

Commencement of Exploration on Granting of Tenure

Base Resources Limited (ASX & AIM: BSE) (“Base Resources” or the “Company”) is pleased to advise that it has been granted exploration tenure over a significantly expanded land area surrounding the Company’s Kwale Mineral Sands Operations (“Kwale Operations”) in Kenya and expects to commence a drilling program in the September quarter.

The proposed drilling program follows a successful airborne geophysics program, conducted in 2015, covering the south coast region of Kenya from Mombasa to the Tanzanian border, which identified a series of exploration targets that were subsequently confirmed through ground reconnaissance. The initial program will comprise up to 18,000 metres of aircore drilling.

In addition to an extension of the Company’s Special Prospecting License 173 (“SPL 173”), which now covers an area of 177km², Base Resources has also applied for an additional SPL covering an area of 136km² extending south west from SPL 173 towards the Tanzanian border. This license application is advancing through the granting process having been approved by the licensing committee of the Kenyan Ministry of Mining.

With the Kwale Operations consistently performing to plan, the extension of Base Resources’ tenure footprint and commencement of drilling in pursuit of mine life extension represents a notable shift in the Company’s focus and a clear statement of intent.

Base Resources’ Managing Director, Tim Carstens, said “With Kwale at steady state production and having mined 22.2 million tonnes since commissioning in October 2013, we are excited by the prospectivity of the new tenement area and the potential to further extend the mine life of the Kwale Operations.”

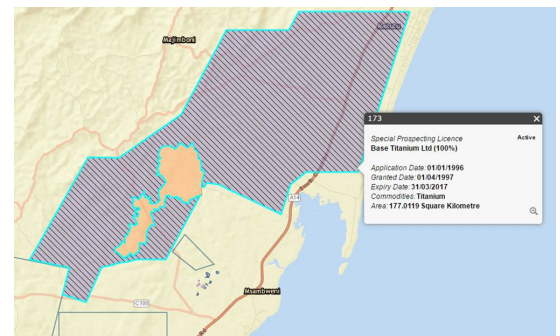


Fig1: Expanded SPL173 surrounding current mining lease

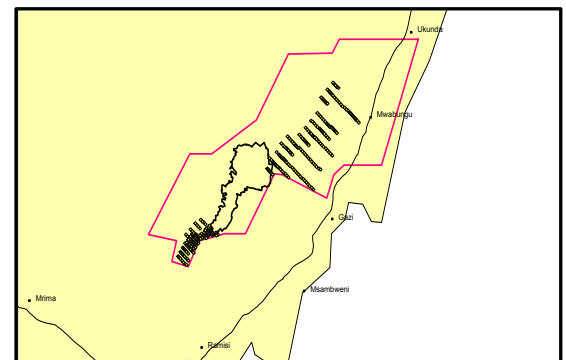


Fig 2: Planned drill lines to test identified targets

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CORPORATE PROFILE

Base Resources Limited ABN 88 125 546 910

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Keith Spence	Non-Executive Chairman
Tim Carstens	Managing Director
Colin Bwye	Executive Director

Sam Willis	Non-Executive Director
Michael Anderson	Non-Executive Director
Michael Stirzaker	Non-Executive Director
Malcolm Macpherson	Non-Executive Director

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