

ASX, AIM and Media Release  
26 February 2024

## FY24 half-year results

African mineral sands producer and developer, **Base Resources Limited** (ASX & AIM: BSE) (**Base Resources** or the **Company**) is pleased to present its financial results for the six-month period ended 31 December 2023 (**H1 FY24** or **reporting period**).

Kwale Operations continued to perform to plan and remains on track to achieve production guidance for FY24. During the reporting period, mining entered the lower grade ore bodies that will characterise the remaining mine life, which resulted in reduced production and lower sales volumes. The period also saw softening sales prices for all products.

After limited engagement with the Government of Madagascar in the lead up to the Presidential elections in November 2023, discussions on fiscal terms and lifting of the Toliara Project's suspension have recommenced. With the Government indicating that progressing the Toliara Project is a priority, the new year has seen a period of sustained engagement with positive progress made – including expressed support for production of a monazite product from the project.

In light of progress achieved and the Government's demonstrated level of focus and engagement, in applying the Company's capital management policy the Board has decided not to pay an interim dividend.

### Key Outcomes for H1 2024:

#### Financial

- Decreases in average achieved product prices of 4% for rutile, 9% for ilmenite and 18% for zircon compared to the period ended 31 December 2022 (**H1 FY23**).
- H1 FY24 revenue of US\$73.1 million.
- Group EBITDA of US\$14.7 million and a net loss after tax of US\$1.5 million.
- Free cashflow of US\$14.8 million (operating cashflows of US\$25.2 million less investing cashflows of US\$10.4 million).
- Net cash position of US\$78.9 million at 31 December 2023.

#### Operational and development

- Kwale Operations ore grade of 2.39%, down from 3.90% in H1 FY23, as mining operations moved to lower grade ore bodies as planned.
- Production of 18,909 tonnes of rutile, 77,663 tonnes of ilmenite, 7,657 tonnes of zircon and a combined 4,140 tonnes of low-grade rutile and zircon products.
- Toliara Project monazite pre-feasibility study completed, delivering exceptional outcomes and resulting in a significant enhancement of the overall project economics, with the project's post tax NPV<sub>10</sub> doubling to US\$2.0 billion.

### Managing Director of Base Resources, Tim Carstens, said:

"Kwale Operations once again performed consistently to plan, but with only lower grade ore bodies remaining, production and sales volumes were lower as expected. Despite this, and softening market conditions for our products, Kwale Operations continued to operate profitably and generate positive free-cash flow, with preparations for post-mining after December 2024 occurring in parallel."

"We were excited to deliver the results from the monazite pre-feasibility study in December, enhancing the already exceptional potential of the Toliara Project. Realisation of this potential is now more important than ever. With the President of Madagascar's government now formed and a new Mining Code in place, a positive shift in dynamics and significant focus and attention from the Government on the project's progression is evident. We are optimistic that mutually attractive fiscal terms can be secured that will support development of the Toliara Project for the benefit of our host communities, the nation of Madagascar and our shareholders."

"In this context and in light of the approaching conclusion of mining at Kwale Operations, we believe it is appropriate that cash now be retained for the anticipated progression of the Toliara Project."

## Investor webcasts

Investor webcasts will be hosted by Base Resources' Managing Director, Tim Carstens, Chief Financial Officer, Kevin Balloch, and General Manager - Marketing, Stephen Hay, who will each also be available to answer questions following a presentation of the Company's results.

Details for the webcasts are below. Participants will be able to ask questions via the messaging function on the webcast platform or via the teleconference line. Participants proposing to use the teleconference line will need to pre-register their details using the teleconference registration URL provided below. Upon registering, participants will receive an email with their unique PIN and dial-in details so that they can join the call without speaking to an operator.

### Asia Pacific webcast

Date: Monday, 26 February 2024

Time: 8.30am AWST / 11.30am AEDT

Webcast URL: <https://webcast.openbriefing.com/bse-hyr-24-apac/>

Teleconference registration URL: <https://registrations.events/direct/OCP68715596>

### Europe webcast

Date: Monday, 26 February 2024

Time: 5.00pm AWST / 9.00am GMT

Webcast URL: <https://webcast.openbriefing.com/hyr-bse-24-uk/>

Teleconference registration URL: <https://registrations.events/direct/OCP2304597>

## Forward looking statements

Certain statements in or in connection with this announcement contain or comprise forward looking statements. Such statements may include, but are not limited to, statements with regard to future production and grades, capital cost, capacity, sales projections and financial performance and may be (but are not necessarily) identified by the use of phrases such as “will”, “expect”, “anticipate”, “believe” and “envisage”. 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, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in product prices and exchange rates 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 after today's date or to reflect the occurrence of unanticipated events.

## Toliara Project – Forecast Financial Information

This announcement discloses the NPV from the Monazite PFS on an aggregated basis with the NPV from the Mineral Sands DFS2. Base Resources' announcement on 14 December 2023, titled “Additional critical mineral stream doubles Toliara's NPV” (the **Monazite PFS Announcement**), discloses the material assumptions and underlying methodologies adopted for deriving the NPV from the Monazite PFS. It also discloses key risks in respect of the Monazite Project and the Toliara Project as a whole. Base Resources confirms that all the material assumptions underpinning the production information and forecast financial information in the Monazite PFS Announcement continue to apply and have not materially changed.

Base Resources' announcement on 27 September 2021, titled “DFS2 enhances scale and economics of the Toliara Project” (the **Mineral Sands DFS2 Announcement**), discloses the material assumptions and underlying methodologies adopted for deriving the NPV from Mineral Sands DFS2. Base Resources confirms that all the material assumptions underpinning the production information and forecast financial information in the Mineral Sands DFS2 Announcement continue to apply and have not materially changed.

Base Resources' announcements are available at <https://baseresources.com.au/investors/announcements/>.

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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).