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BASE RESOURCES LIMITED

ABN 88 125 546 910

2024 ANNUAL REPORT

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RESULTS FOR ANNOUNCING TO THE MARKET

Set out below is certain of the information referred to in Appendix 4E of the ASX Listing Rules, including the information referred to in paragraph 2 of that Appendix, for Base Resources Limited (**Base Resources**) and its controlled entities for the financial year ended 30 June 2024 (the **reporting period** or **FY24**) compared with the financial year ended 30 June 2023 (the **prior period** or **FY23**).

Consolidated results	Movement (US\$000s)	US\$000s
Revenue from ordinary activities	down \$136,324 (by 50%) to	135,110
Loss from ordinary activities after tax attributable to members of Base Resources	lower by \$3,197 (by 66%) to	(1,644)
Net loss attributable to members of Base Resources	lower by \$3,197 (by 66%) to	(1,644)

Net tangible asset backing	Unit	30 June 2024	30 June 2023
Shares on issue	number	1,178,011,850	1,178,011,850
Net tangible assets (excludes capitalised exploration and evaluation assets)	US\$000s	85,345	125,546
Net tangible assets per share	US\$/share	0.07	0.11
Net assets	US\$000s	257,259	288,479
Net assets per share	US\$/share	0.22	0.24

In accordance with the ASX Listing Rules, net tangible assets per share represents total assets less intangible assets less liabilities ranking ahead of, or equally with, ordinary share capital, divided by the number of ordinary shares on issue at the end of the financial year. Capitalised exploration and evaluation assets have been treated as intangible assets and were therefore excluded from the calculation of net tangible assets.

Dividends

During the reporting period, Base Resources paid a final dividend in respect of the prior period of AUD 4.0 cents per share, unfranked, in September 2023. The final dividend was paid wholly from conduit foreign income. The aggregate amount of the final dividend (and therefore dividends paid during the reporting period) was US\$29.9 million.

No final dividend has been declared or determined by the Board in respect of FY24. However, the Board has determined an unfranked special dividend of AUD 6.5 cents per share with a record date of 18 September 2024, the determination and payment of which is conditional on the scheme of arrangement pursuant to which Energy Fuels Inc. will acquire Base Resources becoming legally effective.

Details of entities over which control was gained or lost during the period

None.

REVIEW OF OPERATIONS

Base Resources operates the 100% owned Kwale Operations in Kenya, which commenced production in late 2013. Kwale Operations is located 50 kilometres south of Mombasa, the principal port facility for East Africa.

Mining operations continued to occur concurrently on the South and North Dune at the start of the reporting period, before transitioning the South Dune operations to the Bumamani deposit in February 2024 following the complete depletion of the South Dune ore reserves. Mining volume in the reporting period was lower than the prior period, at approximately 15.2 million tonnes, primarily due to the stoppage for the transition of mining operations from the South Dune to the Bumamani deposit. The average heavy mineral grade of ore mined decreased to 2.40% (prior period: 3.68%) as a consequence of mining the lower grade North Dune and Bumamani deposits. The lower mined volume and ore grade resulted in reduced heavy mineral concentrate (HMC) production of 302,762 tonnes (prior period: 532,049 tonnes).

As ore grades and HMC production will be lower for the remainder of Kwale Operations' mine life, the mineral separation plant (MSP) transitioned, as planned, from continuous operations to campaign processing to ensure optimum product recoveries are maintained, with extended shuts between campaigns to allow HMC stocks to rebuild. The combination of lower HMC production and MSP shuts reduced the HMC fed to the MSP in the reporting period to 300,234 tonnes (prior period: 539,308 tonnes), resulting in a corresponding fall in production for all products.

The Company continued bulk shipments of ilmenite (up to 54,000 tonne lots) and rutile (between 5-10,000 tonne lots) despite lower production levels, which can result in some timing difference between production and sales volumes as stocks are built up to the required shipment volumes. Despite this, sustained demand for ilmenite, rutile and zircon during the reporting period ensured that sales have generally matched production.

Mining, Production and Sales	2024	2023
Ore mined (tonnes)	15,230,828	16,264,017
Heavy mineral content of ore mined (%)	2.40	3.68
Valuable heavy mineral content of ore mined (%)	1.82	2.83
WCP heavy mineral concentrate production (tonnes)	302,762	532,049
MSP feed (tonnes of heavy mineral concentrate)	300,234	539,308
Production (tonnes)		
Ilmenite	159,395	297,861
Rutile	41,317	68,814
Zircon	17,354	25,954
Zircon low grade	1,120	2,156
Rutile low grade	8,914	16,174
Sales (tonnes)		
Ilmenite	139,100	297,536
Rutile	34,723	63,627
Zircon	17,557	25,118
Zircon low grade	1,039	2,318
Rutile low grade	8,111	15,401

There were no lost time injuries during the reporting period and, with no lost time injuries in the past 12 months, Base Resources has a lost time injury frequency rate (LTIFR) of 0.0 per million hours worked. Compared to the Western Australian All Mines 2020/2021 LTIFR of 2.0, this is an exceptional performance and reflects the ongoing focus and importance placed on safety. With no medical treatment injuries recorded in the last 12 months, the Company's total recordable injury frequency rate is 0.0 per million hours worked.

Planned cessation of mining activities at Kwale Operations

In October 2023, the Company announced that mining is expected to end in December 2024 following depletion of the remaining Ore Reserves as per the current mine plan. Processing activities will conclude shortly thereafter, with Kwale Operations then transitioning to post-mining.

The announcement of the planned cessation of mining followed completion of the previously announced evaluations of the extension potential of the two remaining near mine prospective areas, being the Kwale North Dune Mineral Resource that at that time was not in the mine plan and the Kwale East exploration area, with it being concluded that both lacked sufficient grade or scale to support the capital investment required to extend or establish new mining operations.

With the planned closure of Kwale Operations, detailed closure planning and implementation of closure-related activities ramped up during the reporting period, including:

- Submission of a closure plan to the National Environment Management Authority of Kenya (**NEMA**) for review and sign-off.
- Ongoing rehabilitation of mined-out areas, with the South Dune nearing completion at year end.
- Commencement of various environment-related specialist studies required as part of the formal closure process.

Product Markets

Titanium Dioxide

Ilmenite and rutile are primarily used as feedstock for the production of titanium dioxide (**TiO₂**) pigment, with a small percentage also used in the production of titanium metal and fluxes for welding rods and wire. TiO₂ is the most widely used white pigment because of its nontoxicity, brightness and very high refractive index. It is an essential component of consumer products such as paint, plastics and paper. Pigment demand is therefore the major driver of ilmenite and rutile pricing.

Major western pigment producers typically use high grade TiO₂ feedstocks (which includes rutile) while Chinese pigment producers typically rely on sulphate ilmenite as their main feedstock.

