

2021 AGM Management presentation

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This document has been prepared by Base Resources Limited (**Base Resources**). Its release has been authorised by Base Resources' Disclosure Committee. Information in this document should be read in conjunction with other announcements made by Base Resources to ASX, particularly Base Resources' announcement on 27 September 2021 "DFS2 enhances scale and economics of the Toliara Project" (**DFS2 Announcement**) and Base Resources' announcements on 3 September 2021 "Bumamani PFS supports extension of Kwale mine life to mid-2024" and "Further supporting information for Bumamani PFS" (**Bumamani PFS Announcements**). Base Resources' ASX announcements are available at <https://baseresources.com.au/investors/announcements>.

DFS2 Announcement

Slides 16 and 17 disclose the summary outcomes of DFS2. The DFS2 Announcement discloses the material assumptions and underlying methodologies adopted for deriving these outcomes, including the production information and forecast financial information. It also discloses key pre and post FID risks in respect of the Toliara Project. Base Resources confirms that all the material assumptions underpinning the production information and forecast financial information disclosed in the DFS2 Announcement continue to apply and have not materially changed.

Bumamani PFS Announcements

Slides 5 and 10 disclose the summary outcome of the Bumamani PFS. The Bumamani PFS Announcements disclose the material assumptions and underlying methodologies adopted for deriving this outcome. Base Resources confirms that all the material assumptions underpinning the production information and forecast financial information disclosed in the Bumamani PFS Announcements continue to apply and have not materially changed.

Forward-looking statements

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

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All references to currency (\$ or US\$) are to United States Dollars unless otherwise stated

Australian based, African focused, producer



Kwale Operations
Kenya
Operational asset producing
rutile, ilmenite and zircon.

Toliara Project
Madagascar
Mineral sands project progressing
towards development.

Base Resources
Perth
Company headquarters.

Building a unique mineral sands company

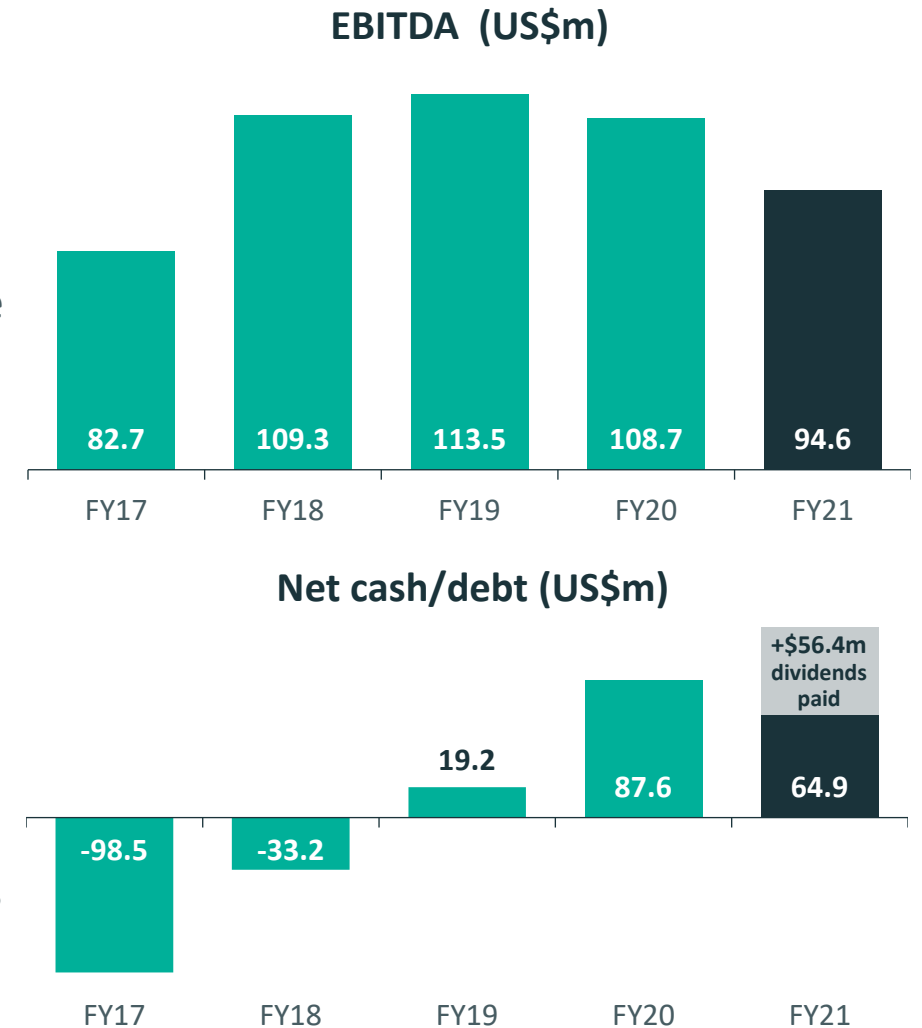
- “Mid cap” **pure mineral sands** company.
- Established **profitable** Kwale Operation in Kenya with extensional potential.
- A **world class mineral sands development project** in the Toliara Project in Madagascar.
- **Long combined mine life** once the Toliara Project is developed.
- **Track record of excellence** in safety, community engagement and environmental stewardship.
- An **experienced team** and capacity to execute well.
- A **robust financial position** from which to grow the business and continue to deliver returns to shareholders.
- Creating a company of **strategic relevance** in a sector likely to continue to evolve.



Strong FY21 operational performance



- Kwale Operations continued uninterrupted, with controls to mitigate COVID-19 impacts and risk, and production guidance achieved.
- Continued strengthening of demand for all products with a 21% increase in ilmenite prices.
- Kwale Operations mine life extension opportunities progressed with Kwale South Dune Ore Reserves updated, mining lease extended and Bumamani PFS completed, with DFS now underway.
- Toliara Project discussions with government progressed while engineering and design, supplier selection, systems and funding options all advanced.
- Lost time injury frequency rate maintained at zero.
- Sales revenue of US\$198.2m, EBITDA of US\$94.6m and net cash of US\$64.9m.
- Final FY21 dividend of AUD 4.0 cents per share paid, taking total dividends in respect of FY21 to AUD 7.0 cents per share (totalling US\$61.4m)*.



*Dividends were unfranked.

Pursuing excellence in the full lifecycle of mining – FY21 milestones

Governance

- Environment, Social and Ethics (ESE) Board committee established.
- Modern Slavery Statement published and supplier code of conduct launched.

People

- 99% of Kwale workforce from Kenya, with 71% drawn from Kwale County.
- 133,725 hours of training delivered to employees, contractors and community.
- 24 Malagasy completed a two-year apprentice program in Kenya.

