

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Base Resources Limited

ABN

88 125 546 910

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	35,887	53,560
1.2 Payments for		
(a) Exploration & evaluation	-	-
(b) Kwale Operations	(19,911)	(40,564)
(c) Administration and External Affairs	(3,183)	(6,728)
(d) Community development	(853)	(1,950)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(69)	(69)
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	11,871	4,249
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1,306)	(4,730)
(d) mine development	-	-
(e) exploration	(40)	(75)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	2	2
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)		
(a) interest received	18	44
(b) security deposits	(14)	20
Net investing cash flows	(1,340)	(4,739)
1.13 Total operating and investing cash flows (carried forward)	10,531	(490)

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1.13	Total operating and investing cash flows (brought forward)	10,531	(490)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	(a) Interest on borrowings	(7,369)	(7,369)
	(b) Debt restructure and establishment fees	(2,674)	(2,866)
	Net financing cash flows	(10,043)	(10,235)
	Net increase (decrease) in cash held	488	(10,725)
1.20	Cash at beginning of quarter/year to date	10,913	20,945
1.21	Exchange rate adjustments to item 1.20	1,314	2,495
1.22	Cash at end of quarter	12,715	12,715

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	324
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors fees, salaries, bonuses and company secretarial fees

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available	Amount used
3.1 Loan facilities	\$US 235,000,000	\$US 215,000,000
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'ooo
4.1 Kwale operations (excludes revenue)	20,500
4.2 Kwale capital expenditure	1,500
4.3 Finance costs	4,500
4.4 Administration, external affairs and community affairs	3,500
Total	30,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	12,715	10,913
5.2 Deposits at call	-	-
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	12,715	10,913

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	563,902,771	563,902,771		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,062,742	2,062,742	Vesting of Performance Rights	Fully Paid
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	8,500,000 7,100,000 1,000,000 30,712,531		<i>Exercise price</i> \$0.25 \$0.09 \$0.25 \$0.40	<i>Expiry date</i> 9 Jul 2015 9 Jul 2015 30 Jul 2015 31 Dec 2018
7.8 Issued during quarter	30,712,531		<i>Exercise price</i> \$0.40	<i>Expiry date</i> 31 Dec 2018
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



20 January 2014

Sign here: Date:
(Company secretary)

Print name: Winton Willesee

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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