The global pigment market was subdued throughout the first half of the reporting period due to uncertain global economic conditions and sluggish housing sectors in major markets. Western pigment producers continued operating their plants well below capacity levels and some plants closed, resulting in demand for high grade TiO₂ feedstocks (including rutile) diminishing through the first half of the reporting period. As a result, rutile inventories grew, and pricing came under pressure.

The second half of FY24 saw an improvement in the global pigment market with improved consumption and re-building of inventories. Western pigment producers lifted their production rates to meet the improved demand which, in turn, increased demand for high grade TiO₂ feedstocks. At the same time, a major rutile producer suspended its production for approximately three months during the second half of FY24. Despite the increased demand and diminished supply, the large overhang of rutile from the first half of FY24 was not able to be fully absorbed and resulting in continued downward pressure on prices through to the end of the period.

Despite subdued domestic conditions through much of FY24, most Chinese pigment producers continued to operate at high rates. Major Chinese producers counteracted weak domestic pigment demand by focusing on increased export sales, particularly to Europe. Chinese pigment exports were strong through the first few months of 2024, as producers and consumers built stocks in Europe ahead of the introduction of import tariffs on Chinese pigment from July 2024. The ongoing high pigment production rates in China supported continued strong demand for ilmenite during FY24. This was particularly the case for chloride pigment production in China which grew during the reporting period and is heavily dependent on the quality of certain sources of imported ilmenite – including from Kwale Operations.

Demand for rutile into the welding and titanium metal sectors remained firm throughout the reporting period. The main drivers of demand were the booming ship-building and aerospace industries combined with sanctions on Russian-supplied raw materials. These sectors continue to attract a price premium and presented good opportunities for Base Resources' rutile.

That said, they are relatively small sectors and the broader market will continue to be driven by bulk rutile sales to western pigment producers.

After a sustained period of prices trending upwards, the weaker market conditions resulted in the average prices for both rutile and ilmenite reducing through the period. Over the reporting period, rutile prices were 3.6% lower and ilmenite prices were 9.5% lower than the prior year.

Zircon

Zircon has a range of end-uses, including in the production of ceramic tiles, which accounts for more than 50% of global zircon consumption. Milled zircon enables ceramic tile manufacturers to achieve brilliant opacity, whiteness and brightness in their products. Zircon's unique properties include heat and wear resistance, stability, opacity, hardness and strength, making it sought after for other applications such as refractories, foundries and specialty chemicals.

Demand growth for zircon is closely linked to growth in global construction and increasing urbanisation in the developing world.

After peaking at historical highs in 2022, zircon prices have gradually trended downwards as conditions in major markets have become more challenging. The optimism in the Chinese market following the lifting of government imposed COVID restrictions in China in early 2023 turned negative as the broader Chinese economic recovery did not materialise as anticipated. The negative sentiment was sustained throughout the first half of FY24 and many consumers reduced their inventory levels to minimise working capital in the run up to the end of the calendar year. Conditions stabilised through the second half of FY24 as consumers began re-building inventories and a major producer announced a reduction in zircon supply. Zircon demand in the reporting period was sluggish and prices trended downward for much of the year before stabilising in the final quarter.

Over the reporting period, zircon prices were 14.5% lower than the comparative period but remain at historically elevated levels.

Toliara Project

In December 2023, the Company released the outcomes of its pre-feasibility study on exploitation of the contained monazite at its Toliara Project through concentration of the existing waste stream from the project's mineral sands processing facilities to produce a valuable monazite product (**Monazite PFS**). Monazite is a rich source of rare earth elements critical to the world's green energy transition and represents 2.0% of the heavy mineral in the Toliara Project's Mineral Resources estimate. The Monazite PFS delivered exceptional outcomes and has resulted in a significant enhancement of the overall economics of the Toliara Project when combined with the outcomes of the enhanced definitive feasibility study on the project's mineral sands released in September 2021.¹

While on-ground activities continue to be suspended, the Company remains committed to progressing the world class Toliara Project to a final investment decision once fiscal terms are secured, and the on-ground suspension is lifted.

Leveraging the in-principle agreement reached with the Government of Madagascar in 2023 on the key fiscal terms that would apply to the mineral sands aspect of the Toliara Project, discussions re-commenced in January 2024, shortly after President Rajoelina formed his new government and appointed his cabinet following his re-election in late 2023. These discussions focused on the new Mining Code's fiscal regime and how this would apply to the whole of the Toliara Project, being both mineral sands and monazite.

¹ For further details in relation to the Monazite PFS, refer to Base Resources' announcement on 14 December 2023 "Additional critical mineral product stream doubles Toliara Project's NPV". This announcement discloses the material assumptions and underlying methodologies adopted for deriving the production and forecast financial outcomes for the Monazite PFS. Base Resources confirms that all the material assumptions underpinning the production information and forecast financial information in the announcement continue to apply and have not materially changed.

Following further engagement with the Government in early 2024, and as confirmed during recent discussions, Base Resources considers in-principle agreement has been reached on the key fiscal terms that will apply to the whole Toliara Project (i.e. both mineral sands and monazite), although these remain subject to entry of binding documentation and therefore the terms remain subject to change and timing is uncertain.

Engagement with the Government is now focused on agreeing the terms of the binding agreements to give effect to the in-principle agreement and other key matters for facilitating timely project progression. The immediate focus is on finalising the form of the memorandum of understanding (**MoU**) that records the terms agreed in-principle, a draft of which is well advanced. Once finalised, entry of the MoU requires formal approval from the Government of Madagascar and the Base Resources Board. Lifting of the Toliara Project's on-ground suspension is expected to occur upon entry of the MoU, which Base Resources believes to be achievable in the near term.

Once fiscal terms have been recorded in an MoU (or other binding arrangement) and the suspension has been lifted, Base Resources believes it would take approximately 14 months to complete the necessary work to reach a final investment decision.

Proposed combination with Energy Fuels

On 22 April 2024, the Company announced that it had entered a binding scheme implementation deed with Energy Fuels Inc. (NYSE American: UUUU, TSX: EFR) (**Energy Fuels**) pursuant to which Energy Fuels agreed to acquire 100% of the issued shares in Base Resources by way of scheme of arrangement (**Transaction** or **Scheme**). The Transaction will establish a global leader in the critical minerals sector with a focus on rare earth elements, heavy mineral sands and uranium production with a clear strategic development pathway (**Proposed Combination**).

Under the terms of the Transaction, if the Scheme becomes effective, Base Resources shareholders will be entitled to receive 0.0260 Energy Fuels common shares, plus AUD 6.5 cents in cash via an unfranked special dividend payable by Base Resources (together, the **Transaction Consideration**), for each Base Resources share held.

The Scheme Booklet was released subsequent to year end on 2 August 2024 and contains key information about the Proposed Combination and the Scheme, an Independent Expert's Report and a notice of meeting convening a shareholders' meeting to consider the Scheme on 5 September 2024. A detailed timetable for the Proposed Combination is contained in the Scheme Booklet.