Community

- US\$3.7m invested in infrastructure, scholarships, projects and health programs with an additional US\$1.4m invested in COVID-19 support.
- US\$53.4m (77%) of all Kwale Operations material, equipment and services expenditure sourced from Kenyan businesses.
- Kwale post mining land use study commenced.

Environment

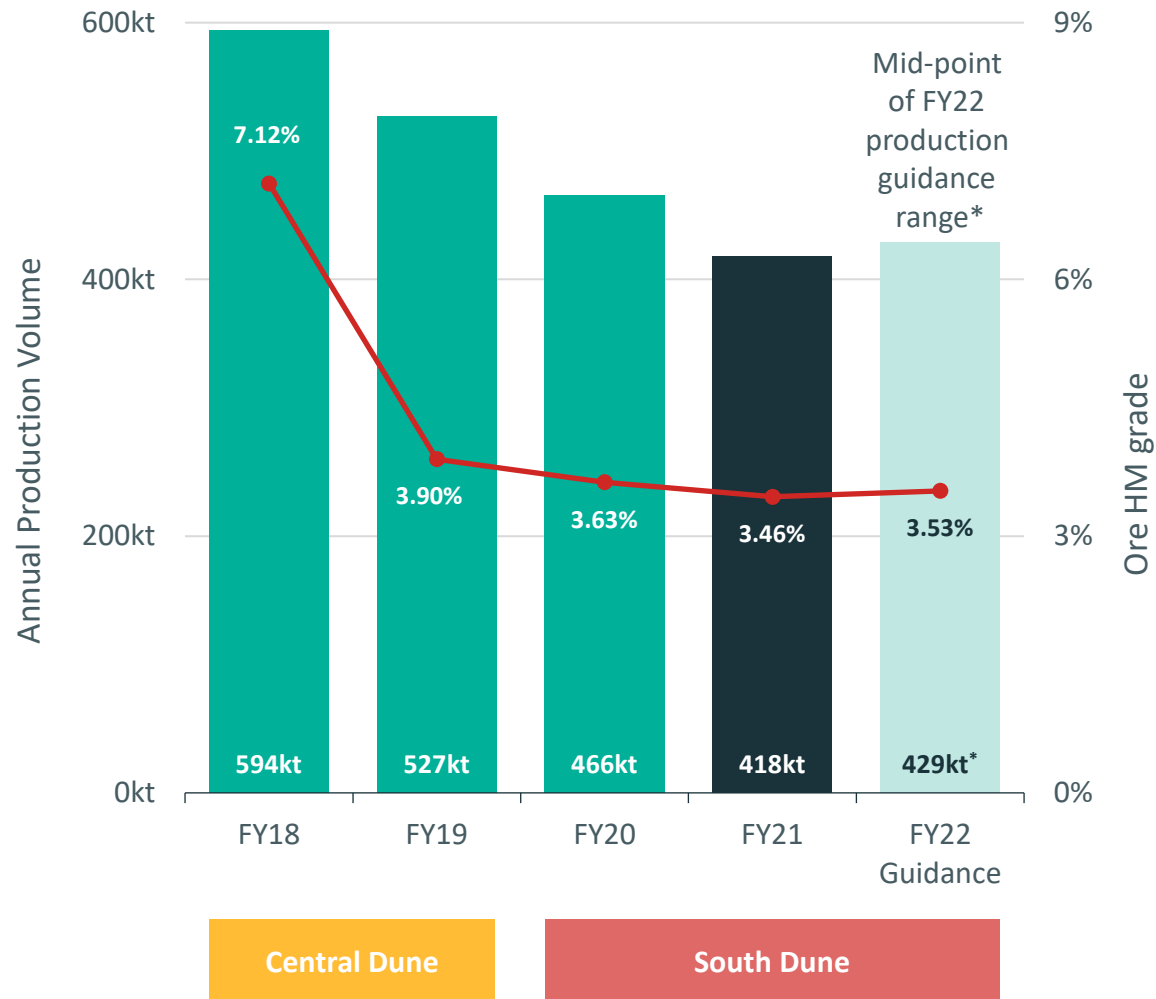
- 21,338 trees planted with 104 hectares undergoing planting activity.



