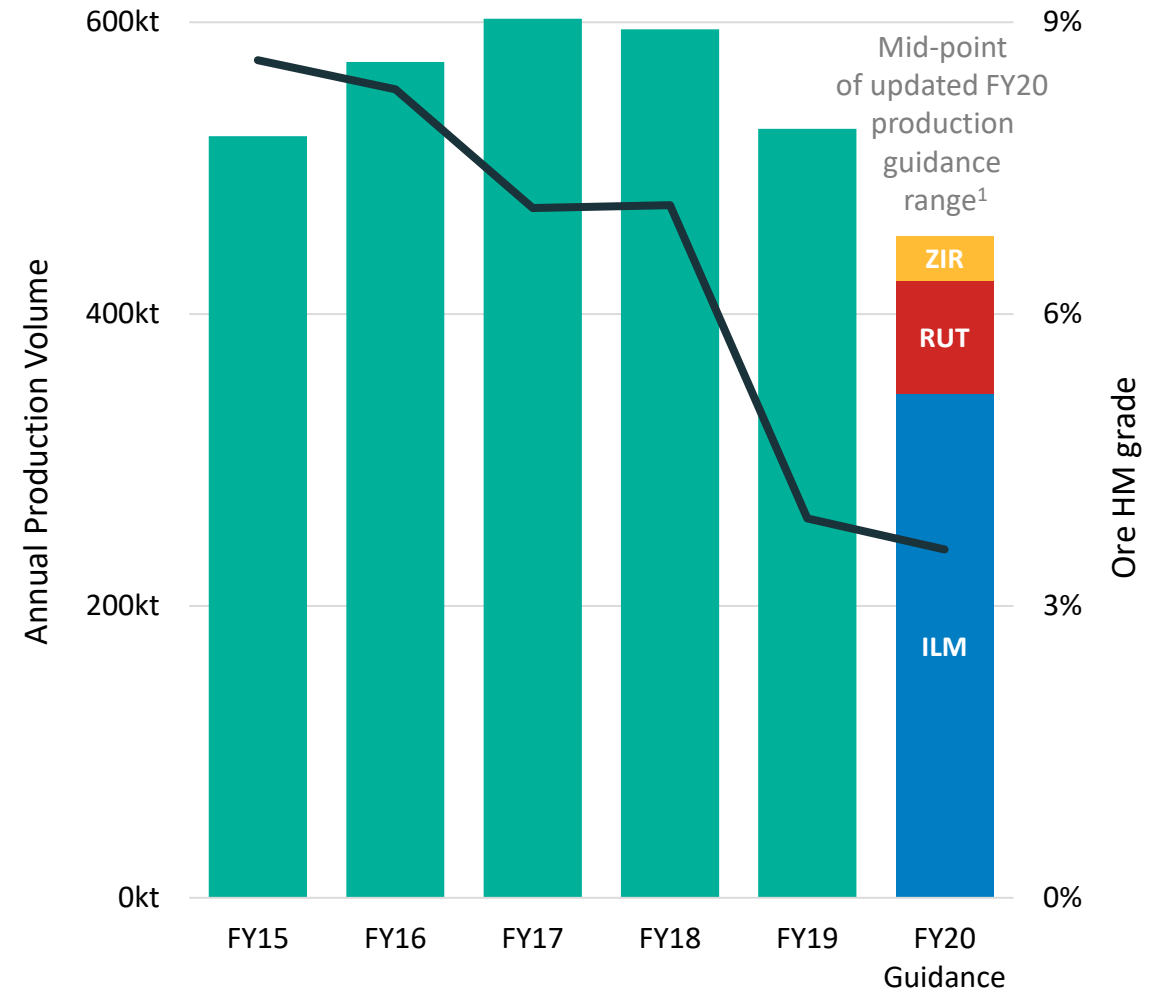


Kwale Operation enters the next phase...

- Central Dune fully depleted in June 2019
- Mining operations transitioned to the South Dune over a 2-week period in late June 2019
- Successful ramp up of mining and processing operations following the transition
- Mining rates equivalent to 18.7Mtpa achieved to date, exceeding the 18Mtpa plan
- Total project cost of US\$12m, delivered on budget, on time and safely