Base Resources Directors continue to unanimously recommend that shareholders vote in favour of the Proposed Combination in the absence of a superior proposal and subject to the Independent Expert continuing to conclude, that the Scheme is in the best interests of Base Resources shareholders.

REVIEW OF FINANCIAL PERFORMANCE

Reportable segment	2024				2023			
	Kwale Operation US\$000s	Toliara Project US\$000s	Other US\$000s	Total US\$000s	Kwale Operation US\$000s	Toliara Project US\$000s	Other US\$000s	Total US\$000s
Sales revenue	135,110	-	-	135,110	271,434	-	-	271,434
Adjusted Cost of goods sold ⁽ⁱⁱ⁾								
Operating costs	(72,364)	-	-	(72,364)	(77,048)	-	-	(77,048)
Inventory movement	8,663	-	-	8,663	6,993	-	-	6,993
Royalties expense	(6,777)	-	-	(6,777)	(14,583)	-	-	(14,583)
Kwale mine closure redundancy costs	(7,715)	-	-	(7,715)	-	-	-	-
Write down of inventories	(4,956)	-	-	(4,956)	-	-	-	-
Total cost of goods sold	(83,149)	-	-	(83,149)	(84,638)	-	-	(84,638)
Adjusted Corporate and external affairs	(6,311)	(94)	(7,259)	(13,664)	(5,323)	(91)	(8,419)	(13,833)
Community development costs	(4,578)	-	-	(4,578)	(7,927)	-	-	(7,927)
Business development	-	-	(1,820)	(1,820)	-	-	(395)	(395)
Selling and distribution costs	(1,251)	-	-	(1,251)	(2,165)	-	-	(2,165)
Exploration and evaluation expenditure written-off	(2,346)	-	(140)	(2,486)	(730)	-	(1,489)	(2,219)
Other expenses	(1,625)	-	(94)	(1,719)	(1,666)	-	(24)	(1,690)
Underlying EBITDA	35,850	(94)	(9,313)	26,443	168,985	(91)	(10,327)	158,567
Depreciation and amortisation	(11,482)	(234)	(364)	(12,080)	(36,450)	(181)	(396)	(37,027)
Underlying EBIT	24,368	(328)	(9,677)	14,363	132,535	(272)	(10,723)	121,540
Net financing expenses	(2,574)	18	2,338	(218)	(3,554)	29	790	(2,735)
Income tax expenses:								
Corporate income tax	(9,789)	-	-	(9,789)	(22,189)	-	-	(22,189)
Dividend withholding tax	-	-	(6,000)	(6,000)	-	-	(12,600)	(12,600)
Underlying NPAT	12,005	(310)	(13,339)	(1,644)	106,792	(243)	(22,533)	84,016
Impairment Loss	-	-	-	-	(88,857)	-	-	(88,857)
Net profit (loss) after tax	12,005	(310)	(13,339)	(1,644)	17,935	(243)	(22,533)	(4,841)

(i) Base Resources' financial results are reported under International Financial Reporting Standards. These Financial Statements include certain non-IFRS measures including EBITDA and EBIT. These measures are presented to enable understanding of the underlying performance of the Group and have not been audited.

(ii) Excluding depreciation and amortisation.

Sales revenue decreased 50% to US\$135.1 million in FY24 (prior period: US\$271.4 million), as lower production limited sales volumes, with a total of 200,530 tonnes sold in the reporting period (prior period: 406,023 tonnes). The average price of product sold remained steady at US\$674 per tonne (prior period: US\$672 per tonne).

Total operating costs of US\$72.4 million represented a decrease of 6% compared to the prior period (US\$77.0 million), due to reduced production and associated product transport costs. Despite the lower operating costs, the reduced production volumes resulted in the unit operating costs increasing to US\$317 per tonne (prior period: US\$188 per tonne).

Cost of goods sold (operating costs, adjusted for stockpile movements and royalties, but excluding the write down of consumable stores inventory and Kwale mine closure redundancy costs) increased to US\$348 per tonne of product sold, 64% higher than the prior period (US\$212 per tonne) primarily due to the higher unit operating costs. With an operating margin of US\$326 per tonne sold (prior period: US\$460 per tonne), Base Resources revenue to cost of sales ratio was 1.9 (prior period: 3.2).

Reflecting the lower sales revenue and higher operating costs, Kwale Operations EBITDA for the reporting period was US\$43.6 million (prior period: US\$169.0 million), and the Group EBITDA was US\$26.4 million (prior period: US\$158.6million).

In June 2023, Kwale Operations recorded an impairment of \$88.9 million, considerably lowering the depreciable asset base. Consequently, depreciation and amortisation charges in the reporting period decreased 67% to US\$12.1 million (prior period: US\$37.0 million).

Kwale Operations recorded a net profit after tax of US\$12.0 million (prior period: US\$17.9 million).

During the reporting period, the Group's Kenyan subsidiary and owner and operator of Kwale Operations, Base Titanium, distributed US\$40 million of surplus cash, via dividend, to the Group's ultimate parent entity, Base Resources. The dividend distribution by Base Titanium incurred Kenyan dividend withholding tax at a rate of 15%, totalling US\$6.0 million, which has been recorded as an income tax expense, thus contributing to a net loss after tax of US\$1.6 million for the Group (prior period: loss of US\$4.8 million).

Cash flow from operations was US\$45.4 million for FY24 (prior period: US\$117.6 million), with lower sales volumes contributing to a US\$103.6 million decrease in receipts from customers, offset by a US\$13.6 million decrease in operating expenditure and US\$17.9 million reduction in taxes paid. Operating cashflows were used to fund capital expenditure at Kwale Operations, Toliara Project progression and payment of the FY23 final dividend totalling US\$29.9 million (of A\$0.04 per share, unfranked) in September 2023.

Total capital expenditure for the Group was US\$23.3 million in the reporting period (prior period: US\$38.7 million) and comprised US\$12.6 million at Kwale Operations (prior period: US\$28.5 million), primarily for land acquisition, implementation of mining operations at the Bumamani deposit and extension of operations in Kwale North, as well as US\$10.6 million for progression of the Toliara Project (prior period: US\$8.3 million).

Other than in connection with the proposed combination with Energy Fuels, discussed above, since the end of the reporting period, no dividend has been declared or determined by the Board.

DIRECTORS' REPORT

Directors and Other Details

Your directors present their report, together with the financial statements of the Group, being the Company, Base Resources Limited, and its controlled entities, for the financial year ended 30 June 2024 compared with the financial year ended 30 June 2023.

Directors

The names of the directors in office at any time during or since the end of the financial year are:

Mr Michael Stirzaker

Mr Malcolm Macpherson (retired 24 November 2023)

Mr Tim Carstens

Ms Diane Radley

Mr Scot Sobey

Ms Sheila Khama

Other than as noted above, all Directors have been in office since the start of the financial year to the date of this report.