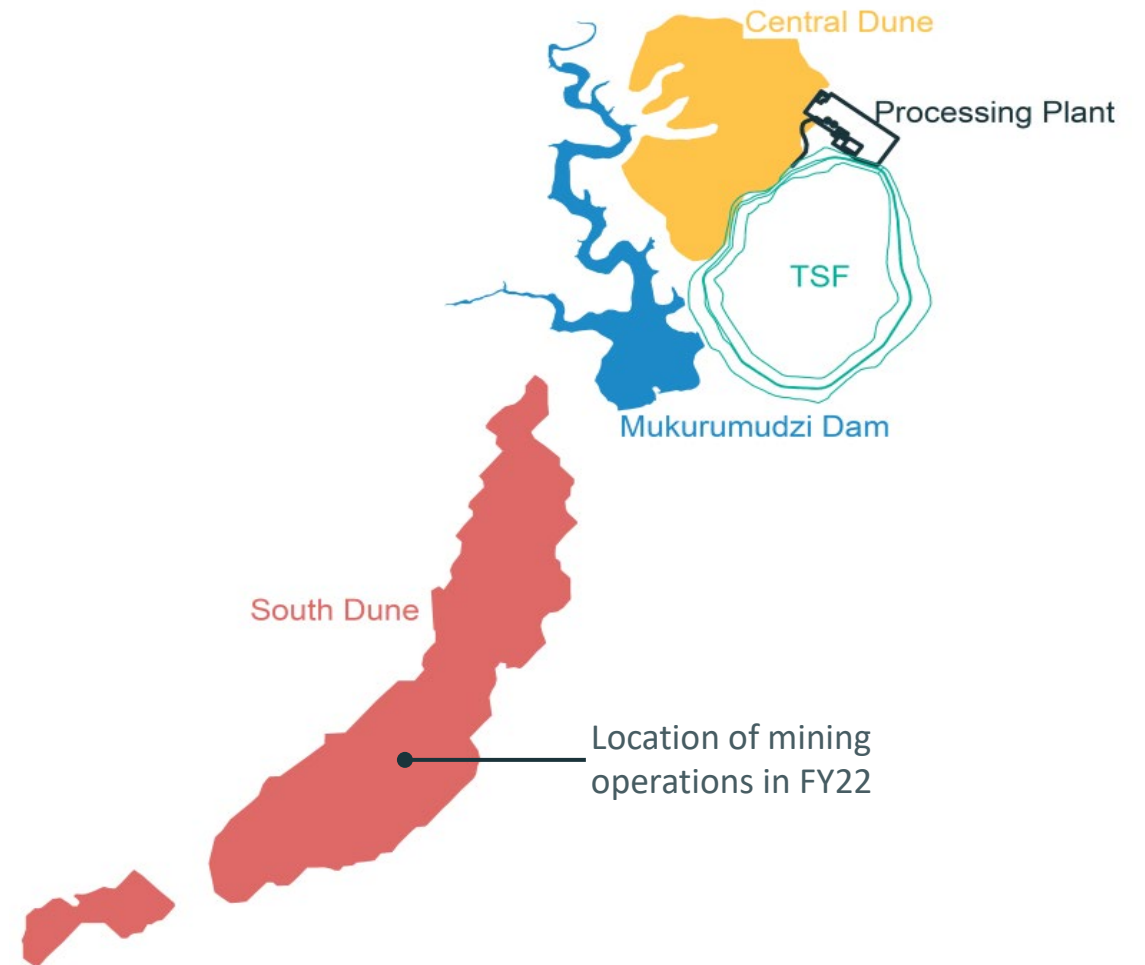
The foundation - The Kwale Operation

Video available at www.basetitanium.com

Consistent delivery to plan



* For further information, including the guidance range and applicable assumptions, refer to Base Resources' announcement on 29 July 2021 "Quarterly Activities Report - June 2021" available at <https://baseresources.com.au/investors/announcements>.



Outstanding safety outcomes indicative of performance culture



25.9

Million

Hours worked with
zero Lost-Time
Injuries

91

Months

Since last Lost-Time
Injury

5.3

Million

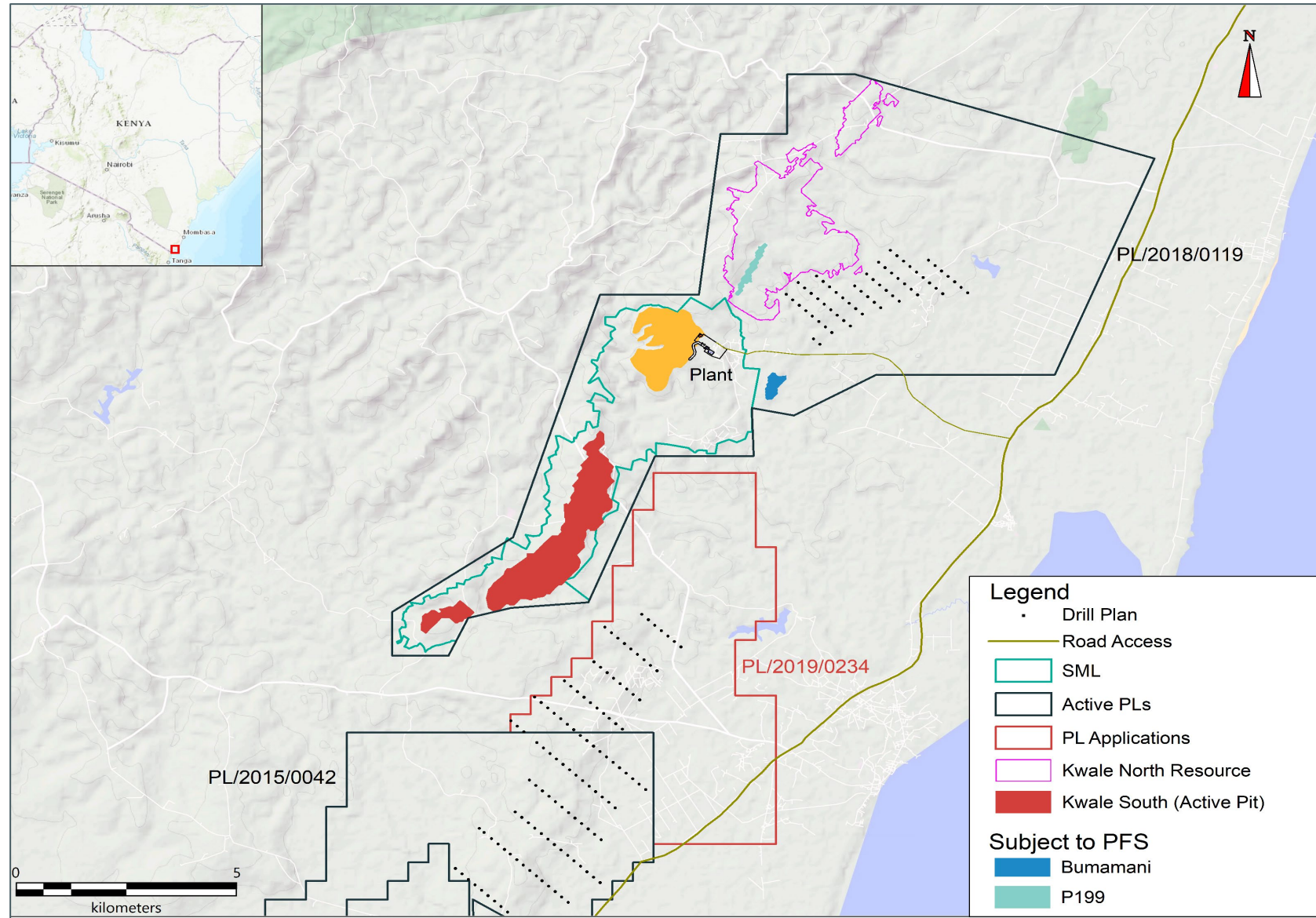
Hours worked with
only two medical
treatment injuries.

SML extension takes mine life to Dec 2023...

