

ASX and Media Release  
26 August 2024

## FY24 financial and operational results

African mineral sands producer and developer, **Base Resources Limited** (ASX & AIM: BSE) (**Base Resources** or the **Company**) is pleased to present its financial, operational and development results for the year ended 30 June 2024 (**FY24**).

Kwale Operations continued to perform to plan and achieved production at the top end of guidance. During the year, as planned, mining transitioned to the lower grade ore bodies that will characterise the remaining mine life, which resulted in reduced production and lower sales volumes. The period also saw softening sales prices for all products. As announced in October 2023, the evaluation of the remaining near mine extensional opportunities concluded they were not economically viable. Consequently, mining at Kwale is expected to end in December 2024 following the planned depletion of remaining ore reserves, with processing activities concluding shortly thereafter.

Discussions with the Government of Madagascar on the key fiscal terms that would apply to the Toliara Project re-commenced in early 2024, shortly after President Rajoelina formed his new government and appointed his cabinet following his re-election in late 2023. Base Resources considers in-principle agreement has been reached on the key fiscal terms that will apply to the whole Toliara Project (i.e. both mineral sands and monazite), although these remain subject to entry of binding documentation and therefore the terms remain subject to change and timing is uncertain. Engagement with the Government is now focused on agreeing the terms of the binding agreements to give effect to the in-principle agreement and other key matters for facilitating timely project progression.

Following announcement in April of the Company's proposed combination with Energy Fuels Inc. (NYSE American: UUUU, TSX: EFR) (**Energy Fuels**) to establish a global leader in the critical minerals sector (**Proposed Combination**), the Board has determined to pay a special dividend of A\$0.065 (unfranked) per share in connection with the transaction (**Special Dividend**). Payment of the Special Dividend is conditional on the scheme of arrangement to implement the Proposed Combination becoming effective (**Scheme**)<sup>1</sup>. In addition to the Special Dividend, Base Resources shareholders will be entitled to receive 0.0260 Energy Fuels common shares per Base Resources share should the Scheme proceed.

### Operational and development highlights for FY24

- Transition of Kwale South Dune mining operations to the Bumamani deposit, following depletion of the Kwale South Dune ore reserves, impacting mined volumes which were 6% lower, at 15.3 million tonnes, compared to the prior year.
- FY24 production guidance achieved, with production of 41,317 tonnes of rutile, 159,395 tonnes of ilmenite, 17,354 tonnes of zircon and a combined 10,034 tonnes of low-grade rutile and zircon products, which was less than the prior year due to lower ore grades and mined tonnages.
- Softening product markets resulted in reductions in average achieved prices of 4% for rutile, 9% for ilmenite and 14% for zircon compared to the prior year.
- Toliara Project Monazite Pre-Feasibility Study completed, significantly enhancing the overall forecast financial returns from the project.

### Financial highlights for FY24

- Revenue of US\$135.1 million, a 50% reduction when compared to the prior year due to lower production and sales volumes.
- EBITDA of US\$26.4 million and underlying net loss after tax of US\$1.6 million.
- Free cashflow of US\$25.7 million (operating cashflows of US\$45.4 million less US\$19.7 million invested to transition mining at Kwale Operations to the remaining ore bodies and progress the Toliara Project).
- Net cash position of US\$88.1 million at 30 June 2024.

<sup>1</sup> For further information in relation to the Special Dividend, refer to Base Resources' announcement (also of 26 August 2024) titled "Special Dividend determined".

**Managing Director of Base Resources, Tim Carstens, said:**

“The 2024 financial year has been another successful one for Base Resources. The Kwale Operations team overcame the dual challenges of new ore bodies and lower grades to deliver production volumes at the top end of guidance, while continuing to keep tight control of costs, contributing to the Group’s strong closing cash position of US\$88.1 million. Unfortunately, after exploring all avenues to further extend mine life, mining at Kwale Operations will end in December 2024 when ore reserves are fully depleted as planned. Planning for closure and the transition to post-mining land use is well advanced, with the clear objective of cementing a reputation for excellence in the full life cycle of mining.

Our belief that the Toliara Project is the best undeveloped mineral sands project in the world was reinforced following completion of the Monazite Pre-Feasibility Study in December. With our understanding that in-principle agreement has been reached with the Government on fiscal terms and focus shifting to finalising a memorandum of understanding to record the terms agreed, we consider realisation of the Toliara Project’s potential is now closer than ever.

By providing the opportunity to go further downstream and capture more of the rare earths supply chain value and risk diversification, the proposed combination with Energy Fuels will only enhance Toliara’s exceptional potential and also provide increased capacity and optionality for funding the project. The combination also provides shareholders with the opportunity to receive a compelling and immediate premium, and participate in the market recognition and development of a company with a diversified and unique position in the critical minerals landscape.”

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**Forward looking statements**

Certain statements in or in connection with this announcement contain or comprise forward looking statements. Such statements may include, but are not limited to, statements with regard to future production and grades, capital cost, capacity, 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 Resources’ 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 Resources 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.

For further details in relation to the Monazite Pre-Feasibility Study, refer to Base Resources’ announcement on 14 December 2023 “Additional critical mineral product stream doubles Toliara Project’s NPV”. This announcement discloses the material assumptions and underlying methodologies adopted for deriving the production and forecast financial outcomes for the Monazite Pre-Feasibility Study. Base Resources confirms that all the material assumptions underpinning the production information and forecast financial information in the announcement continue to apply and have not materially changed.

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This release has been authorised by the Board of Base Resources.

## About Base Resources

Base Resources is an Australian based, African focused, mineral sands producer and developer with a track record of project delivery and operational performance. The Company operates the established Kwale Operations in Kenya and is developing the Toliara Project in Madagascar. Base Resources is an ASX and AIM listed company. Further details about Base Resources are available at [www.baseresources.com.au](http://www.baseresources.com.au).