Company Secretary

Mr Chadwick Poletti held the position of company secretary during the financial year.

Principal activities and significant changes in nature of activities

The principal activity of the Group is the operation of the Kwale Mineral Sands Operation in Kenya and development of the Toliara Project in Madagascar.

Operating results

The Group recorded a net loss after tax of US\$1,644,000 for the reporting period (2023: US\$4,841,000).

Dividends paid or recommended

During the reporting period, Base Resources paid a final dividend of AUD 4.0 cents per share, unfranked, in September 2023. The aggregate amount of the final dividend (and therefore dividends paid during the reporting period) was US\$29.9 million.

Significant changes in state of affairs

Save for the Proposed Combination with Energy Fuels, there were no other significant changes in the state of affairs of the Group during the reporting period.

After balance date events

There have been no other significant events since the reporting date, save for developments in relation to the Proposed Combination with Energy Fuels and the determination of a special dividend (unfranked) of AUD 6.5 cents per share, which is conditional on the scheme of arrangement pursuant to which the combination will be implemented becoming effective.

Future developments, prospects and business strategies

Base Resources' strategy is to:

- implement the Proposed Combination with Energy Fuels to create a global leader in the critical minerals sector with a focus on rare earth elements, heavy mineral sands and uranium production
- continue mining operations at Kwale Operations until the planned depletion of the remaining Ore Reserves in December 2024 and transition to post-mining in a manner that cements its reputation for excellent in the full life cycle of mining
- progress the Toliara Project towards development as an integrated mineral sands and monazite project.

Director biographies

Mr Michael Stirzaker	Non-Executive Chair
Qualifications:	BCom, CA
Appointed:	19 November 2014 (previously acted as an alternate since November 2011 and appointed Non-Executive Chair on 26 November 2021)
Experience:	<p>Mr Stirzaker has over 40 years' commercial experience, mainly in mining finance and mining investment. He began his career in Sydney as a Chartered Accountant with KPMG, before moving into investment banking with the HSBC Group and then Kleinwort Benson Limited in London.</p> <p>From 1993 to 2007 he was part of the natural resource advisory and investment firm, RFC Group Limited, where he became Joint Managing Director. He has also been a shareholder and Director of Tennant Metals Pty. Limited, a privately owned physical metal trader and investor, and was the Finance Director of Finders Resources Limited, an ASX listed company producing copper in Indonesia.</p> <p>From 2010 until 2019, Mr Stirzaker was a partner with private equity mining fund manager, Pacific Road Capital Management. The Pacific Road Resources Fund II is a major shareholder of Base Resources. For the past five years, Mr Stirzaker has acted as a non-executive director for several junior mining companies.</p>
Special responsibilities:	Chair of the Board, Chair of the Remuneration & Nomination Committee; member of the Audit & Risk Committee; member of the Environment, Social & Ethics Committee
Other current listed company directorships:	Southern Palladium Limited (since 2022)
Past listed company directorships held over the last three years:	Prodigy Gold NL (retired December 2021), Akora Resources Limited (retired February 2024)
Mr Tim Carstens	Managing Director
Qualifications:	BCom
Appointed:	5 May 2008
Experience:	<p>Mr Carstens is an experienced mining executive, with a career spanning more than 25 years in senior resources-sector roles, both in Australia and overseas, with Perilya Limited, North Limited, Robe River Iron Associates, Iron Ore Company of Canada and St Barbara Mines Limited. A chartered accountant by profession, he has strong experience in all aspects of business strategy development and implementation, acquisitions and divestments, debt and equity financing, organisational development and operational performance. He has been Managing Director of Base Resources since the Company's inception in May 2008.</p>

Mr Carstens is a Non-Executive Director of the Australia-Africa Minerals and Energy Group (AAMEG), the peak body representing Australian companies engaged in the development of Africa's resource industry. He was Chair of AAMEG from 2016 to 2021.

Special responsibilities: Managing Director; member of the Environment, Social & Ethics Committee

Other current listed company directorships: Nil

Past listed company directorships held over the last three years: Nil

Mr Malcolm Macpherson Non-Executive Director

Qualifications: BSc, FAusIMM, FTSE

Appointed: 25 July 2013

Experience: Mr Macpherson is an accomplished business leader, with decades of experience in the global mining industry at executive management and board level. Mr Macpherson spent 25 years from 1974 at Iluka Resources, the world's largest mineral sands company, rising from mine manager to Managing Director and Chief Executive Officer.

He has previously held the position of Chair with Azumah Resources Limited and Western Power Corporation and been a director of Portman Mining Limited and Minara Resources Limited. Mr Macpherson has also been the Senior Vice President of the Minerals Council of Australia, President of the Western Australian Chamber of Minerals & Energy, and a member of the Senate at Murdoch University.

Mr Macpherson retired as a Non-Executive Director on 24 November 2024.

Special responsibilities: Chair of the Risk Committee; member of the Audit Committee; member of the Environment, Social & Ethics Committee

Other current listed company directorships: Nil

Past listed company directorships held over the last three years: Nil

Ms Diane Radley Non-Executive Director

Qualifications: BComm BCompt (Hons), CA(SA), MBA, AMP (Harvard)

Appointed: 1 February 2018

Experience: Ms Radley has over 25 years' experience in senior leadership roles across multiple industries, most recently in financial services and investments. She served as CFO at Allied Electronics Corporation (JSE), Group Finance Director at Old Mutual South Africa, and CEO of Old Mutual Investment Group. Prior to this, she advised on a variety of transactions, listings and due diligences for large corporate acquirers and private equity funds in her role as Partner-in-charge of Transaction Services at PricewaterhouseCoopers in South Africa.

Special responsibilities: Chair of the Audit & Risk Committee; member of the Environment, Social & Ethics Committee

Other current listed company directorships: Transaction Capital Ltd (since 2018), Redefine Properties Ltd (since 2020), Network International Holdings Plc (since 2021), Investec Ltd (since 2024), and Investec plc (since 2024)

Past listed company directorships held over the last three years: Murray & Roberts Holdings Ltd (retired 2022)

Mr Scot Sobey Non-Executive Director

Qualifications: BSc (Mechanical Engineering), GAICD

Appointed: 26 November 2021

Experience: Mr Sobey has over 15 years' experience in the resources sector, encompassing executive management, consulting, project development and production roles as well as relevant commercial experience in mining finance and investment across a suite of commodities and industrial minerals.

A mechanical engineer by training, Mr Sobey commenced his professional career in 2001 in management consulting where he developed extensive expertise over a five-year period in large scale turnaround and transformation projects spanning the financial services, courier and freight, telecommunications, and mining industries. His career progression into the mining industry arose from a consulting engagement in 2006, in which he was instrumental in managing the listing of a dual product gold and uranium junior (First Uranium Corporation) onto the Toronto Stock Exchange.