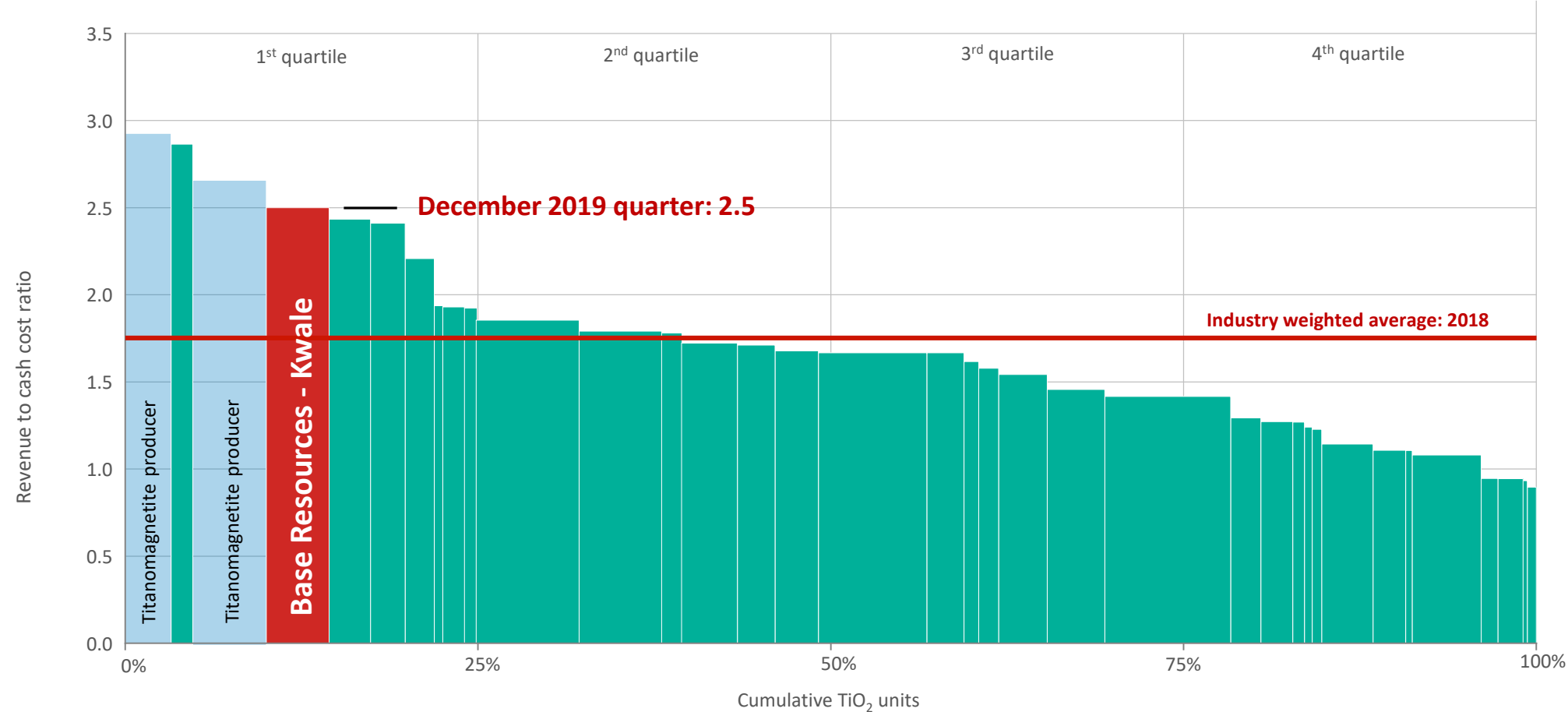


...with South Dune production levels the new normal



Maintaining a first quartile revenue-to-cost ratio

