

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")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	41,930	41,930
1.2 Payments for		
(a) Kwale Operations	(18,701)	(18,701)
(b) Selling and Distribution	(1,542)	(1,542)
(c) Corporate and External Affairs	(2,758)	(2,758)
(d) Community Development	(711)	(711)
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	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	18,218	18,218
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) other fixed assets	(768)	(768)
(c) mine development	-	-
(d) exploration	(9)	(9)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)		
(a) interest received	12	12
(b) security deposits	(318)	(318)
Net investing cash flows	(1,083)	(1,083)
1.13 Total operating and investing cash flows (carried forward)	17,135	17,135

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1.13	Total operating and investing cash flows (brought forward)	17,135	17,135
	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 inclusive of withholding tax	(2,478)	(2,478)
	(b) Debt restructure and establishment fees	(50)	(50)
	(c) Other financing costs	(257)	(257)
	Net financing cash flows	(2,785)	(2,785)
	Net increase (decrease) in cash held	14,350	14,350
1.20	Cash at beginning of quarter/year to date	40,906	40,906
1.21	Exchange rate adjustments to item 1.20	3,170	3,170
1.22	Cash at end of quarter	58,426	58,426

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'ooo
1.23	Aggregate amount of payments to the parties included in item 1.2	344
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 and bonuses

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

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

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available	Amount used
3.1 Loan facilities (net of repayments)	\$US 224,000,000	\$US 224,000,000
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Kwale operations (excludes revenue)	21,700
4.2 Selling and Distribution	500
4.3 Corporate and External Affairs	3,400
4.4 Exploration	400
4.5 Community affairs	800
4.6 Kwale capital expenditure	2,000
4.7 Finance costs	11,000
4.8 Repayment of borrowings	34,400*
Total	74,200

* Scheduled repayment under the existing Kwale Project Debt Facility, which Base is currently in the process of seeking to refinance. Refer to the Base Resources Quarterly Activities Report dated 21 October 2015 for further details.

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'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	58,426	40,906
5.2 Deposits at call	-	-
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	58,426	40,906

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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			

+ See chapter 19 for defined terms.

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				
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 61,425,061		<i>Exercise price</i> \$0.25 \$0.09 \$0.40	<i>Expiry date</i> 9 Jan 2016 9 Jan 2016 31 Dec 2018
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	1,000,000		<i>Exercise price</i> \$0.25	<i>Expiry date</i> 30 Jul 2015
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

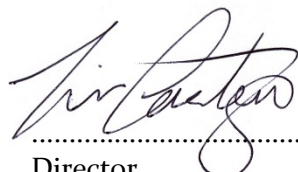
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Compliance statement

- 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 ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



..... Date: 21 October 2015

Director

Print name: Tim Carstens

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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