Mr Sobey spent six years with First Uranium during which time he played a pivotal role in transforming First Uranium from an early-stage development company into a meaningful mid- tier producer, initially as VP Business Development, then as COO and finally as Executive Vice President. From 2012, Mr Sobey went on to lead direct investments for a family private equity office focused on resources projects in Southern Africa.

In 2019, Mr Sobey joined Pacific Road as an Investment Director where he is responsible for the screening of, evaluation of and subsequent investment in, resource related investment opportunities. Pacific Road Resources Fund II is a major shareholder of Base Resources, with Mr Sobey appointed as its nominee on the Board.

Special responsibilities: Member of the Remuneration & Nomination Committee; member of the Audit & Risk Committee; member of the Environment, Social & Ethics Committee

Other current listed company directorships: Nil

Past listed company directorships held over the last three years: Nil

Ms Sheila Khama Non-Executive Director

Qualifications: BA (Sociology), MBA (General Management)

Appointed: 1 March 2023

Experience: Ms Khama is a non-executive director for listed companies in Australia, the United Kingdom and the United States, policy advisor and former mining industry executive with expertise in corporate governance and sustainable development of minerals, oil and gas resources. Ms Khama is respected for her knowledge of mineral policy, regulatory frameworks and sovereign risk analysis.

Since April 2019, Ms Khama has been an independent consultant on mining, oil and gas governance and policy reforms. From November 2016 to March 2019, Ms Khama served as Practice Manager and Coordinator of Donor Relations and Partnerships at The World Bank, where she led an international team of mineral, oil and gas specialists in implementing support programs ranging from policy reforms, technical assistance, research and knowledge dissemination for various countries.

From November 2013 to November 2016, Ms Khama served as Director of the African Natural Resources Center at the African Development Bank in Tunisia, where she led a support program for African governments to improve development outcomes from renewable and non-renewable resources. From 2010 to 2013, Ms Khama served as Director of the Extractives Advisory Program at the African Center for Economic Transformation, a pan-African think tank based in Ghana.

Ms Khama also previously held a number of senior roles in the private sector, including Chief Executive Officer of De Beers Botswana from 2005 to 2010, Head of Marketing and Communication at the First National Bank of Botswana Ltd from 2002 to 2005, and Group Secretary of the Anglo American Corporation Botswana from 1994 to 2002.

Special responsibilities: Chair of the Environment, Social & Ethics Committee, member of the Remuneration & Nomination Committee

Other current listed company directorships: Tullow Oil plc (since 2019); The Metals Company Inc. (since 2021)

Past listed company directorships held over the last three years: Nil

Mr Chadwick Poletti Chief Legal Officer and Company Secretary

Qualifications: LLB (Hons), BCom

Appointed: 19 May 2015

Experience: Mr Poletti is a practising lawyer with over 15 years' experience in private practice and as general counsel, principally focused on the resources sector. Mr Poletti has broad experience in advising companies and directors across diverse and complex operating environments. He has deep experience in managing legal risk in Africa, including sovereign, regulatory and corruption risks, as well as dispute resolution.

Prior to joining Base Resources, Mr Poletti was at international law firm, Ashurst, where he specialised in both domestic and cross-border regulated and unregulated mergers and acquisitions, including takeovers and schemes of arrangement, equity capital markets, corporate advisory and governance.

Meetings of Directors

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director was as shown in the table below:

	Board Meetings		Audit Committee ⁽ⁱ⁾		Remuneration & Nomination Committee		Risk Committee ⁽ⁱⁱ⁾		ESE Committee		Audit & Risk Committee ⁽ⁱⁱ⁾	
	Meetings held while a director	Meetings attended	Meetings held while a committee member	Meetings attended	Meetings held while a committee member	Meetings attended	Meetings held while a committee member	Meetings attended	Meetings held while a committee member	Meetings attended	Meetings held while a committee member	Meetings attended
Michael Stirzaker	18	18	2	2	4	4	-	-	2	2	2	2
Tim Carstens	18	18	-	-	-	-	1	1	2	2	-	-
Malcolm Macpherson ⁽ⁱ⁾	9	9	2	2	2	2	1	1	1	1	-	-
Diane Radley	18	18	2	2	-	-	1	1	2	2	2	2
Scot Sobey	18	18	-	-	4	4	-	-	2	2	2	2
Sheila Khama	18	17	-	-	2	2	-	-	2	1	-	-

(i) Retired 24 November 2023.

(ii) The Audit Committee and Risk Committee merged to form a single Committee with effect from 24 November 2023. Prior to this date, the Audit Committee and Risk Committee operated as separate Committees.

Indemnifying Officers

During or since the end of the financial year, Base Resources has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums to insure its Directors and officers against certain liabilities incurred while acting in that capacity. The contracts of insurance prohibit disclosure of details of the policies or the premiums paid.

The Company's Constitution provides that, subject to and so far as permitted by applicable law, the Company must indemnify every officer of the Company and its wholly owned subsidiaries against a liability incurred as such an officer to a person (other than the Company or a related body corporate), including a liability incurred as a result of appointment or nomination by the Company or a subsidiary as a trustee or as an officer of another corporation, unless the liability arises out of conduct involving a lack of good faith.

Consistent with the rules of the Company's Constitution, the Company has also given indemnities under the terms of deeds of indemnity in favour of current and former directors of the Company and its subsidiaries. In broad terms, each deed includes an indemnity that provides that the relevant Director or officer is, to the maximum extent permitted by law, indemnified out of the property of the Company, against any liability (other than legal costs which are not reasonable) the Director or officer incurs as a Director or officer of the Company or a related body corporate.

No indemnity has been granted to an auditor of the Group in their capacity as an auditor of the Group.

Shares issued since the end of the financial year

No shares in Base Resources have been issued since year end and no amounts are unpaid on any of the issued shares.

Proceedings on behalf of Group

No person has applied for leave of a Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Non-audit services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act. The Directors are also satisfied that the services provided and disclosed below did not compromise the external auditor's independence because the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or are payable to the Group's external auditors for non-audit services provided during the year ended 30 June 2024:

	2024 US\$	2023 US\$
KPMG Australia		
Other services	36,714	7,747

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 36 of the Annual Report.

Corporate Governance Statement

Base Resources and the Board are committed to implementing high standards of corporate governance that create and deliver value for shareholders and uphold the Company's commitment to acting in a legal, honest, sustainable and ethical manner and with integrity. To give effect to this commitment, the Board has established a corporate governance framework comprising a range of governance charters and system documents. A summary of key aspects of the Company's corporate governance framework is set out in its Corporate Governance Statement for the reporting period, available on the Company's website (<https://baseresources.com.au/who-we-are/corporate-governance/>). The Corporate Governance Statement also reports on the extent to which the Company followed the corporate governance recommendations set out in the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Rounding

The Group is of a kind referred to in ASIC Corporations Instrument 2016/191 and, in accordance with that Class Instrument, amounts in the financial report and directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

REMUNERATION REPORT

This Remuneration Report sets out the remuneration arrangements for Base Resources for year ended 30 June 2024 (FY24).

