

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Base Resources Limited (**Base Resources**)

ABN

88 125 546 910

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |
|---|---|
| 1 +Class of +securities issued or to be issued  | 1. Fully paid ordinary shares ( <b>New Shares</b> ).<br>2. Performance rights ( <b>New Performance Rights</b> ) pursuant to the terms of the Base Resources Long Term Incentive Plan ( <b>LTIP</b> ). |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 4,986,734 New Shares.<br>2. 20,648,363 New Performance Rights (comprising 2018 cycle performance rights and 2019 cycle performance rights)   |

+ See chapter 19 for defined terms.

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3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

1. New Shares will have the same terms as Base Resources' existing fully paid ordinary shares.
2. Vesting of New Performance Rights is subject to satisfaction of performance criteria assessed over a three-year performance period.

In the case of the 2018 cycle performance rights, that performance period ends on 30 September 2021 and, in the case of the 2019 cycle performance rights, that performance period ends on 30 September 2022.

Vested New Performance Rights will have a nil exercise price and an expiry date of (for the 2018 cycle) 30 September 2026 and (for the 2019 cycle) 30 September 2027.

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+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<ol style="list-style-type: none"> <li>1. Yes, New Shares will rank equally in all respects with Base Resources' existing fully paid ordinary shares.</li> <li>2. No, New Performance Rights will not rank equally with an existing class of quoted securities.</li> </ol> <p>For each New Performance Right that vests and is validly exercised, the applicable holder will be entitled to receive one fully paid ordinary share in the capital of Base Resources. Fully paid ordinary shares issued by Base Resources to satisfy any such entitlement will rank equally in all respects with Base Resources' existing fully paid ordinary shares.</p>
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> <li>1. The New Shares were issued for nil cash consideration following the vesting and exercise of 2016 cycle performance rights issued pursuant to the terms of the LTIP.</li> <li>2. The New Performance Rights were issued for nil cash consideration pursuant to the terms of the LTIP.</li> </ol>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> <li>1. The New Shares were issued following the vesting and exercise of 2016 cycle of performance rights issued pursuant to the terms of the LTIP.</li> </ol> <p>The performance rights vested following testing of those rights against the applicable performance criteria as at 30 September 2019 (being the final date of the three-year performance period for those rights).</p> <ol style="list-style-type: none"> <li>2. The New Performance Rights form either the 2018 or the 2019 equity component of senior management's at-risk remuneration.</li> </ol> <p>Refer to Base Resources' 2019 Annual Report for further information about performance rights issued under the LTIP and, in the case of the 2019 cycle, Base Resources' 2019 Notice of Annual General Meeting.</p>

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<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No.</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>
<p>6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>N/A</p>
<p>6f Number of +securities issued under an exception in rule 7.2</p>	<p>N/A</p>
<p>6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.</p>	<p>N/A</p>
<p>6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements</p>	<p>N/A</p>
<p>6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements</p>	<p>N/A</p>

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7	<p><b>+Issue dates</b></p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	25 October 2019 (in respect of all the New Shares and the New Performance Rights)
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8	<p>Number and <b>+class</b> of all <b>+securities</b> quoted on ASX (<i>including</i> the <b>+securities</b> in section 2 if applicable)</p>	<b>Number</b>	<b>+Class</b>
		1,171,609,774	Fully paid ordinary shares

9	<p>Number and <b>+class</b> of all <b>+securities</b> not quoted on ASX (<i>including</i> the <b>+securities</b> in section 2 if applicable)</p>	<b>Number</b>	<b>+Class</b>
		6,527,607	Vested performance rights, which are no longer subject to any vesting conditions but remain subject to exercise in accordance with their terms.
		56,813,880	Unvested performance rights issued pursuant to the LTIP, which are subject to vesting conditions.

10	<p>Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	No change.
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## Part 2 - Pro rata issue

11	<p>Is security holder approval required?</p>	N/A
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12	<p>Is the issue renounceable or non-renounceable?</p>	N/A
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13	<p>Ratio in which the <b>+securities</b> will be offered</p>	N/A
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14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A

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+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	<sup>+</sup> Issue date	N/A

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of <sup>+</sup>securities  
(tick one)

(a)  <sup>+</sup>Securities described in Part 1 – **with respect to New Shares only as described in Part 1.**

(b)  All other <sup>+</sup>securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

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<sup>+</sup> See chapter 19 for defined terms.

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**Entities that have ticked box 34(a)**

**Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional +securities

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Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A				
39	+Class of +securities for which quotation is sought	N/A				
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	N/A				
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A				
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">N/A</td> <td></td> </tr> </tbody> </table>	Number	+Class	N/A	
Number	+Class					
N/A						

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**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.


Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

  
.....  
(~~Director~~/Company secretary)

Date: 25 October 2019

Print name: Chadwick Poletti

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+ See chapter 19 for defined terms.