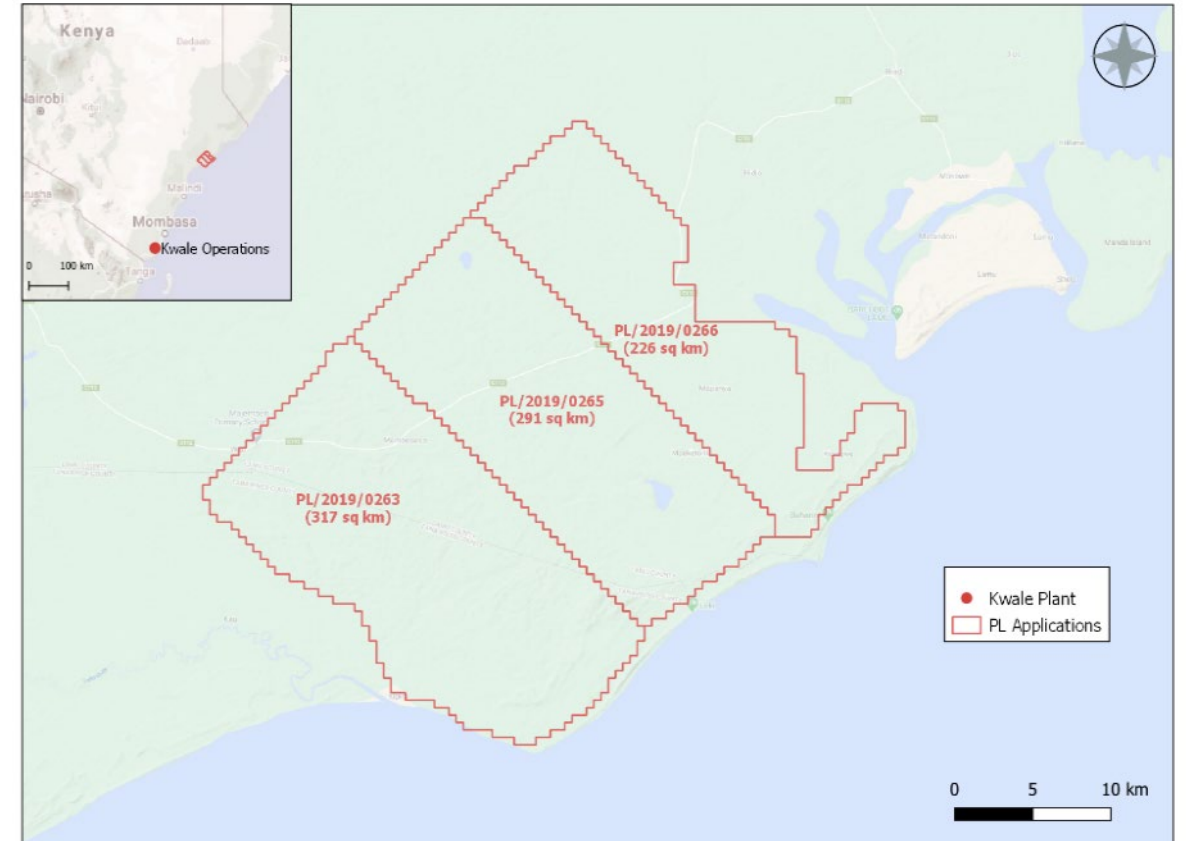
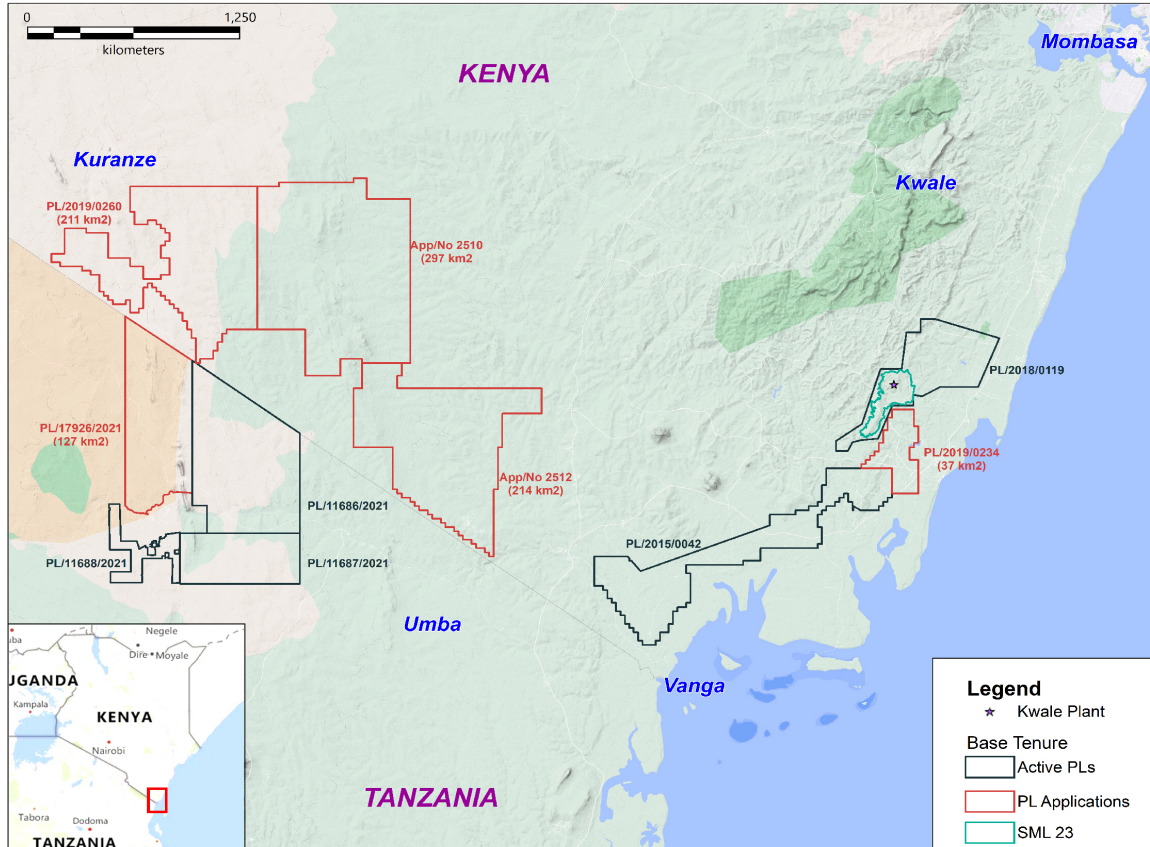


Kwale special mining lease extended to incorporate additional Kwale South Dune Ore Reserves, extending mine life to December 2023.

Bumamani PFS supports a further mine life extension to mid-2024.



...with opportunities further afield

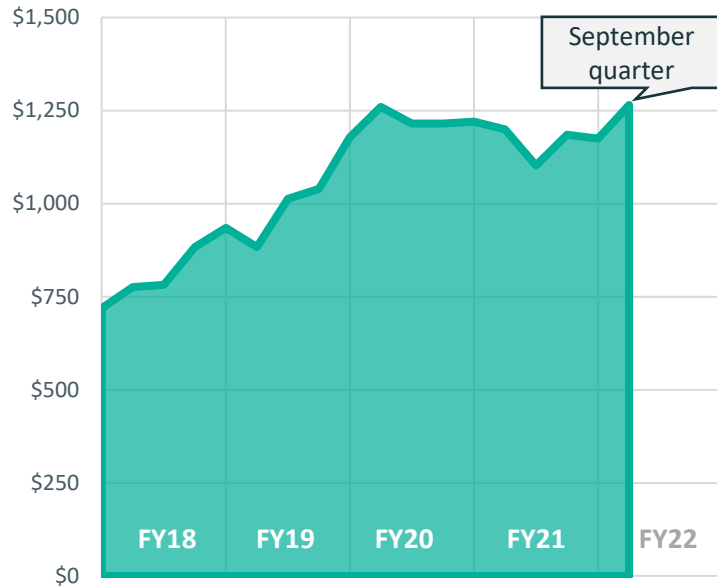


Three Tanzanian exploration licences granted, with the fourth expected shortly and exploration activities now underway. Base Resources is engaging with the Government of Kenya and other stakeholders to have the November 2019 moratorium on the issuance of prospecting licences lifted and issuance of mineral rights recommenced.

