

ASX, AIM and Media Release
10 April 2019

Production Guidance for FY20

African mineral sands producer, **Base Resources Limited** (ASX & AIM: BSE) (**Base Resources** or the **Company**) is pleased to provide FY20 production guidance for its Kwale Mineral Sands Operations (**Kwale Operations**) in Kenya.

From July 2019, mining operations will move to the South Dune orebody following the planned depletion of the Central Dune orebody in June 2019. The FY20 production guidance is lower than that for FY19 as a consequence of the lower heavy mineral (**HM**) grade of the South Dune orebody, depletion of stockpiled heavy mineral concentrates (**HMC**) during the transition of mining operations to the South Dune and normal uncertainties associated with mining a new orebody. The drawdown of stockpiled HMC during FY19 has allowed Base Resources to maintain higher feed rates to the mineral separation plant (**MSP**), despite the declining ore grades in the remnants of the Central Dune orebody mined in FY19, and thereby maintaining higher production levels over the year.

FY19 production guidance shown below is unchanged from that last reported, although some of the underlying assumptions have been updated to reflect actual production to 31 March 2019 and forecast remaining production.

FY20 production guidance shown below is consistent with internal assumptions underpinning forecast Kwale Operations cash flows for the purposes of the Company's Toliara Project pre-feasibility study when assessing project funding requirements¹.

PRODUCTION GUIDANCE (tonnes)	FY19 Guidance Range	FY20 Guidance Range
Rutile	88,000 to 94,000	64,000 to 70,000
Ilmenite	385,000 to 415,000	315,000 to 350,000
Zircon	31,000 to 34,000	25,000 to 28,000

The above production guidance is based on the following assumptions:

- Mining of 18.0Mt in FY20 (FY19 guidance 17.8Mt) at an average HM grade of 3.58% (FY19 guidance 3.87%), with the remaining FY19 volume and all FY20 volume coming from Ore Reserves².
- MSP feed rate at an average of 75tph in FY20, lower than FY19 guidance of 84tph due to the lower HMC production.
- MSP product recoveries of 100% for ilmenite in FY20 (FY19 guidance 102%), 99% for rutile in FY20 (FY19 guidance 99%) and 77% for zircon in FY20 (FY19 guidance 76%).

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1. For further detailed information on the Toliara Project Pre-Feasibility Study, refer to Base Resources' market announcements of 21 March 2019 "Toliara PFS confirms a world-class mineral sands development" available at <https://www.baseresources.com.au/investor-centre/asx-releases/>.

2. The Ore Reserves estimates underpinning the above production targets were prepared by Competent Persons in accordance with the JORC Code (2012 edition). The above production targets are the result of detailed studies based on the actual performance of the Kwale mine and processing plant. These studies include the assessment of mining, metallurgical, ore processing, environmental and economic factors.

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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.