Industry revenue-to-cash cost curve: 2018



Outstanding safety outcomes indicative of performance culture

19.1
Million

Hours worked with
zero Lost-Time
Injuries

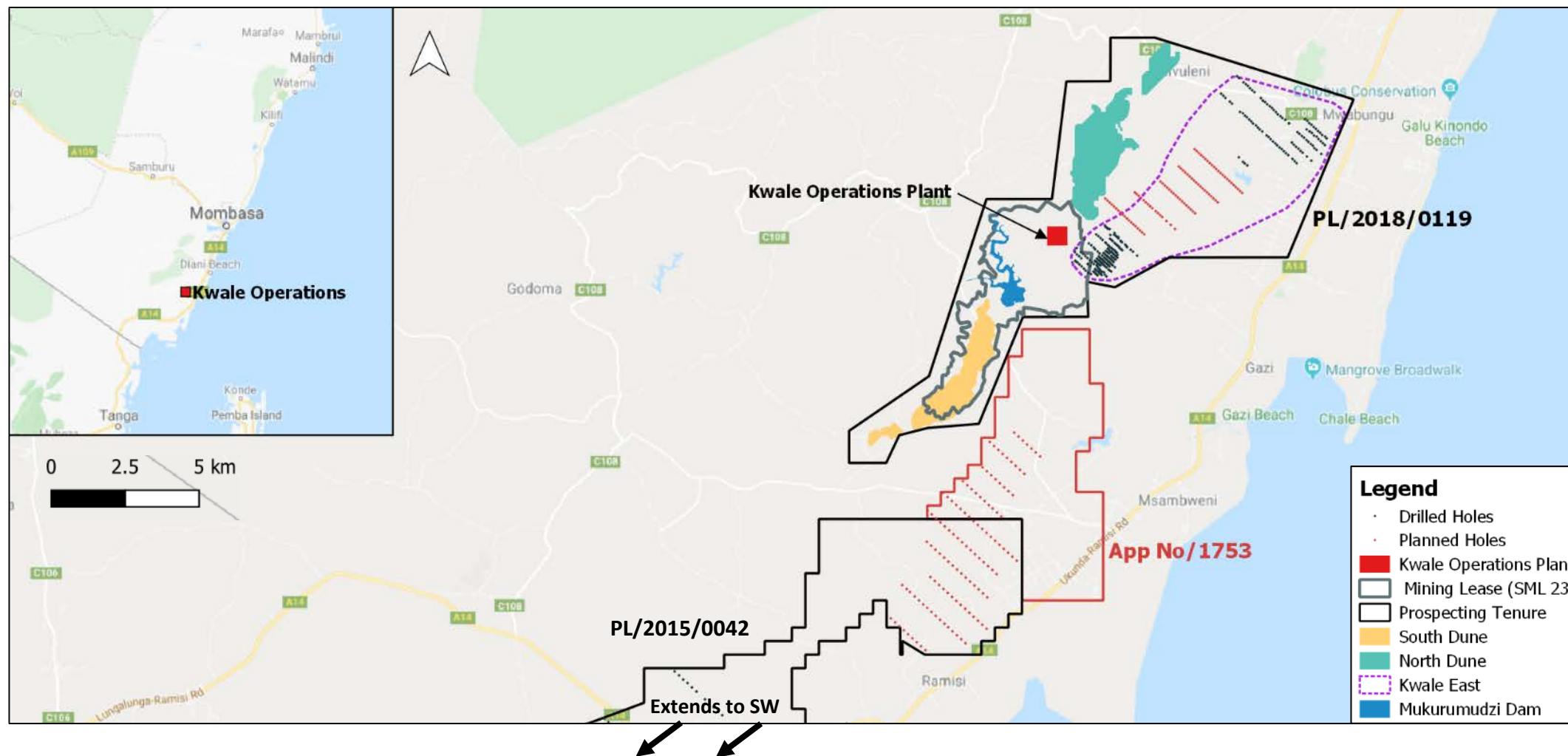
70
Months

Since last Lost-Time
Injury

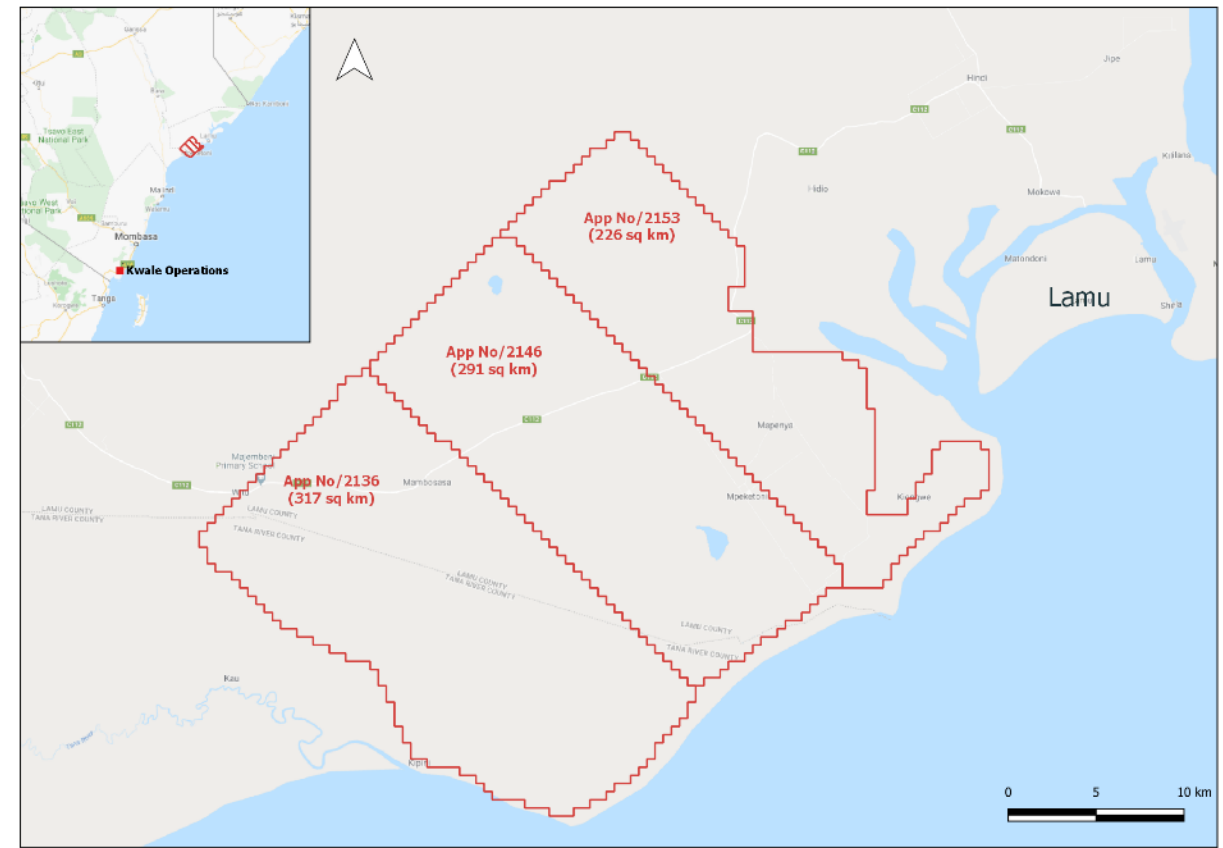
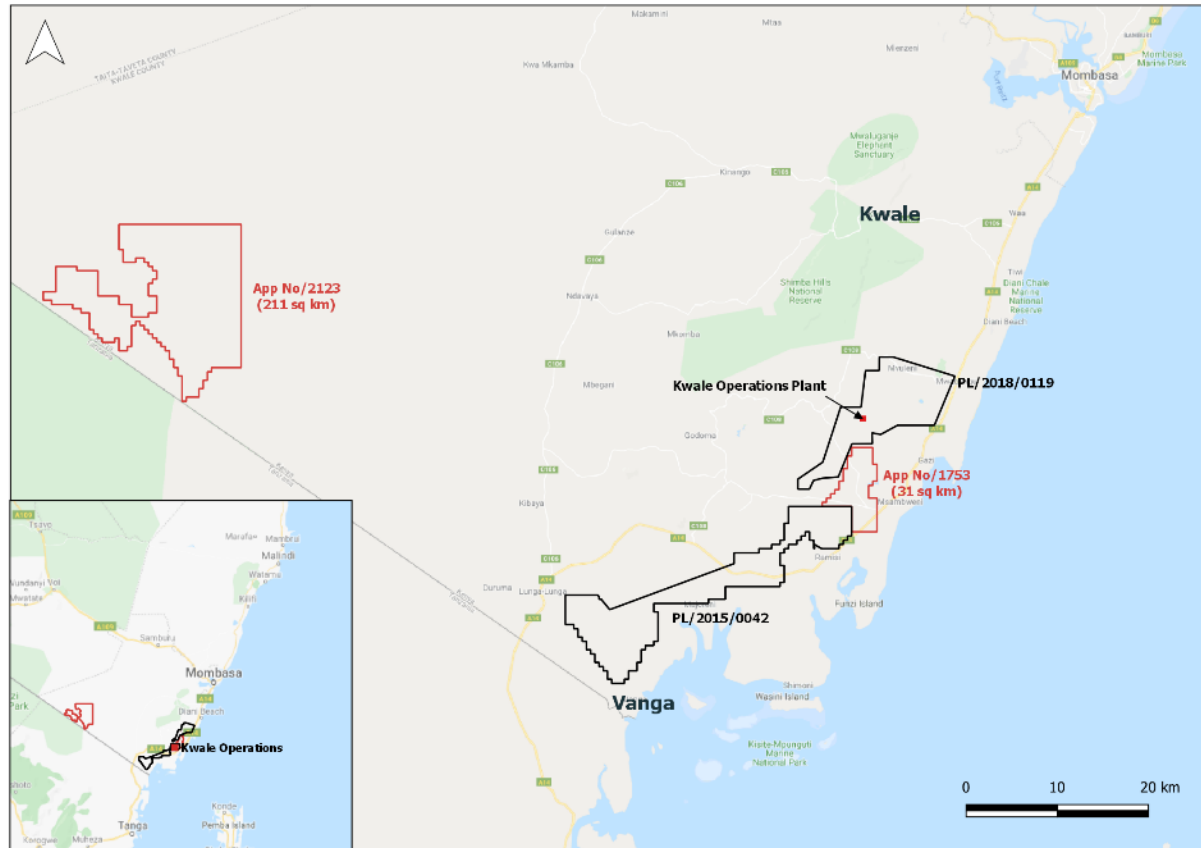
9.4
Million