Strong demand for all products continues

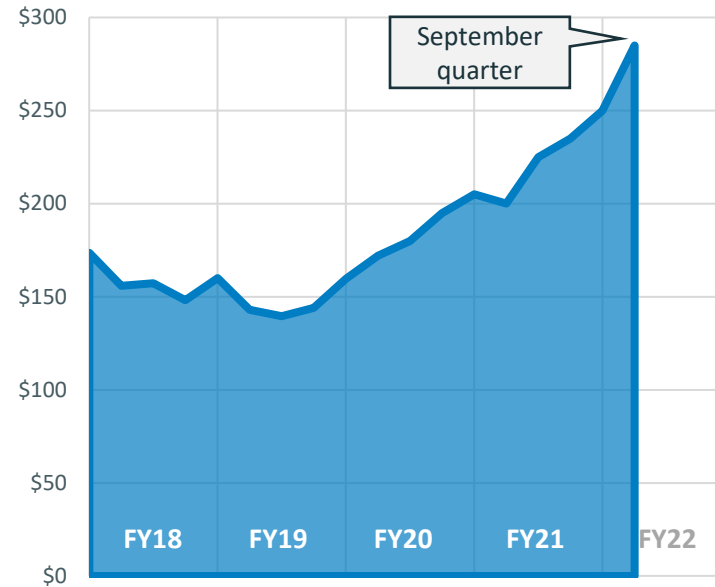


Historical rutile prices (US\$/t FOB)



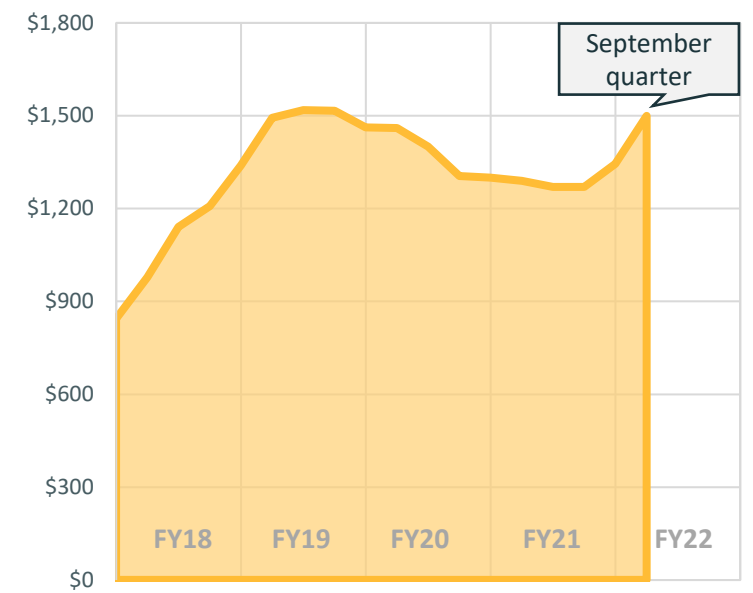
- Demand for high grade feedstocks increased significantly in the September quarter.
- Ongoing supply constraints.
- Prices increased in the September quarter and are expected to accelerate through coming quarters.

Historical ilmenite prices (US\$/t FOB)



- Global demand remains very strong - increased supply not yet meeting demand.
- Further price gains in the September quarter with more expected in the December quarter.
- Gains partially eroded by increases in bulk freight costs.

Historical zircon prices (US\$/t FOB)



- Tight market with strong demand from all end use sectors and limited supply.
- Prices increased ~US\$150/t for September quarter, and a further ~US\$600/t increase for December quarter deliveries.

A sound financial platform

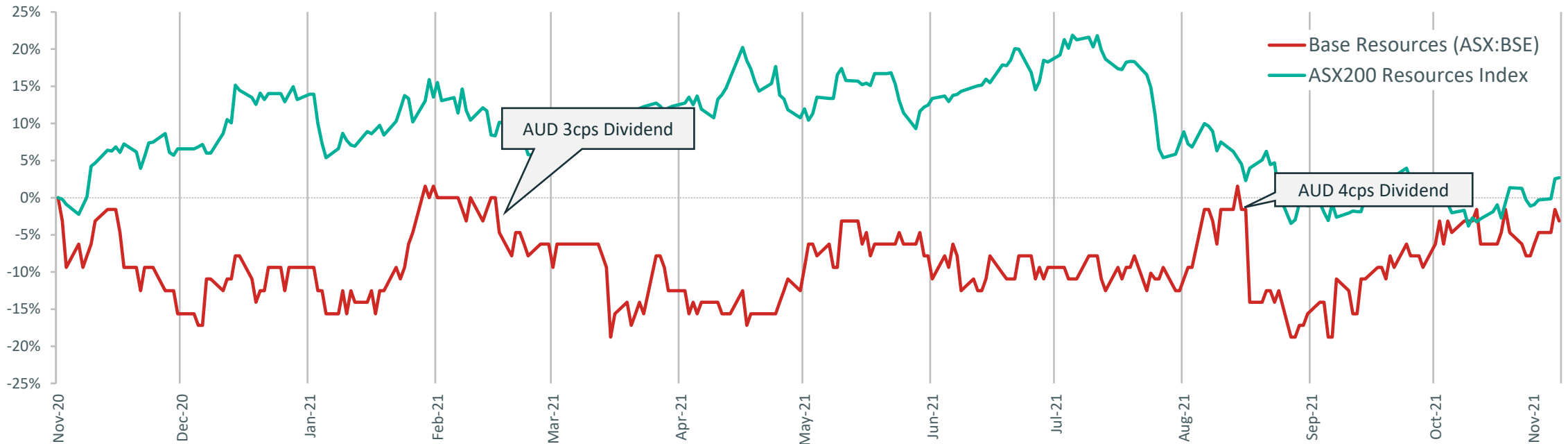


As at 30 September 2021

- Net cash position of US\$36.7m
 - Cash and cash equivalents of US\$36.7m
 - No debt

Solid equity base (ASX & AIM: BSE)

- A\$359.3m market capitalisation @ A\$0.305
- A tight, institutional register, including:
 - Pacific Road Capital (26.5%)
 - Sustainable Capital (24.2%)
 - Regal Funds Management (11.3%)
 - Fidelity (9.7%)



Capital management provides returns to shareholders



Our approach

Consistent with Base Resources' growth strategy, the Company seeks to provide returns to shareholders through both long-term growth in the Company's share price and appropriate cash distributions.