This Remuneration Report forms part of the Directors’ Report and has been audited in accordance with the *Corporations Act 2001* (Cth).

Details of key management personnel

This Remuneration Report details the remuneration arrangements for key management personnel (KMP), defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group and who comprise the Directors (whether executive or non-executive) of the Company and other executive management, as detailed in the table below.

The executive management considered to be KMP are those General Managers who are responsible for planning and controlling major activities at a Group level. The Managing Director and other executive management listed in the table below are collectively defined as the Senior Executives for the purposes of this report.

Name	Position
Senior Executives	
T Carstens	Managing Director
K Balloch	Chief Financial Officer
A Greyling	General Manager - Growth
S Hay	General Manager - Marketing
C Poletti	Chief Legal Officer
Non-Executive Directors	
M Stirzaker	Chair
D Radley	Director
S Sobey	Director
S Khama	Director
M Macpherson	Director (retired 24 November 2023)

Role of the Remuneration & Nomination Committee

The Remuneration & Nomination Committee is responsible for oversight of the remuneration system and policies. It is also responsible for evaluating the performance of the Managing Director and monitoring performance of the executive management team. The Board, upon recommendation of the Remuneration & Nomination Committee, determines the remuneration of the Managing Director. The Remuneration & Nomination Committee reviews and approves the remuneration of the executive management team (other than the Managing Director).

The objective of the Remuneration & Nomination Committee is to ensure that the Company’s remuneration system and policies attract and retain executives and directors who will create sustained value for shareholders.

Services from remuneration data providers

Remuneration packages for the Managing Director and the executive management team during the reporting period were determined based on wage growth over the prior twelve months, rather than repeating the comprehensive benchmarking exercise undertaken in the prior year. External remuneration datasets were used to check each executive’s indexed remuneration continued to fall within a target band for their role and further adjustments made where appropriate. The same approach was adopted by the Board for FY25 remuneration packages.

To assist with determination of the remuneration packages for management, Remsmart Consulting was engaged to provide market data relating to the movement in remuneration in the mining, resources and construction industries over the prior twelve months on both an overall basis and for different levels of management. The market data relevant to executive management (excluding the Managing Director) was provided to the Managing Director and the market data relevant to the Managing Director was provided to the Remuneration & Nomination Committee Chair.

In formulating his recommendations to the Remuneration & Nomination Committee for the remuneration packages for executive management, the Managing Director also considered market data available from AON, which is offered on a subscription basis. The Remuneration & Nomination Committee approved the remuneration packages of the executive management team (excluding the Managing Director) by reference to the market data provided by the Managing Director.

The above approaches were adopted to ensure sufficient data was considered to facilitate a fulsome understanding of market movements in remuneration over the prior twelve months, both on an overall basis and for the relevant level of management. The information provided was utilised by the Remuneration & Nomination Committee and the Board, respectively, as inputs into their decision making only. The Remuneration & Nomination Committee and the Board considered the information, along with other factors, in making their respective ultimate remuneration decisions.

The Board is satisfied that the interactions between the data provider, Remsmart Consulting, and the executive management team were minimal, principally involving communication of the nature of the market data required. Further, Remsmart Consulting has processes and procedures in place to minimise potential opportunities for undue influence from the executive management team. The Board is therefore satisfied that the market data provided was free from undue influence from the executive management team.

Total fees for services paid to Remsmart Consulting were A\$18,500 and the AON subscription was A\$7,500 during FY24.

Remuneration policy

Base Resources is committed to the close alignment of remuneration to shareholder return, particularly for the Senior Executives.

To this end, the Group's remuneration system is designed to attract, motivate and retain employees by identifying and rewarding high performers and recognising their contribution to the continued growth and success of the Group.

Key objectives of the Group's remuneration policy are to ensure that remuneration practices:

- Facilitate achievement of the Group's objectives.
- Provide strong linkage between executive incentive rewards and creation of value for shareholders.
- Are simple to understand and implement, openly communicated and are equitable across the Group.
- Attract, retain and motivate employees of the required capabilities.
- Comply with applicable legal requirements and appropriate standards of governance.

Key principles of Senior Executive remuneration

Remuneration comprises fixed remuneration, and variable (or at-risk) remuneration, which is determined by reference to individual and Group performance. For Senior Executives, the Group targets total fixed remuneration at the 50th market percentile and a total remuneration package, assuming at-target variable remuneration, at the 75th market percentile. As a consequence, the Group's Senior Executives have a higher proportion of remuneration at-risk than industry averages.

Questions and answers about Senior Executive remuneration:

Remuneration mix

What is the balance between fixed and at-risk remuneration?

The mix of fixed and at-risk remuneration varies depending on the organisational level of an executive, and also depends on the performance of the Group and that individual executive. More senior positions have a greater proportion of their remuneration at-risk and, in turn, a greater proportion of their at-risk remuneration tied to Group performance.

For all executives, it is possible that, for a particular year, no at-risk remuneration will be earned and that fixed remuneration will represent 100% of their total remuneration.

If target at-risk remuneration was earned for FY24, the proportion of total remuneration represented by fixed and at-risk remuneration would be:

- Managing Director: 67% fixed and 33% at-risk, with the at-risk proportion being lower than usual in FY24 as no performance rights were granted to the Managing Director due to the resolution to approve the granting of their performance rights not being carried at the Company's 2023 annual general meeting.
- Other Senior Executives: 62% fixed and 38% at-risk.

Fixed remuneration

What is included in fixed remuneration?

Total Fixed Remuneration (TFR) includes base salary, inclusive of superannuation. Allowances and other benefits may be provided if agreed, including additional superannuation, provided that, in the case of extra superannuation, no extra cost is incurred by the Group.

When and how is fixed remuneration reviewed?

TFR is reviewed annually. Any adjustments to the TFR for the Managing Director must be approved by the Board after recommendation by the Remuneration & Nomination Committee. The Managing Director recommends the TFR of the other Senior Executives and the other General Managers not classified as Senior Executives within specified guidelines approved by the Board, subject to final approval by the Remuneration & Nomination Committee. The Group seeks to position TFR at the 50th market percentile of salaries for comparable companies within the mining industry with which the Group competes for talent and equity investment, utilising information provided by independent remuneration consultants and data providers.

Short Term Incentive Plan (STIP)

What is STIP?

STIP is the plan governing the cash component of at-risk remuneration which is payable annually based on a mix of Group and individual performance criteria.

Why does the Board consider STIP is appropriate?