Hours worked
without a medical
treatment injury

Multiple mine life extension opportunities being explored



As well as Kenyan opportunities further afield

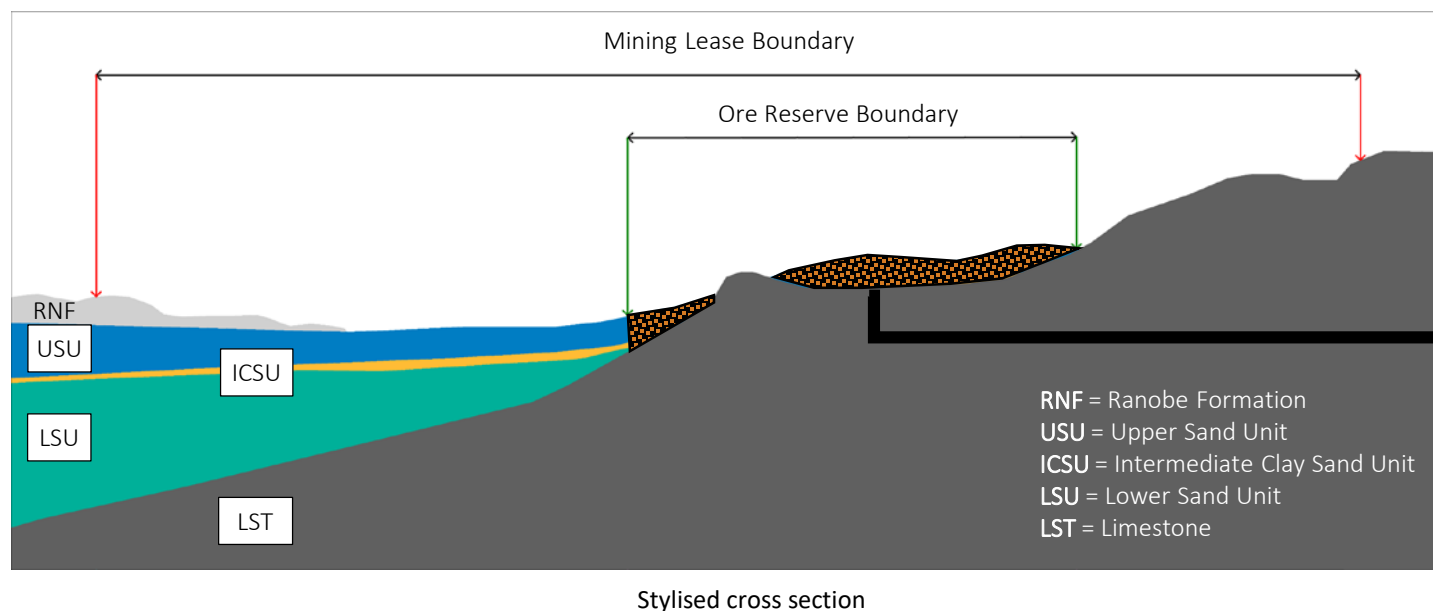


Toliara – a world class development project

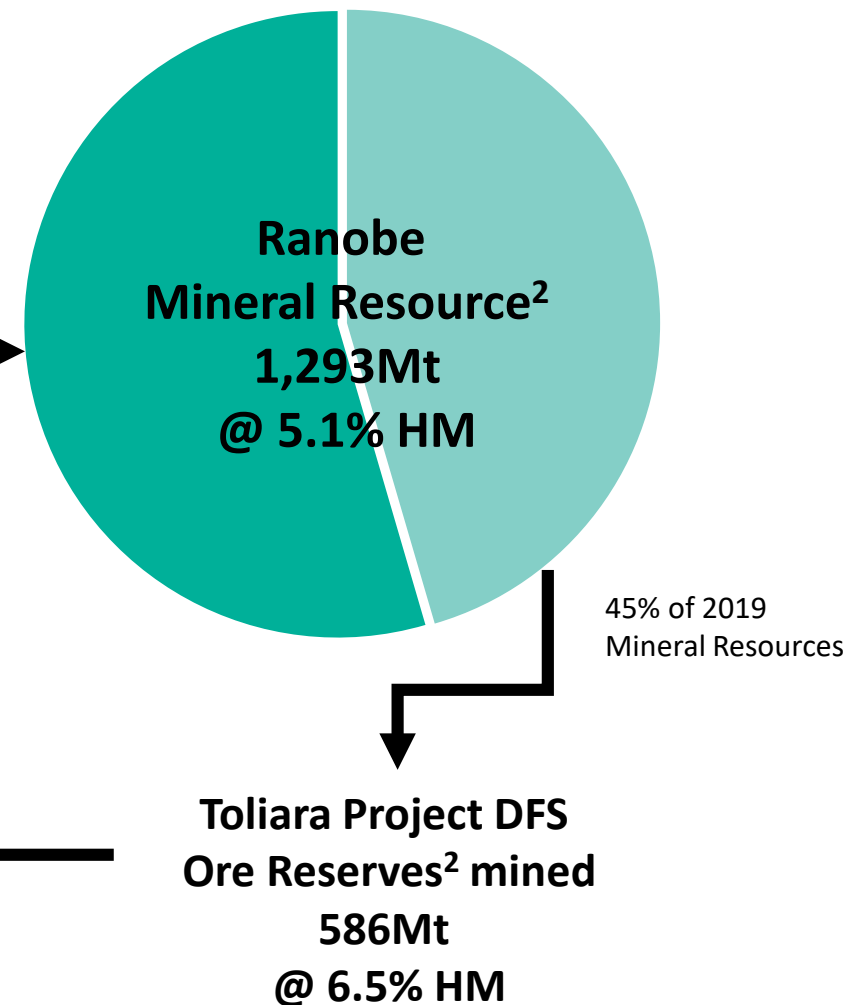
Project video available at
www.baseresources.com.au



Mineral Resources afford long mine life...



33 year mine life
Average annual production¹:
Ilmenite 780kt
Zircon 53kt
Rutile 7kt

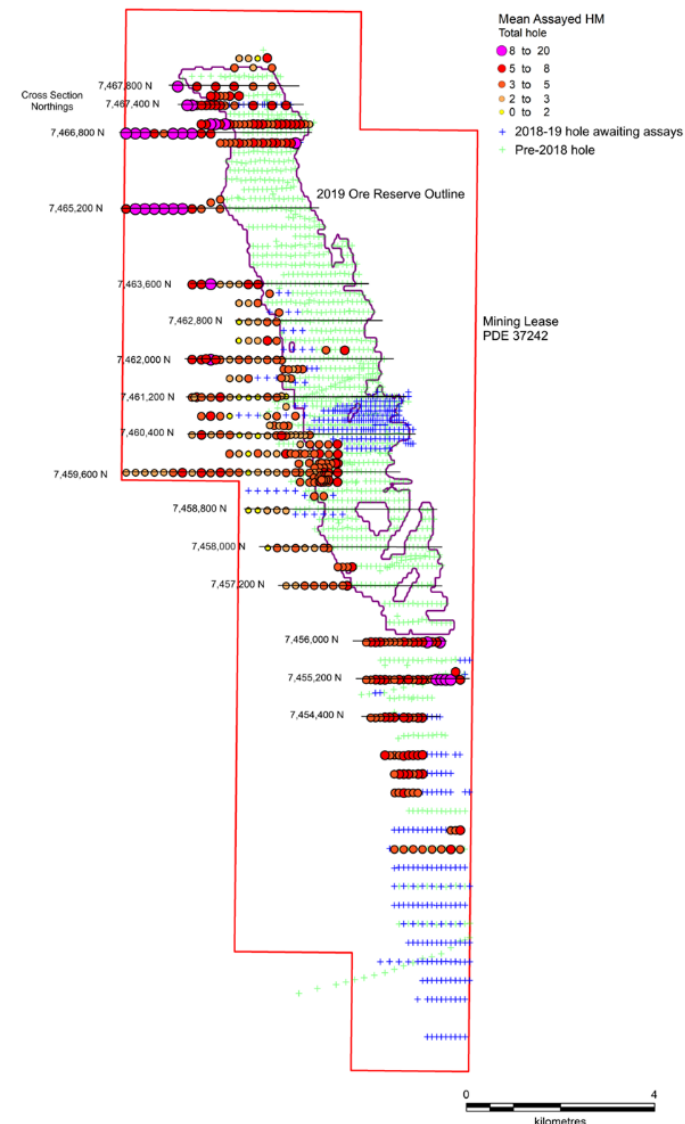


...with significant expansion potential

- 2018/19 drilling program - 29,753m in 770 holes
- Assay results received to date show material heavy mineral intercepts - particularly in the lower sand unit
- Further drilling targeting high-grade lower sand unit zones to be planned once assaying of remaining samples is complete