Cash not required to meet the Company's near-term growth and development requirements, or to maintain requisite balance sheet strength in light of prevailing circumstances, could be expected to be returned to shareholders.

- FY21 dividends paid:
 - Interim AUD 3.0 cents per share.
 - Final AUD 4.0 cents per share.
 - Total US\$61.4m.
- Continues to strike the right balance between delivering cash returns to shareholders, retaining balance sheet strength and allowing for sensible progression of the Toliara Project.

Toliara – a world class development opportunity

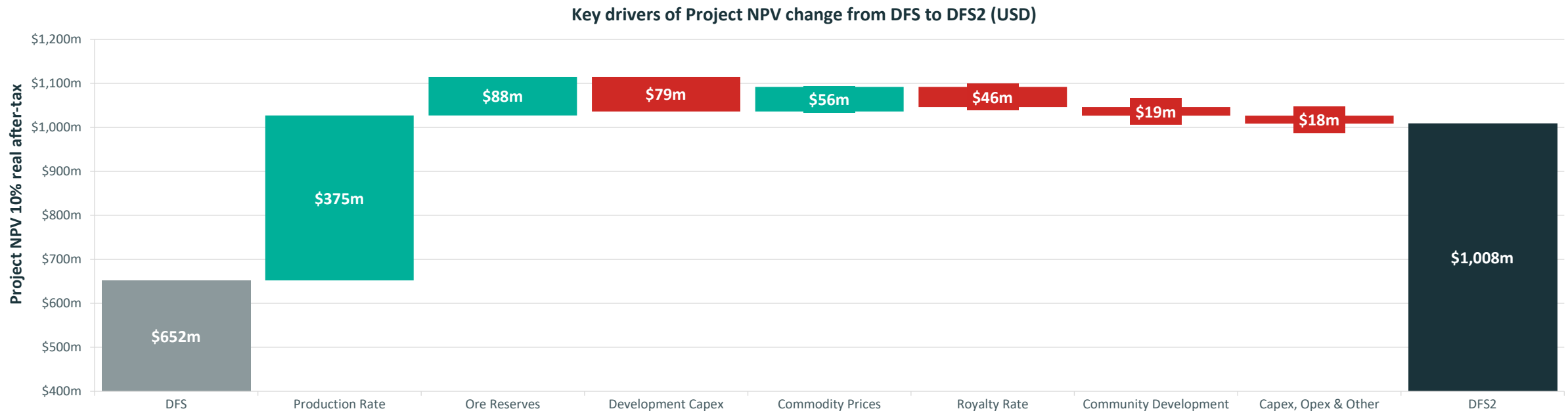
Project video available at
www.baseresources.com.au

DFS2 enhances Toliara Project scale...



Since the release of the DFS in 2019, the Ranobe Mineral Resources and Ore Reserves estimates have substantially increased, which, when combined with the attractive long-term supply-demand outlook, have provided the opportunity to enhance project value by increasing its scale.

- Ranobe Ore Reserves estimate increased to 904Mt at an average heavy mineral grade of 6.1% – extending initial mine life to 38 years.
- Increased scale of Stage 2 lifts mining rates to ~25Mtpa (33% higher than DFS) and adds ~47% to MSP production capacity (to 220tph).
- Stage 1 capex increased to US\$520m (up US\$78m), primarily due to input cost escalation, while the larger scale of Stage 2 increases capex to US\$137m (up US\$68m).



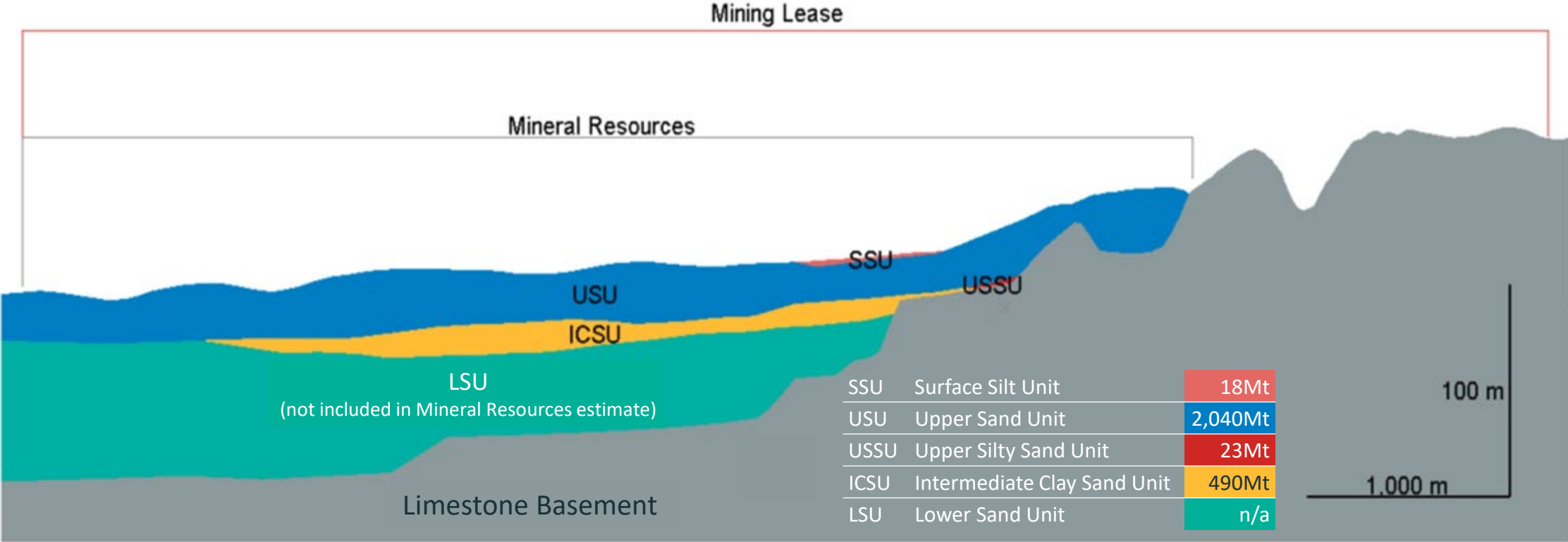
... and improves already strong economics



- 55% increase in post-tax / pre-debt (real) NPV @ 10% discount rate to US\$1,008m.
- Average revenue to cost of sales ratio improves to 3.5.
- LOM free cash flow increased by 60% to US\$5.9 billion, with the first 10 years averaging US\$210m per annum.
- Annual averages (excluding first and last partial operating years):
 - Revenue US\$317m - a 28% increase.
 - Operating costs of US\$90m (inclusive of 4% royalties) higher than DFS due to increased scale of operation and royalties.
 - EBITDA US\$219m – 34% higher.
 - Free cash flow US\$174m – 32% higher.

