

Full Year Results to 30 June 2017

Base Resources Limited (ASX & AIM: BSE) (“Base Resources”) is pleased to release its full year results for the reporting period to 30 June 2017, with the following highlights¹.

\$ million ²	FY2017	FY2016	% Change
Kwale Operation Sales Revenue	215.5	169.0	+28%
Kwale Operation EBITDA	115.9	68.0	+70%
Group EBITDA	109.7	60.6	+81%
Net Profit / (loss) for the year	21.0	(20.9)	+200%
Reduction in Net Debt ³	76.0	47.5	+60%
Net Debt outstanding at year end ³	(128.2)	(204.2)	-37%

- Record sales volumes of 501,676 tonnes of ilmenite (FY2016: 480,538 tonnes), 91,991 tonnes of rutile (FY2016: 85,536 tonnes), 34,566 tonnes of zircon (FY2016: 33,062 tonnes) and 9,501 tonnes of zircon low grade (FY2016: Nil).
- Sales revenue was \$215.5 million (FY2016: \$169.0 million), achieving an average price of product sold (rutile, ilmenite, zircon and zircon low grade) of \$338 per tonne, or US\$255 per tonne, (FY2016: \$282 per tonne or US\$205 per tonne) with the main driver being the rising ilmenite price.
- Total cost of goods sold increased to \$88.6 million (FY2016: \$86.6 million) due to the 6% increase in sales volume, with underlying costs remaining steady at an average cost of \$139 per tonne, or US\$105 per tonne of product sold, (FY2016: \$144 per tonne or US\$105 per tonne). The continued focus on cost management achieved a slight reduction in operating costs per tonne produced to \$114 per tonne, or US\$86 per tonne, (FY2016: \$121 per tonne or US\$88 per tonne).
- The Kwale Operation achieved a revenue to cost of sales ratio of 2.4:1, comfortably positioning it in the first quartile of mineral sands producers.
- Improved sales volumes, commodity prices and a continued focus on cost management has delivered an 81% increase in Group EBITDA of \$109.7 million (FY2016: \$60.6 million).
- Cash flow from operations was \$100.2 million (FY2016: \$78.6 million).
- Free cash flow of \$68.8 million contributed to the significant reduction in net debt of \$76.0 million, bringing net debt to \$128.2 million (US\$98.5 million) at year end.
- Repayments of \$11.6 million (US\$8.2 million) were made against the Taurus Debt Facility during the reporting period, reducing the outstanding balance to US\$11.8 million. The Taurus Debt Facility was subsequently retired in July 2017 (refer to the market release on 18 July 2017).

ENDS.

¹ Refer to Base Resources’ Annual Financial Report for the year ended 30 June 2017 for a more detailed review.

² All figures reported in Australian dollars unless otherwise stated.

³ Net Debt consists of the outstanding balance of debt facilities less cash less restricted cash held in the debt service reserve account.

CORPORATE PROFILE

Base Resources Limited ABN 88 125 546 910

DIRECTORS

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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