Notable drill results:

- Hole R2076 - 81m @ 15.7% HM, with LSU of 67.5m @ 18.3% HM
- Hole R2074 - 87m @ 13.9% HM, with LSU of 69m @ 16.4% HM
- Hole R2084 - 71.5m @ 12.2% HM, with LSU of 41.5m @ 17.6% HM
- Hole R1507A - 72m @ 11.6% HM, with LSU of 43.5m @ 16.5% HM
- Hole R2022 - 87m @ 9.1% HM, with LSU of 52.5m @ 13.8% HM

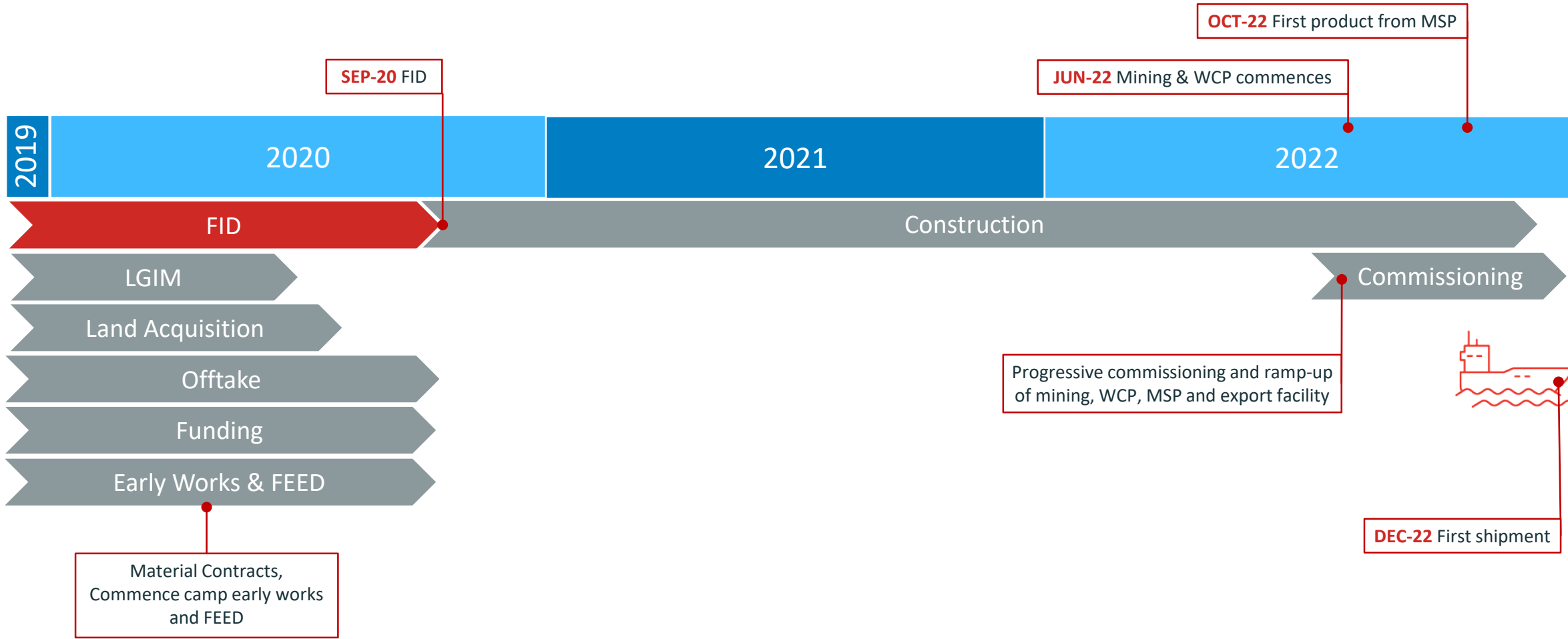


Toliara DFS confirms a world-class mineral sands development

- NPV₁₀ post tax, pre-debt, real **US\$652m** & IRR of **21.4%**
- Revenue to cost of sales ratio of **3.15**
- Stage 1 capex **US\$442m** for 13Mtpa
- Stage 2 capex **US\$69m** to increase to 19Mtpa
- LOM average annual revenue of **US\$248m**
 - 65% ilmenite, 32% zircon, 3% rutile
- LOM average annual EBITDA of **US\$164m**
- LOM average annual free cash flow of **US\$132m**