	Unit	DFS2	DFS
NPV ₁₀ (discount rate of 10%), post tax, real	US\$ millions	1,008	652
IRR	%	23.8	21.4
Initial (Stage 1) capex	US\$ millions	520	442
Construction period (Stage 1)	Months	27	26
Stage 2 capex	US\$ millions	137	69
Construction period (Stage 2)	Months	21	12
Capital payback period (Stage 1 + 2)	Years	4.5	4.3
Life of mine	Years	38	33
LOM operating costs + royalty	US\$/t ore mined	3.78	4.31
LOM operating costs + royalty (A)	US\$/t produced	88	94
LOM revenue (B)	US\$/t produced	306	295
LOM cash margin (B-A)	US\$/t produced	218	201
LOM revenue : cost of sales ratio (B/A)	Ratio : 1	3.5	3.2
LOM free cash flow	US\$ millions	5,922	3,692

Toliara Project Mineral Resources increased...



Ranobe Mineral Resources - 2,580Mt @ 4.3% HM

- 68% increase in contained HM to 111Mt
- Measured & Indicated of 1,390Mt @ 5.1% HM
- LSU yet to be incorporated in estimate

Ranobe Ore Reserves - 904Mt @ 6.1% HM

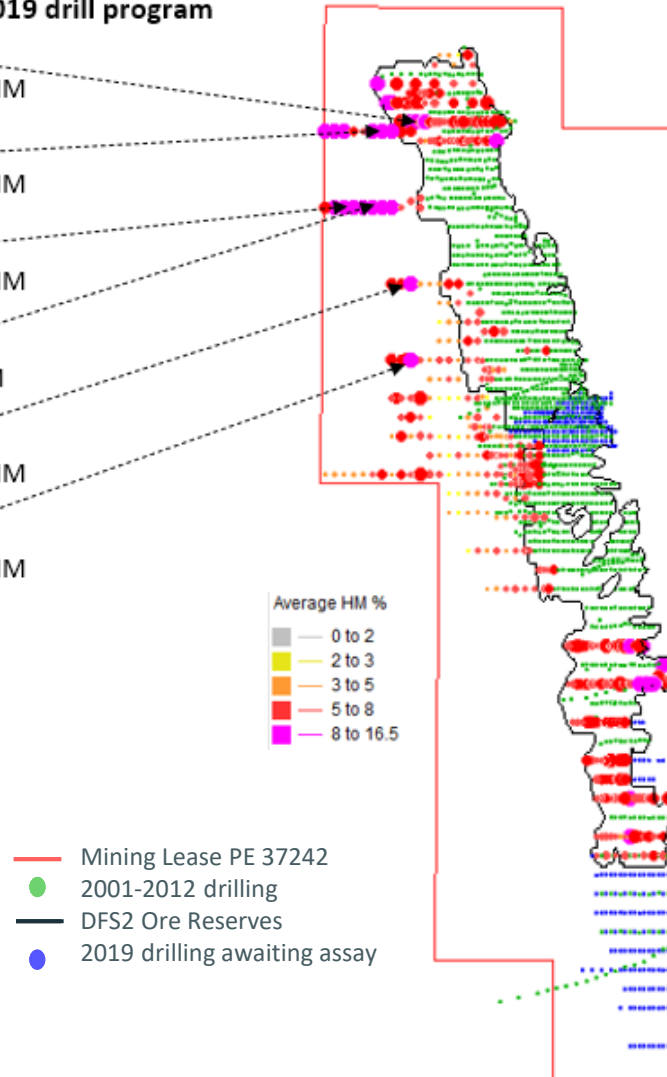
- 45% increase in contained HM to 55Mt at 6.1%
- 50% of current Mineral Resources contained HM
- Only includes material from the SSU and USU

...with further expansion and value potential



Significant results from 2019 drill program

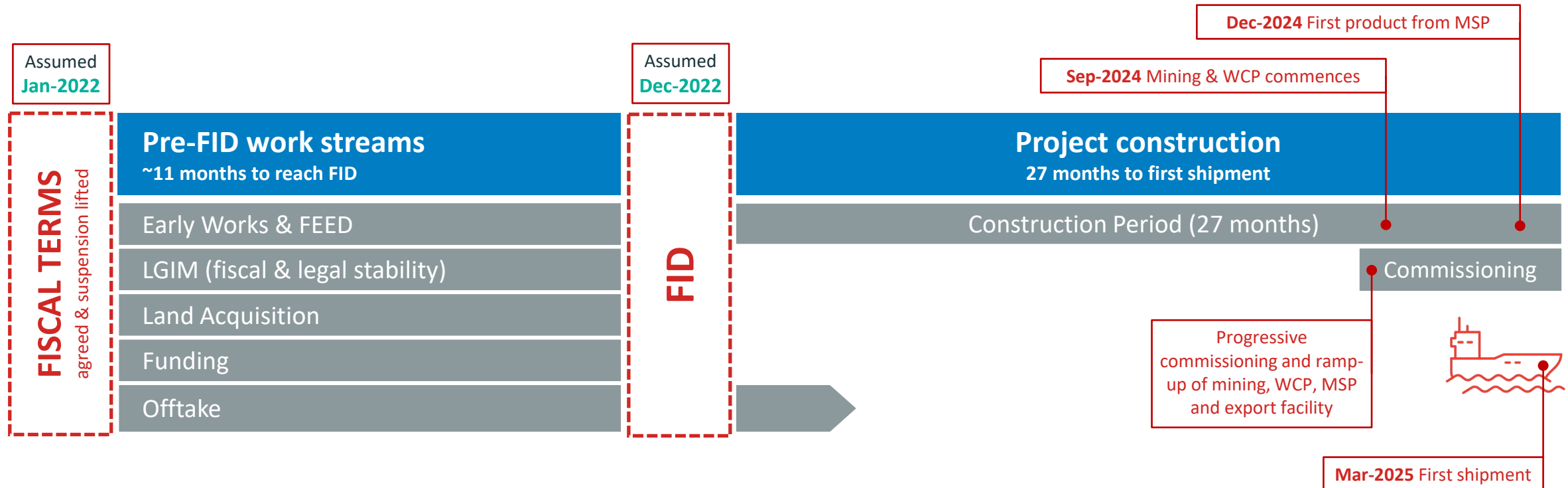
- 71.5m @ 12.2% HM
- with LSU of 41.5m @ 17.6% HM
- 72m @ 11.6% HM
- with LSU of 43.5m @ 16.5% HM
- 81m @ 15.7% HM
- with LSU of 67.5m @ 18.3% HM
- 87m @ 13.9% HM
- with LSU of 69m @ 16.4% HM
- 78m @ 9.1% HM
- with LSU of 46.5m @ 13.8% HM
- 87m @ 9.1% HM
- with LSU of 52.5m @ 13.8% HM



- The 2019 drill program identified significant heavy mineral intercepts in the LSU in the NW sector.
- Further drilling, and subsequent resource definition, targeting high-grade LSU zones in the NW sector to be completed as access to site becomes available.
- Mineral Resources HM estimate contains 2.0% monazite.
 - Represents a significant potential source of REO.
 - To be investigated in future studies.
- Higher garnet levels are evident in the LSU.
 - Potentially suitable for the waterjet and blast markets.
- For further information in relation to the drill results on this slide, refer to Base Resources' announcement on 21 January 2020 "Toliara Project drill assays reveal significant high-grade mineralisation" available at <https://baseresources.com.au/investors/announcements>. Base Resources confirms that it is not aware of any new information that materially affects the information included in that announcement.
- The existing mining tenure, *Permis D'Exploitation* 37242, does not currently provide the right to exploit monazite or garnet.

