

Delivering returns

121 Mining Investment Africa

1 February 2021



**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 included in this document in respect of the Toliara Project. 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 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 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 deliver returns to shareholders.
- Creating a company of **strategic relevance** in a sector likely to continue to evolve.

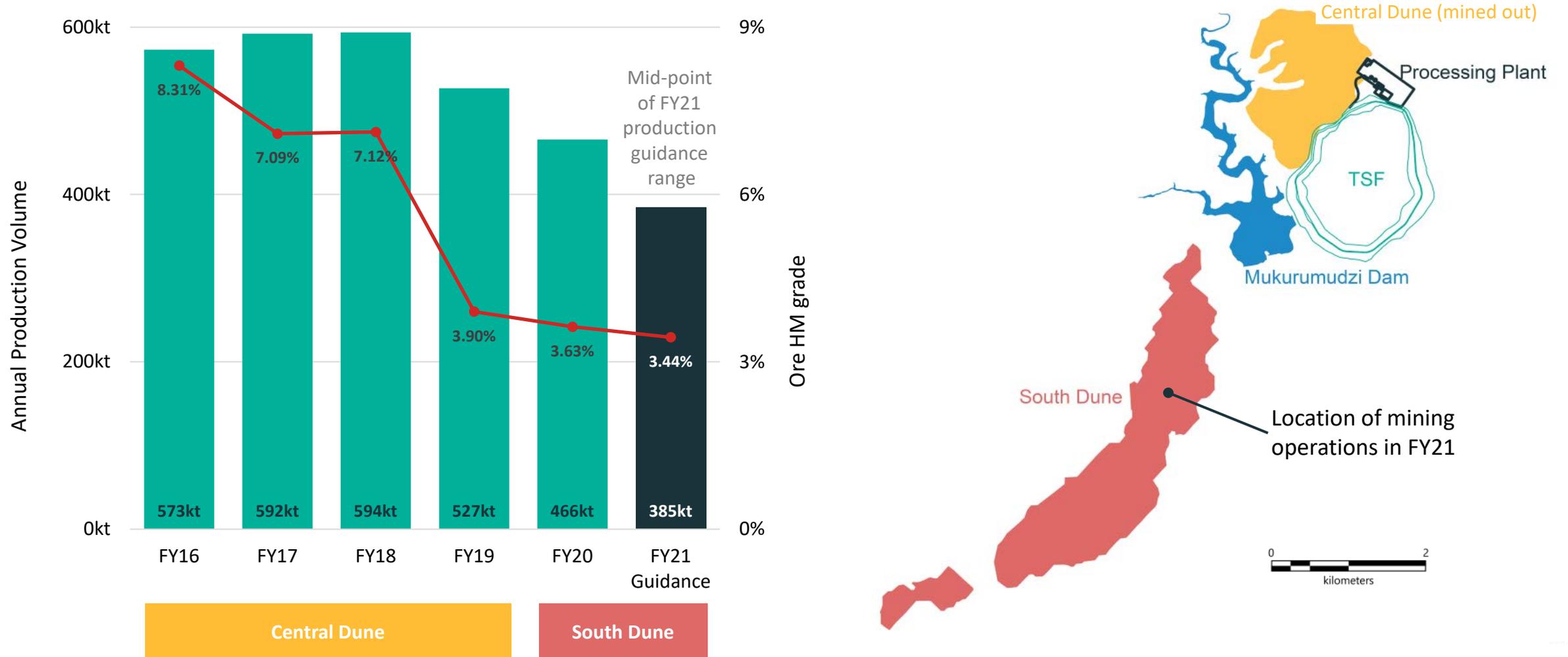


The foundation - The Kwale operation

Video available at
www.basetitanium.com



Kwale Operations smoothly transitioned to the next phase



1. For further information, including the guidance range and applicable assumptions, refer to Base Resources' announcement on 28 January 2021 "Quarterly Activities Report – December 2020" available at <https://baseresources.com.au/investors/announcements>.

Outstanding safety outcomes indicative of performance culture

22.9
Million

Hours worked with
zero Lost-Time
Injuries

82
Months

Since last Lost-Time
Injury

42
Months

With 1 Medically
Treated Injury

Delivering “mutual benefit” – \$3.4 million invested in FY20



1,989 full secondary and tertiary scholarships currently active



3,000 small-holder farmers participating in the Kwale Cotton Project



240,000 training hours delivered to employees, contractors and community



89 interns, apprentices, graduates and trainees



11,955 trees planted



194 volunteer health workers supported

Operations successfully adapted for COVID-19

Workplace

- COVID-19 response has been effective in maintaining the health and wellbeing of employees whilst continuing to deliver operational performance – balancing business needs, employee and community safety and sentiment, government policy and product markets.