Indicative timeline



Building a unique mineral sands company



- Team with a track record of delivery in Africa
- Consistent, high cash flow Kwale Operations, with extension potential
- Reputation for excellence in safety, community and environment
- A sound financial platform from which to grow the business
- Improving markets are supporting a need for new supply
- A world class development in the Toliara Project



A. Level 1, 50 Kings Park Road, West Perth WA 6005
PO Box 928, West Perth BC 6872, Australia

Ph. +618 9413 7400

F. +618 9322 8912

E. info@baseresources.com.au

baseresources.com.au

For further information contact:

James Fuller, Manager – Communications and Investor Relations

Ph. +618 9413 7426

M. +61 488 093 763

E. jfuller@baseresources.com.au

Appendices



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Kwale Ore Reserves and Mineral Resources

Category	Material	In Situ HM	HM	SL	OS	HM Assemblage		
						ILM	RUT	ZIR
	(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)
Mineral Resources¹ as at 30 June 2019								
Measured	81	2.6	3.2	25	1	59	14	6
Indicated	169	2.9	1.7	36	3	47	12	5
Inferred	34	0.5	1.4	36	3	46	13	6
Total	285	6.0	2.1	33	2	52	13	6
Ore Reserves as at 30 June 2019								
Proved	39	1.6	4.0	27	1	59	14	6
Probable	23	0.8	3.3	26	5	53	13	6
Total	62	2.3	3.8	27	3	57	13	6

Notes:

- 1) Mineral Resources estimated at a 1% HM cut-off grade.
- 2) Table subject to rounding differences.
- 3) Mineral Resources are reported inclusive of the Ore Reserves.

For further information on the Kwale Deposit Mineral Resources and Ore Reserves, for the Kwale South Dune Deposit, refer to Base Resources' announcement on 9 October 2017 "2017 Kwale Mineral Resources and Ore Reserves Statement" and, for the Kwale North Dune Deposit, refer to Base Resources' announcement on 1 May 2019 "Mineral Resource for Kwale North Dune Deposit", each of which is available at <https://www.baseresources.com.au/investor-centre/asx-releases/>. Base Resources confirms that it is not aware of any new information or data that materially affects the information included in the 9 October 2017 and the 1 May 2019 announcements and all material assumptions and technical parameters underpinning the estimates in the 9 October 2017 and the 1 May 2019 announcements continue to apply and have not materially changed. For further information on the depleted Kwale Deposit Mineral Resources and Ore Reserves as at 30 June 2019, refer to Base Resources' announcement on 21 August 2019 "2019 Mineral Resources and Ore Reserves Statement" available at <https://www.baseresources.com.au/investor-centre/asx-releases/>.

Ranobe Ore Reserves and Mineral Resources

Category	Material	In Situ HM	HM	SL	OS	HM Assemblage			
						ILM	RUT*	LEUC**	ZIR
	(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Mineral Resources¹ at 30 June 2019									
Measured	419	28	6.6	4	0	75	2	–*	6
Indicated	375	18	4.9	8	1	72	2	–*	6
Inferred	499	20	3.9	7	1	70	2	–*	5
Total	1,293	66	5.1	6	0	72	2	–*	6
Ore Reserves at 6 December 2019									
Proved	347	24	7.0	3.8	0.1	75	1.0	1.0	5.9
Probable	239	14	5.8	4.2	0.2	73	1.3	0.8	5.7
Total	586	38	6.5	3.9	0.1	74	1.1	0.9	5.9

Notes:

* Rutile reported in the Mineral Resources table is rutile + leucoxene mineral species

** Recovered Leucoxene will be split between Rutile and Chloride Ilmenite products depending on product specification requirements.

1) Mineral Resources estimated at a 1.5% HM cut-off grade.

2) Table subject to rounding differences.

3) Mineral Resources are reported inclusive of the Ore Reserves.

For further information on the Ranobe Deposit Mineral Resources and Ore Reserves, refer to Base Resources' announcement on 23 January 2019 "Updated Ranobe Deposit Mineral Resources (corrected)" and the announcement on 6 December 2019 "Maiden Ranobe Ore Reserves estimate", each of which is available at <https://www.baseresources.com.au/investor-centre/asx-releases/>. Base Resources confirms that it is not aware of any new information or data that materially affects the information included in the 23 January 2019 and 6 December 2019 announcements and all material assumptions and technical parameters underpinning the estimates in the 23 January 2019 and 6 December 2019 market announcements continue to apply and have not materially changed.