

ASX, AIM and Media Release
30 October 2023

Kwale Operations to complete mining at end of 2024

African mineral sands producer, **Base Resources Limited** (ASX & AIM: BSE) (**Base Resources** or the **Company**) advises that, following an exhaustive exploration and evaluation process seeking to further extend the life of the Company's Kwale Operations in Kenya, mining is expected to end in December 2024 as per the current mine plan. Processing activities will conclude shortly thereafter.

After completing the previously announced evaluations of the two remaining near mine prospective areas, being the Kwale North Dune Mineral Resource not currently in the mine plan and the Kwale East exploration area, both lack sufficient grade or scale to support the capital investment required to extend or establish new mining operations. A significant factor in these evaluations is the limited remaining capacity of the Kwale Operations tailings storage facility, with any extension to the existing mine plan requiring an alternative tailings disposal solution that comes with a significant capital expenditure requirement and increased operating costs. Additional key factors considered in the Company's evaluations included the softening product price outlook for mineral sands over the relevant period, and the cost, timing and human impact of a substantial land acquisition and community resettlement program.

On this basis, when existing Kwale Ore Reserves are fully depleted by December 2024 as expected, Kwale Operations will transition to post-mining as planned.

Managing Director of Base Resources, Tim Carstens, said:

"We have explored all avenues for further extending the life of Kwale Operations. However, despite these efforts and broad support from the local community, we have been unsuccessful in identifying additional mineral deposits of sufficient grade or scale to support a further extension. The Company's focus at Kwale now necessarily turns to detailed closure planning and transition to post mining land use whilst ensuring we continue to safely extract maximum value from the remaining ore reserves.

Kwale Operations has been the foundation on which we have built Base Resources, and while it will be sad to reach the end of a mining operation in which we have such pride, we see the transition to post-mining as an opportunity to further cement our reputation for excellence in the full life cycle of mining. We look forward to reporting on progress as we move through this important next phase at Kwale.

With Kwale Operations now coming to an end, the next phase of shareholder value creation will come from progression of the world-class Toliara Project to development and realising its rare earth potential, accelerating our wider Kenyan exploration efforts with the recent lifting of the licensing moratorium and pursuing attractive business development opportunities to broaden our option set. We are tackling the challenge with focus, urgency and resolve."

This release is accompanied by the "Kwale East – Exploration update" announcement which provides further detail of the recently completed drilling at the Kwale East exploration area.

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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.