Community support programs

- \$2.1m invested in Kenya and Madagascar, including for:
 - Medical equipment and supplies
 - Food distribution
 - Construction of hygiene infrastructure
- 100 high flow ventilators donated to Kenyan Ministry of Health.
- Face mask production facility established in Toliara, engaging local women to produce ~5,000 re-usable masks per week for donation to the community.

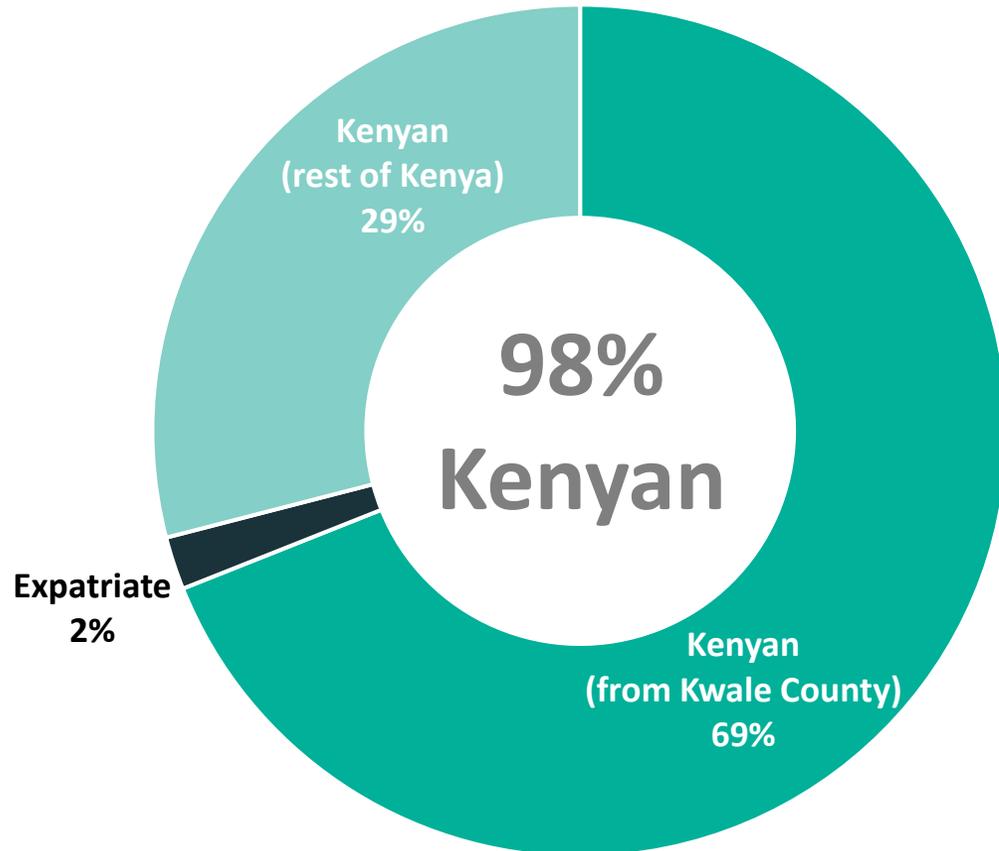


AAMEG
AFRICA
AWARDS
2020 WINNER