At-risk remuneration strengthens the link between pay and performance. The purpose of the plan is to reward executives for annual performance relative to the expectations of their role accountabilities, KPIs and required behaviours as well as for delivery of annual business plans and priorities. A reward structure that provides at-risk remuneration is also a necessary part of a competitive remuneration package in the Australian and global marketplace for executives.

Does STIP take into account different levels of performance compared to objectives?

The quantum of any STIP award is linked to the extent of achievement of applicable performance criteria. Performance levels for each performance criteria are generally set at the following three levels:

- **Threshold** - a performance level that is below optimal but nevertheless acceptable. It is the minimum level of performance for which a small STIP award would be payable. STIP is designed such that there is an 80% probability the executive will reach or exceed this level of achievement.
- **Target** - a performance level that represents a challenging but achievable level of performance. STIP is designed such that there is a 50% to 60% probability the executive will reach or exceed this level of achievement.
- **Stretch** - a performance level that is clearly at the upper limit of what may be achievable. STIP is designed such that there is a 10% to 20% probability the executive will reach or exceed this level of achievement.

The probabilities of achievement are set at these levels such that, over time and assuming performance to role, awards approximately equal to the target level would be payable. Achievement of the target performance level would support the 75th market percentile TFR policy objective for executives.

What are the performance criteria?

Performance criteria are assigned for both individual and Group performance. Performance criteria typically change from year to year.

In relation to the Managing Director, for the reporting period, their STIP award opportunity had a weighting of 30% for individual performance criteria and 70% for corporate performance criteria. In contrast, the other Senior Executives had weightings of 50% for both individual and corporate performance criteria. These weightings were considered appropriate as they recognise the relative degrees of influence that the Managing Director and other Senior Executives have on Group performance and execution of the Group's strategic plan.

Corporate performance criteria are set at the commencement of each financial year and are usually derived from the annual operating plan and may vary from time to time to include other aspects of performance for which there is shared accountability and which the Group wishes to emphasise.

The corporate performance criteria for FY24 year were set by reference to (i) the Group's strategic plan, and (ii) budgeted Group EBITDA.

The performance levels for execution of the Group's strategic plan for FY24 were as follows:

- **Target** – (i) Fiscal terms agreed for the Toliara Project and secured through LGIM certification (or an equivalent mechanism), or (ii) a business development transaction is agreed and approved by the Board that serves as a development alternative to the Toliara Project or a replacement for Kwale Operations.
- **Stretch** – Both Target outcomes are achieved.

No threshold performance level was set for execution of the Group's strategic plan, recognising the critical nature of this performance criteria.

The Remuneration & Nomination Committee sets the Threshold, Target and Stretch performance levels for actual Group EBITDA on the basis of an assessment of the degree of challenge represented by a particular year's budget. Consequently, these ranges may change from year to year. This approach is designed to ensure the appropriate degree of challenge in both the budgets committed to and the Group's EBITDA performance. The performance criteria related to budgeted Group EBITDA performance assumes a fixed AUD:USD exchange rate and includes only 25% of variances in actual sales prices against budgeted prices, reflecting management's limited control over product pricing outcomes.

The performance levels for actual Group EBITDA for FY24 were as follows:

- **Threshold** – 15% below budgeted Group EBITDA.
- **Target** – Budgeted Group EBITDA.
- **Stretch** – 15% above budgeted Group EBITDA.

Are there any overriding financial performance or other conditions?

For each year, one or more gates may be determined by the Board. A gate may be a minimum level of earnings for the Group or a safety performance threshold that must be achieved for any awards to be payable under STIP.

Irrespective of whether a gate is achieved, the Board retains absolute discretion to increase or decrease awards. It is intended that the exercise of this discretion is used sparingly to take account of significant events and/or factors that were not anticipated when the year commenced, and the performance criteria were set and performance levels determined.

The following gates were in place for FY24:

- No workplace fatalities.
- No “major” reputational or environmental events, with major being defined in the Company’s risk matrix.

What is the value of STIP award opportunity?

The Managing Director had a target STIP opportunity of 50% of TFR, with a minimum opportunity (if only threshold level is met) of 20% of TFR and a maximum opportunity (if the stretch targets are achieved) of 80% of TFR.

Other Senior Executives had a target STIP opportunity of 30% of TFR, with a minimum opportunity (if only threshold level is met) of 15% of TFR and a maximum opportunity (if the stretch targets are achieved) of 60% of TFR.

These percentages were set based on externally provided market data to achieve the remuneration policy intent of a total remuneration package at the 75th market percentile.

How is STIP assessed?

Individual performance criteria – are assessed using a performance rating scale. In making the assessment in respect of a particular area of accountability, consideration is given to the extent to which the behaviours and performance indicators identified in the role description have been modelled and observed. This assessment is undertaken by the participant’s manager and then signed-off by the manager-once-removed. In the case of the Managing Director, the assessment is undertaken by the Remuneration & Nomination Committee and approved by the Board. Specific outcomes during FY24 relevant to STIP awards included:

- Successful transition of mining operations to the Bumamani orebody.
- The continued consistent safety, operational and cost performance of Kwale Operations.
- Solid progression of robust and innovative Kwale Operations post-mining land use project and rehabilitation activities.
- Completion of a high-quality Monazite Prefeasibility Study evaluating the Rare Earth potential of the Toliara Project.
- Progression of negotiations with the Government of Madagascar on the fiscal terms applicable to the Toliara Project.
- Evaluation and progression of business development opportunities meeting pre-defined strategic criteria.

Corporate performance criteria – the Board determines the extent to which each corporate performance criteria has been achieved, following recommendation by the Remuneration & Nomination Committee.

What happens to a participant’s STIP award opportunity if they cease employment?

Unless the Board determines otherwise, where a participant ceases to be employed by a Group member (and is not immediately employed by another Group member) for any reason other than a “Disqualifying Event”, their award opportunity for the applicable financial year will be reduced to reflect the portion of the financial year not completed as at the end of their employment. For the purposes of determining their actual STIP award, assessment of the extent of their achievement of individual performance criteria will be based on performance up to the cessation of their employment, while the extent of achievement of the corporate performance criteria will be assessed in the ordinary course at the conclusion of the financial year.

A “Disqualifying Event” is where a participant ceases to be employed:

- Within the first twelve months of their employment commencing (irrespective of the reason);
- Within the first three months of the applicable financial year (irrespective of the reason);

- As a result of being terminated for cause; or
- For any other reason or circumstance as determined from time to time by the Board.

Long Term Incentive Plan (LTIP)

What is LTIP?

LTIP is the plan that governs the equity component of at-risk remuneration, with the amount of remuneration ultimately received by a participant in respect of an award determined by reference to Base Resources' total shareholder return performance over a 3-year period.

LTIP aims to reward participants for Base Resources' TSR performance, both relative to its peer group and in absolute terms.

