

H1 FY19 Results – Improving prices deliver strong financial performance

Ongoing strong demand for mineral sands products, improving prices and consistent production supported revenue and profit growth for African mineral sands producer **Base Resources Limited** (ASX & AIM: BSE) (**Base Resources** or the **Company**) in the six-month period ended 31 December 2018 (**H1 FY19**). The Company also continued to progress its Toliara Project in Madagascar with the Pre-Feasibility Study due for completion in March 2019.

Operational Highlights for H1 FY19

- 66% increase in mined ore at Kwale Operations offsets lower ore grade;
- Steady production – 49,630 tonnes of rutile, 226,730 tonnes of ilmenite and 17,935 tonnes of zircon;
- Continued strengthening of rutile and zircon prices;
- 136km² Vanga prospecting licence issued, extending south west from the Company's existing Kwale Operation;
- Total Recordable Injury Frequency Rate of zero – no lost time due to injury since 2014; and
- US\$2.0m invested in community and environmental programs including scholarships and livelihood enhancement.

Financial Highlights for H1 FY19

- Revenue increased 13% to US\$102.2m;
- EBITDA increased 7% to US\$57.5m;
- NPAT increased 4% to US\$17.4m;
- Net debt free at 31 December 2018 – a reduction of US\$34.2m during the period; and
- Revenue to cost of sales ratio of 2.7:1.

Managing Director of Base Resources, Tim Carstens, said:

“Kwale Operations have continued to perform strongly as we head towards completion of mining on the Central Dune. The mine optimisation strategy we implemented in the first half of 2018 to address the decline in ore grades delivered as expected. We are now focused on transitioning mining operations to the South Dune deposit in June this year and continuing to pursue additional mine life through extensional exploration at Kwale, including the newly issued Vanga licence.”

“The Toliara Project is progressing well with a number of activities advanced in the period, including plant test work and flowsheet design, infrastructure design, distribution of marketing samples and land acquisition processes. We look forward to releasing the outcomes of our PFS shortly.”

“December saw Base Resources reach a significant milestone in becoming net cash positive, putting the Company in a strong financial position as we progress towards development of the Toliara Project.”

Investor and shareholder call

Base Resources' Managing Director, Tim Carstens, and CFO, Kevin Balloch, will host two investor and shareholder conference calls to discuss Base Resources' H1 FY19 results.



Asia Pacific conference call

Date: Monday 25 February 2019

Time: 08:00am AWST / 11.00am AEDT

Conference ID: 152722

Telephone dial in details:

Australia Toll Free:	1 800 558 698	Hong Kong:	800 966 806	Malaysia:	1800 816 294
New Zealand Toll Free:	0800 453 055	Japan:	0053 116 1281	Singapore:	800 101 2785
China Wide:	4001 200 659				

Europe conference call

Date: Monday 25 February 2019

Time: 9.30am GMT

Conference ID: 465521

Telephone dial in details:

United Kingdom:	0800 051 8245	Ireland:	1800 948 625	UAE:	8000 3570 2705
Belgium:	0800 72 111	Italy:	800 793 500	United States:	(855) 881 1339
Sweden:	020 791 959	Norway:	800 69 950	Canada:	1855 8811 339
France:	0800 913 848	Switzerland:	0800 820 030		
Germany:	0800 182 7617	South Africa:	0800 999 976		

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For further information contact:

James Fuller, Manager - Communications and Investor Relations

Base Resources

Tel: +61 (8) 9413 7426

Mobile: +61 (0) 488 093 763

Email: jfuller@baseresources.com.au

UK Media Relations

Tavistock Communications

Jos Simson and Barnaby Hayward

Tel: +44 (0) 207 920 3150

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.