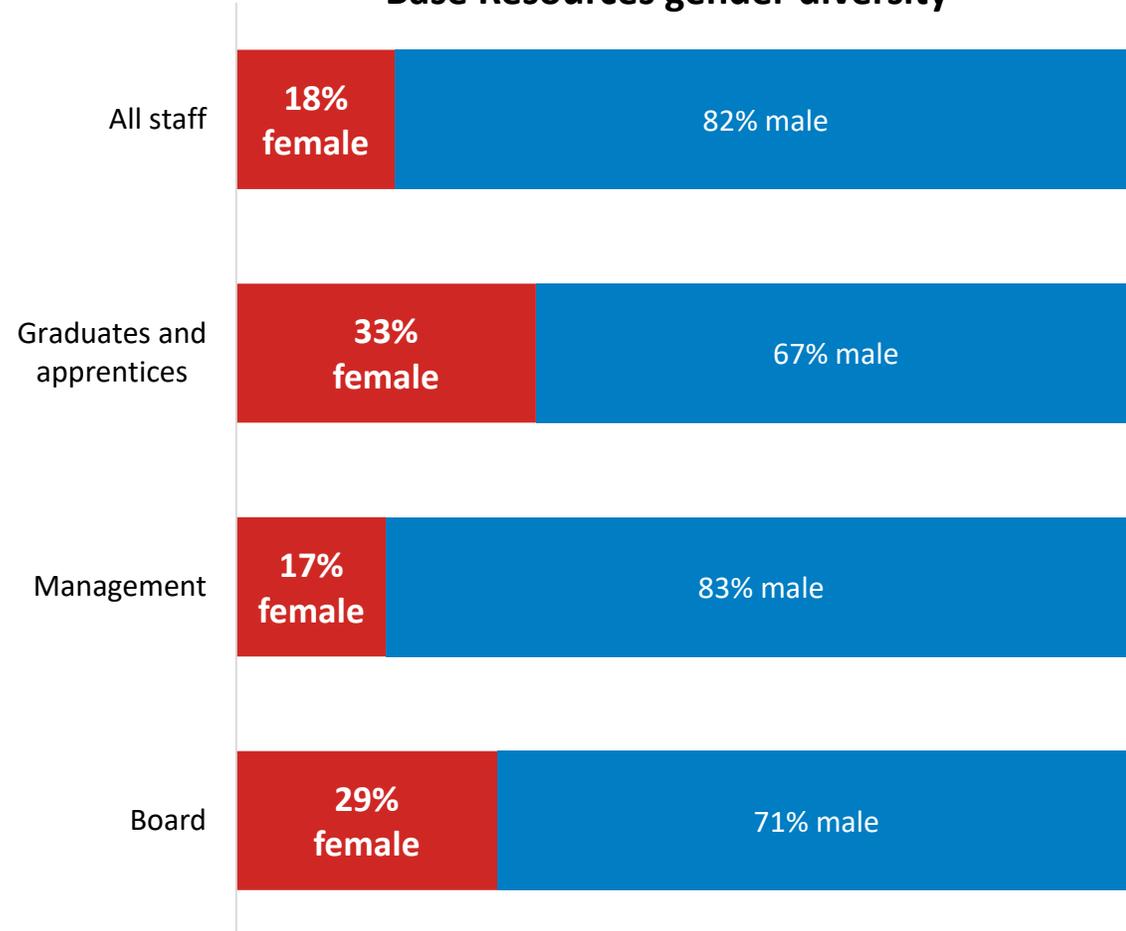


Creating a diverse workforce

Kwale Operations workforce

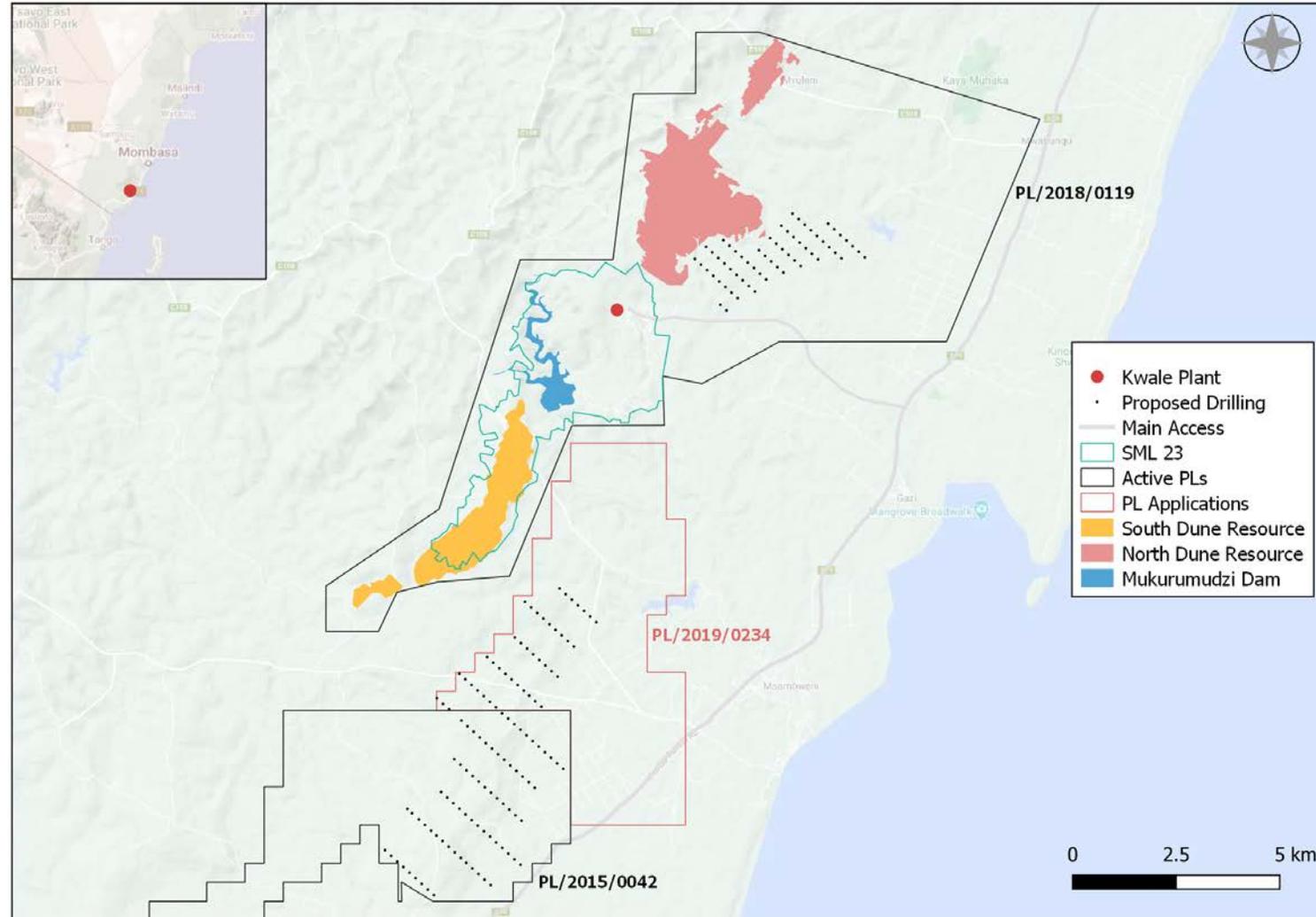


Base Resources gender diversity

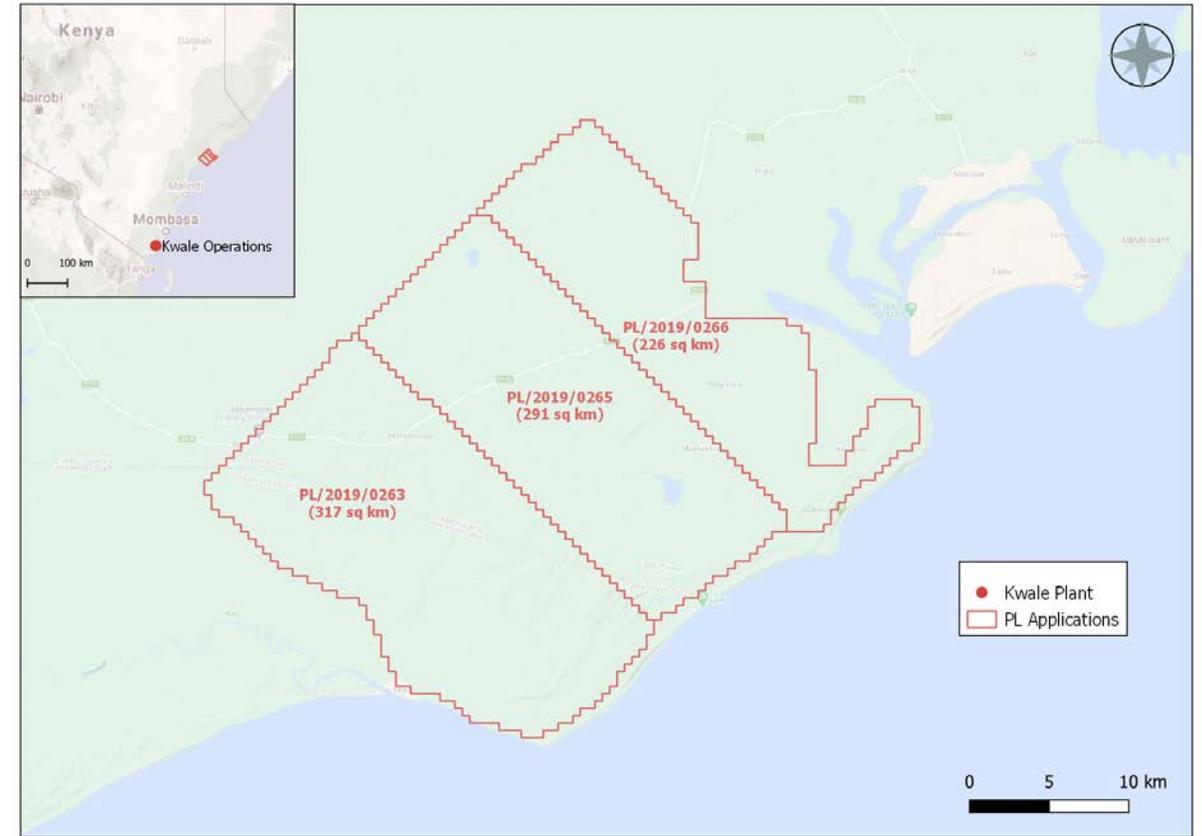
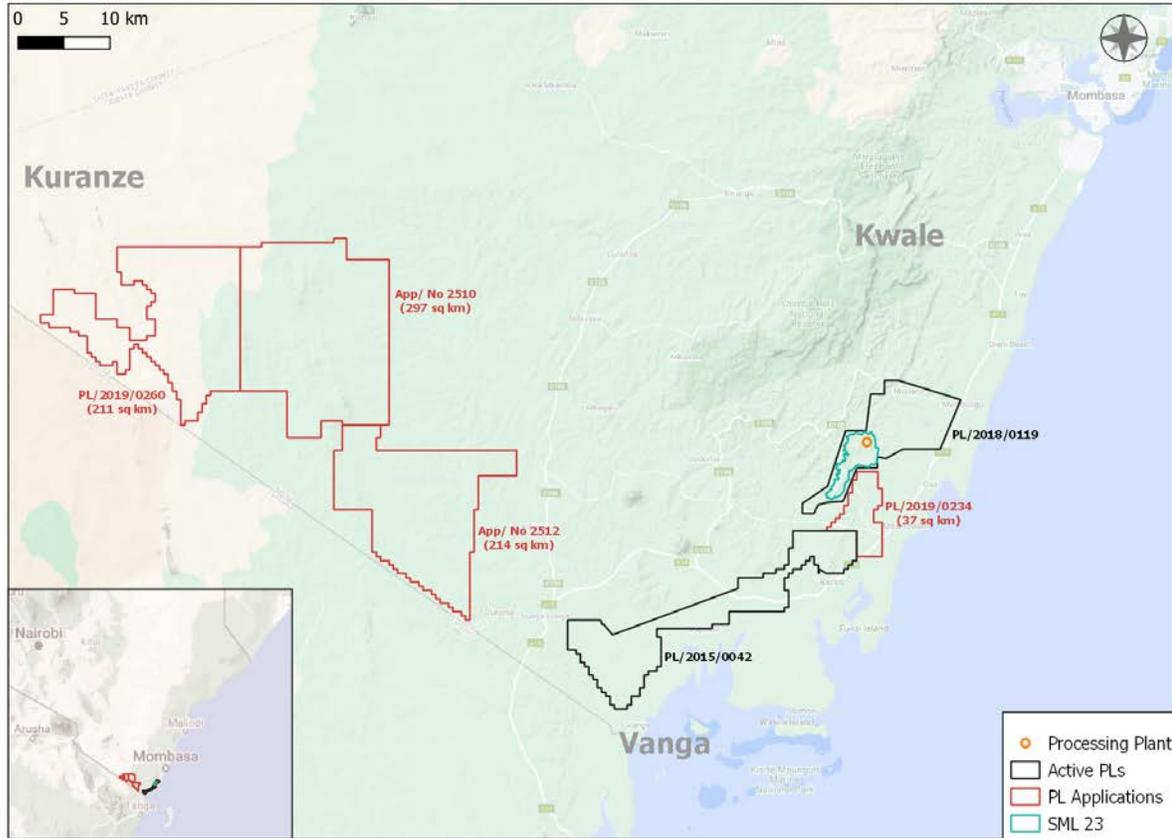