Toliara Project indicative timeline

Planned FID has been delayed due to COVID travel restrictions and the suspension of on-ground activities. Once fiscal terms are agreed and this suspension is lifted, there will be approximately 11 months' work to complete prior to FID, including finalising financing, completing the land acquisition process and concluding major construction contracts. Some resumption of international travel will also be required to complete a significant portion of this work. We maintain readiness to accelerate progress when conditions support.



Positioned for growth

- Team with a **track record of delivery**.
- Consistent, **high cash flow Kwale Operations**, with extension potential.
- Reputation for **excellence in safety, community and environment**.
- A **robust financial position from** which to grow the business and **deliver returns** to shareholders.
- Market outlook supporting a **clear need for new supply**.
- A **world class development asset** in the long-life Toliara Project.





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Appendices

Ranobe Ore Reserves and Mineral Resources



Category	Material	HM	HM	SL	OS	HM Assemblage as % of HM					
						ILM	RUT	LEUC*	ZIR	MON^	GARN^
	(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Mineral Resources estimate ¹ at 27 September 2021											
Measured	597	36	6.1	4.3	0.2	74	1.0	1.0	5.9	1.9	2.2
Indicated	793	35	4.4	7.1	0.5	71	1.0	1.0	5.9	2.0	3.6
Inferred	1,190	39	3.3	9.7	0.6	69	1.0	1.0	5.8	2.0	4.3
Total	2,580	111	4.3	7.7	0.4	71	1.0	1.0	5.9	2.0	3.4
Ore Reserves estimate at 27 September 2021											
Proved	433	30	6.9	3.8	0.1	75	1.0	1.0	6.0		
Probable	472	25	5.3	3.9	0.2	72	1.0	1.0	5.8		
Total	904	55	6.1	3.8	0.1	73	1.0	1.0	5.9		

- Notes:**
- 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 Ore Reserves.
- ^ Monazite and Garnet excluded from the Ore Reserves estimate because the existing mining tenure, PE 37242, does not currently provide the right to exploit these products.
- *Recovered Leucoxene will be split between rutile and chloride ilmenite products depending on product specification requirements.

For further information on the Ranobe deposit Mineral Resources and Ore Reserves estimates, refer to Base Resources' announcement on 27 September 2021 "Updated Ranobe Mineral Resources and Ore Reserves estimates", which is available at <https://baseresources.com.au/investors/announcements/>. Base Resources confirms that it is not aware of any new information or data that materially affects the information included in the 27 September 2021 announcement and all material assumptions and technical parameters underpinning the estimates in the 27 September 2021 announcement continue to apply and have not materially changed.

Ranobe Mineral Resources by Zone



Ranobe Deposit Mineral Resources estimate as at 27 September 2021

							HM Assemblage as % of HM					
Zone	Category	Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	ILM (%)	RUT (%)	LEUC (%)	ZIR (%)	MON (%)	GARN (%)
USU Upper Sand Unit	Measured	575	36	6.2	3.7	0.1	74	1.0	1.0	5.9	1.9	2.2
	Indicated	654	30	4.6	3.6	0.2	71	1.0	1.0	5.9	1.9	3.6
	Inferred	820	27	3.3	2.8	0.1	69	1.0	1.0	5.8	2.0	4.5
	Total USU	2,040	93	4.5	3.3	0.1	72	1.0	1.0	5.9	1.9	3.3
SSU Surface Silt Unit	Measured	4	0.2	5.2	21	0.4	73	1.1	0.8	5.9	2.0	4.0
	Indicated	8	0.3	3.7	16	0.7	69	0.8	1.0	5.7	2.0	4.2
	Inferred	6	0.2	3.0	18	0.4	70	0.7	1.0	7.7	1.7	4.7
	Total SSU	18	0.7	3.8	18	0.5	71	0.9	0.9	6.3	1.9	4.3
USSU Upper Silty Sand Unit	Indicated	13	0.8	6.3	23	2.3	72	0.9	0.8	6.5	1.5	4.4
	Inferred	10	0.7	6.6	26	0.7	73	0.8	0.8	6.4	1.6	4.8
	Total USSU	23	1.5	6.4	25	1.6	72	0.8	0.8	6.5	1.6	4.6
ICSU Intermediate Clay Sand Unit	Measured	18	0.5	3.0	23	3.0	68	1.3	1.2	6.4	2.2	2.3
	Indicated	118	3.6	3.0	24	1.8	68	1.1	1.1	6.1	2.2	3.5
	Inferred	354	11	3.2	25	1.8	69	1.0	1.0	5.8	2.1	3.8
	Total ICUSU	490	15	3.2	25	1.8	69	1.1	1.1	5.9	2.1	3.7
Grand Total		2,580	111	4.3	7.7	0.4	71	1.0	1.0	5.9	2.0	3.4

Table subject to rounding differences. Mineral Resources estimated at 1.5% HM cut off grade.

*Mineral Resources are reported inclusive of Ore Reserves

The Ranobe deposit Mineral Resources estimates a mineralised unit basis have been re-issued from the DFS Announcement, which was issued with the consent of Competent Person, Mr Ian Reudavey and are zonal estimates in respect of the Mineral Resources estimate included in Base Resources' announcement on 27 September 2021 "Updated Ranobe Mineral Resources and Ore Reserves estimates". Together with the DFS Announcement, this announcement is available at <https://baseresources.com.au/investors/announcements/>. Base Resources confirms that it is not aware of any new information or data that materially affects the information included in the 27 September 2021 announcement (and therefore the information on a mineralised unit basis included in the DFS Announcement) and all material assumptions and technical parameters underpinning the estimates in the 27 September 2021 announcement (and therefore the estimates on a mineralised unit basis included in the DFS Announcement) continue to apply and have not materially changed. Base Resources confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.