

## FY20 production guidance increase

African mineral sands producer, **Base Resources Limited** (ASX & AIM: BSE) (**Base Resources** or the **Company**) is pleased to provide an update to FY20 production guidance for its Kwale Mineral Sands Operations (**Kwale Operations**) in Kenya.

Since commencing mining on the South Dune orebody in July 2019, the Company has encountered higher rutile and marginally lower ilmenite than expected in the mineral assemblage, with zircon largely as forecast. In addition, due to the mineral characteristics of the South Dune ore, separation efficiency has improved, when compared with the Central Dune ore, and recoveries for all products in the mineral separation plant (**MSP**) are higher, particularly for rutile and zircon.

With the expectation that these trends will continue, in conjunction with higher mining volumes achieved year to date, the production guidance for all products has been revised upwards for the 2020 financial year (**FY20**) as shown below.

<b>PRODUCTION GUIDANCE</b> (tonnes)	<b>Original</b> FY20 Guidance Range	<b>Updated</b> FY20 Guidance Range
Rutile	64,000 to 70,000	<b>75,000 to 81,000</b>
Ilmenite	315,000 to 350,000	<b>335,000 to 355,000</b>
Zircon	25,000 to 28,000	<b>29,000 to 32,000</b>

The updated FY20 production guidance is based on the following assumptions:

- Mining of 18.7Mt (increased from 18.0Mt) at an average HM grade of 3.58% (no change), with the remainder of the FY20 volume coming entirely from Ore Reserves<sup>1</sup>.
- Average MSP feed rate of 79tph (increased from 75tph).
- Average MSP product recoveries of 102% for rutile (increased from 99%), 101% for ilmenite (increased from 100%) and 85% for zircon (increased from 77%).

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### Forward-looking statements

The production guidance and associated underlying assumptions provided in this document contain or comprise forward looking statements. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside Base Resources' control. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, ore body variations, operational performance, government actions and business and operational risk management. Subject to any continuing obligations under applicable law or relevant stock exchange listing rules, Base Resources undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances or to reflect the occurrence of unanticipated events.

<sup>1</sup> The Ore Reserves estimates underpinning the above production guidance were prepared by Competent Persons in accordance with the JORC Code (2012 edition). For further information regarding the Ore Reserves estimates refer to Base Resources' announcement on 9 October 2017 "2017 Kwale Mineral Resources and Ore Reserves Statement" available at <https://www.baseresources.com.au/investor-centre/asx-releases>. The above production guidance is the result of detailed studies based on the actual performance of the Kwale mine and processing plant. These studies include the assessment of mining, metallurgical, ore processing, environmental and economic factors.

## 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](mailto:jfuller@baseresources.com.au)

### **UK Media Relations**

Tavistock Communication

Jos Simson and Barnaby Hayward

Tel: +44 (0) 207 920 3150

This release has been authorised by the Board of Base Resources.

### **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](http://www.baseresources.com.au)