Diversity-related percentages are as at 30 June 2020, with the exception of the gender diversity percentages for the Board which are current as at the date of this document.

Multiple mine life extension opportunities being explored...



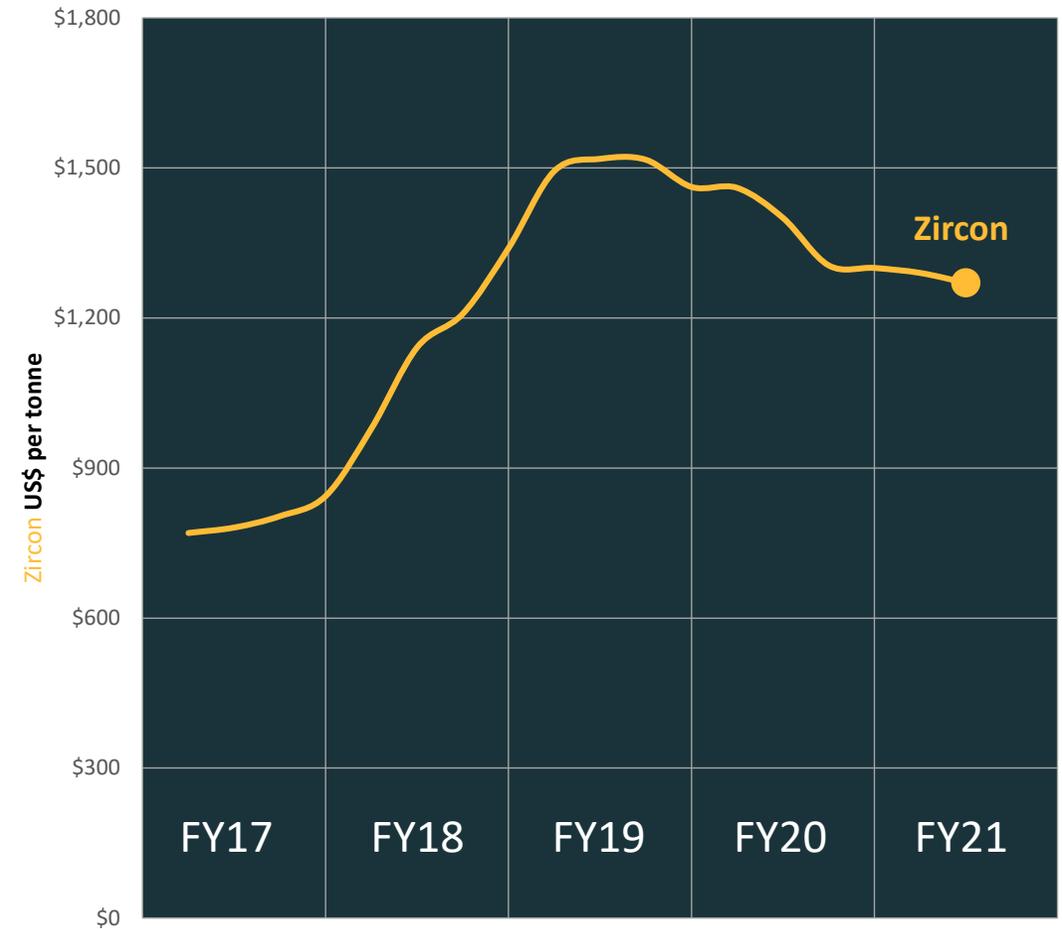
...as well as Kenyan opportunities further afield



Firm demand for ilmenite while rutile and zircon have stabilised



Source: Company data as at 31 December 2020



Source: Company data as at 31 December 2020

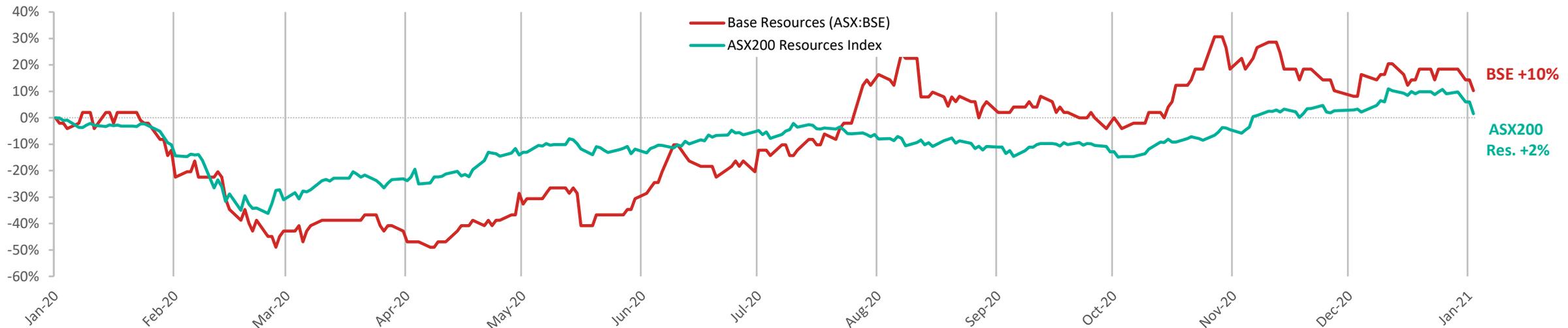
A sound financial platform

As at 31 December 2020

- Net cash position of \$74.6m
 - Cash and cash equivalents of \$99.6m
 - Revolving Credit Facility drawn to \$25.0m
- Maiden dividend of \$29.8m (in aggregate) paid in October 2020

Solid equity base (ASX & AIM: BSE)

- A\$342m market capitalisation @ A\$0.29
- A tight, institutional register, including¹:
 - Pacific Road Capital (26.5%)
 - Sustainable Capital (24.2%)
 - Regal Funds Management (10.1%)
 - Fidelity (9.9%)
 - UBS Group (5.2%)



1. Figures based on Base Resources' register and beneficial owner analysis as at 31 December 2020 and substantial holder notices received prior to 29 January 2021.

Delivering returns

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.

- Maiden dividend of AUD 3.5 cents per share, unfranked, paid.
- Striking the right balance between:
 - Delivering cash returns to shareholders
 - Retaining balance sheet strength in the face of COVID operational risks and economic uncertainty
 - Allowing for sensible progression of the Toliara Project pending certainty on fiscal terms and FID timing

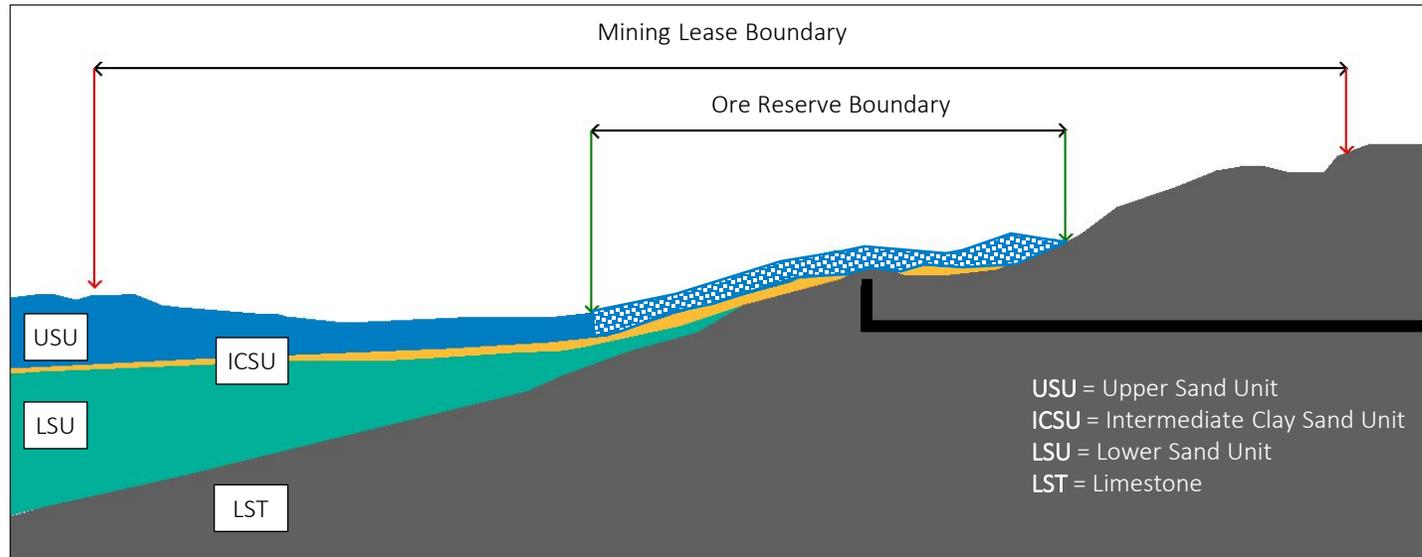


Toliara – a world class development project

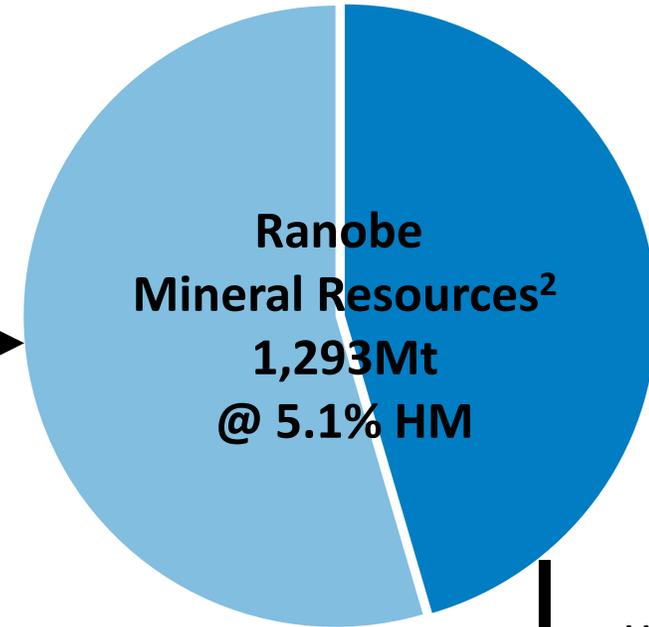
Project video available at www.baseresources.com.au



Toliara Project Ore Reserves afford long mine life...



Stylised cross section



45% of Mineral Resources

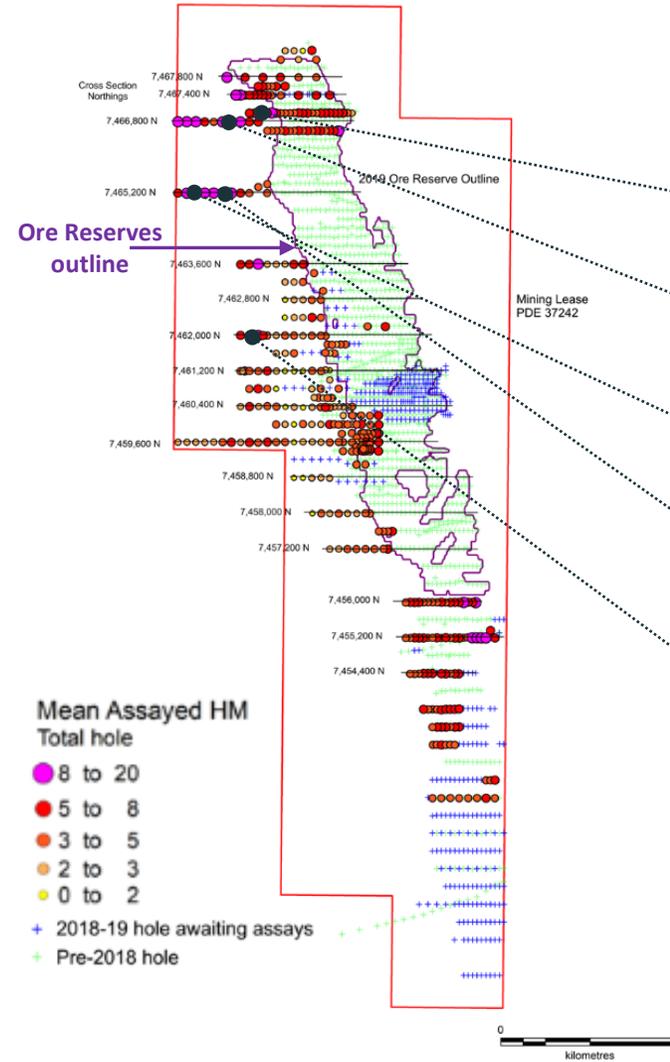
33 year mine life
Average annual production¹:
Ilmenite 780kt
Zircon 53kt
Rutile 7kt

**Toliara Project DFS
 Ore Reserves² mined
 586Mt @ 6.5% HM**

1. The anticipated annual production information is derived from the Toliara Project Definitive Feasibility Study and excludes the first and last partial operating years. For further information about that study, refer to Base Resources' announcement on 12 December 2019 "DFS reinforces Toliara Project's status as a world-class mineral sands development" available at <https://baseresources.com.au/investors/announcements>.
 2. For further information about the Ranobe Mineral Resources and Ranobe Ore Reserves, refer to the Appendix to this document.

...with significant expansion potential

- 29,753m in 770 holes drilled in the 2018/19 program.
- 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.
- Update to Ranobe Mineral Resource underway to incorporate the 2018/19 drill program results.



Notable drill results

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

Preparing the Toliara Project for FID and construction

Project delivery preparation focused on rapid resumption of on-ground activities and post FID implementation.



Lenders' technical review



Critical path contracts



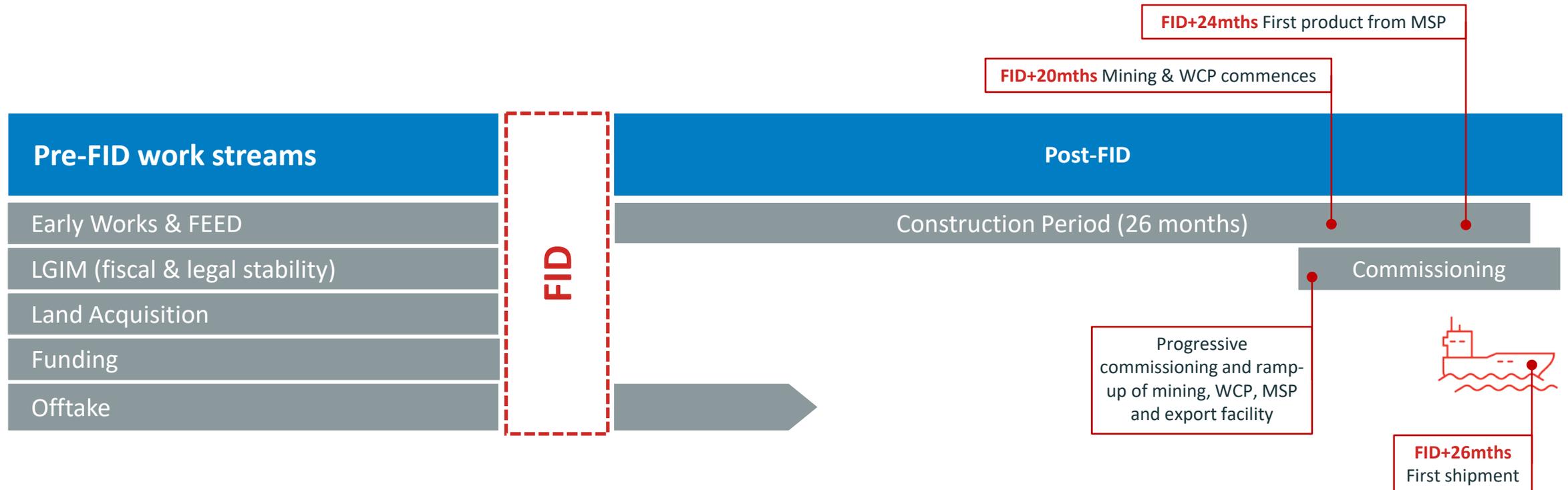
FEED activities



Workforce development

Toliara Project indicative timeline

Planned FID has been delayed due to COVID travel restrictions and the on-the-ground suspension. Once fiscal terms are agreed and the suspension is lifted, there will be approx. 11 months' work to complete prior to FID, including finalising financing, completing the land acquisition process and concluding major construction contracts. The 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.



Delivering returns

- **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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Appendix



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 2020									
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 30 June 2020									
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' announcements on 23 January 2019 "Updated Ranobe Deposit Mineral Resources (corrected)" and on 6 December 2019 "Maiden Ranobe Ore Reserves estimate", which are 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 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 announcements continue to apply and have not materially changed.