How often are LTIP awards made?

LTIP operates on the basis of a series of annual cycles. Each cycle commences on 1 October and is followed by a 3-year performance period, with testing occurring as at the final day of the performance period (i.e. as at 30 September three years after commencement).

Why does the Board consider a LTIP is appropriate?

The Board believes that a well designed LTIP can:

- Attract executives with the required capability.
- Retain key talent.
- Maintain a stable leadership team.
- Explicitly align and link the interests of the Group's management team with shareholders.

What types of equity may be granted under LTIP?

Performance rights are granted under the LTIP. Performance rights are a right to be allocated one share in Base Resources, subject to satisfying any specified gates and performance criteria (refer below).

A participant is not entitled to participate in or receive any dividends or other shareholder benefits until the performance right has vested and been exercised and a share has been allocated to the participant.

What is the value of the LTIP award opportunity?

The Managing Director is awarded performance rights worth 120% of their TFR and other Senior Executives are awarded performance rights worth 60% of their TFR. The LTIP performance criteria are designed to target 50% vesting of awarded performance rights over time.

Award opportunities and target vesting outcome are set based on externally provided market data to achieve the remuneration policy intent of positioning the total remuneration package at the 75th market percentile.

What are the LTIP gates?

The Board has discretion to determine that one or more gates must be satisfied in order for performance rights to be capable of vesting. If any gates are not satisfied, then the Board must determine the downward adjustment to the number of performance rights that remain capable of vesting, which, for the avoidance of doubt, may be a downward adjustment to nil.

For all LTIP cycles the Board determined that the following gates apply:

- A positive TSR being achieved over the performance period.
- During the final year of the performance period, there are no workplace fatalities, being the death of a person resulting from activities that the Company (or its contractors) are responsible for and that are under the Company's control or direction. For clarity, this excludes public road use in the ordinary course.
- During the final year of the performance period, there are no "major" reputational or environmental events, with major being defined in the Company's risk matrix.

What are the LTIP performance criteria?

The Group uses two LTIP performance criteria to determine the proportion of performance rights which vest, as follows:

- Half of the performance rights are subject to relative TSR criteria (referred to as relative TSR performance rights).
- Half of the performance rights are subject to absolute TSR criteria (referred to as absolute TSR performance rights).

The Board considers that TSR is an appropriate performance hurdle because it ensures that a proportion of each participant's remuneration is explicitly linked to longer term shareholder value and ensures that participants only receive a benefit where there is a corresponding direct benefit to shareholders. The blend of absolute and relative performance rights is considered appropriate to mitigate the weaknesses of each of those measures in isolation.

Relative TSR performance rights

The proportion of relative TSR performance rights which vest is determined on the basis of Base Resources' TSR relative to the TSR of the applicable comparator group over the relevant 3-year performance period, as set out below:

Base Resources Relative 3-year TSR performance	Percentage of relative TSR performance rights that vest
Less than 50 th percentile	Nil
50 th percentile	50%
Between 50 th and 75 th percentile	Pro rata between 50% and 100%
75 th percentile and above	100%

LTIP performance criteria are designed to target 50% vesting over time to achieve the Company's policy intent for remuneration market positioning, whilst providing an incentive for out-performance. A TSR performance below the 50th percentile would result in nil vesting and therefore result in a 50% loss of the equity component at-risk remuneration.

Absolute TSR performance rights

The proportion of absolute TSR performance rights which vest will be determined on the basis of Base Resources' TSR on the following scale:

Base Resources 3-year TSR	Percentage of absolute TSR performance rights that vest
Less than 40.5%	Nil
40.5%	25%
Between 40.5% and 56%	Pro rata between 25% and 50%
56%	50%
Between 56% and 73%	Pro rata between 50% and 100%
73% or greater	100%

The number of performance rights granted for the cycle that commenced on 1 October 2023 was determined by reference to the 20 trading-day volume weighted average price (**VWAP**) of A\$0.1828 per share (A\$0.3010 for the cycle that commenced on 1 October 2022 and A\$0.2715 for the cycle that commenced on 1 October 2021). To achieve 100% vesting of the absolute performance rights for the cycle that commenced on 1 October 2023, a 20 trading-day VWAP of A\$0.3162 or greater would be required (A\$0.5207 for the cycle that commenced on 1 October 2022 and A\$0.4697 for the cycle that commenced on 1 October 2021) at the conclusion of the 3-year performance period, adjusted for any dividends paid or determined during the performance period.

What is the comparator group?

The TSR comparator group comprised the ASX listed resource companies ranked either in the 25 positions immediately above, or below, Base Resources by market capitalisation at the time of the offer. The comparator group for each of the 2023, 2022 and 2021 LTIP cycles is as specified below:

Companies	LTIP Cycle			Companies	LTIP Cycle		
	Commenced 1 October 2023	2022	2021		Commenced 1 October 2023	2022	2021
Adriatic Metals Plc		✓		KGL Resources Limited			✓
Aeris Resources Limited		✓	✓	Kingsgate Consolidated Limited	✓	✓	✓
AIC Mines Limited	✓			Lake Resources NL	✓		
Alkane Resources Limited		✓	✓	Legend Mining Limited			✓
Alpha HPA Limited			✓	Leo Lithium Limited		✓	
Andromeda Metals Limited			✓	Lindian Resources Limited	✓	✓	
Anson Resources Limited	✓	✓		Lotus Resources Limited		✓	✓
Arafura Resources Limited			✓	Lunnon Metals Limited	✓		
Archer Materials Limited			✓	Magnetic Resources NL	✓	✓	✓
Argosy Minerals Limited	✓		✓	Magnis Energy Technologies Limited		✓	✓
Atlantic Lithium Limited		✓		Metals X Limited	✓	✓	✓
Aurelia Metals Limited	✓	✓	✓	Mount Gibson Iron Limited		✓	
Australian Strategic Materials Limited	✓	✓		Neometals Limited	✓		✓
Bathurst Resources Limited	✓			Newfield Resources Limited	✓	✓	✓
BCI Minerals Limited	✓	✓	✓	Northern Minerals Limited	✓		
Bowen Coking Coal Limited	✓	✓		OM Holdings Limited	✓	✓	
Brockman Mining Limited		✓		Ora Banda Mining Limited	✓		
Burgundy Diamond Mines Limited	✓			Panoramic Resources Limited		✓	✓
Cadoux Limited			✓	Pantoro Limited	✓	✓	✓
Calidus Resources Limited		✓	✓	Piedmont Lithium Limited		✓	
Carnaby Resources Limited	✓			Poseidon Nickel Limited			✓
Centaurus Metals Limited	✓	✓	✓	Predictive Discovery Limited		✓	✓
Challenger Gold Limited			✓	PRL Global Limited	✓		
Clover Corporation Limited	✓			Quantum Graphite Limited	✓		
Cobalt Blue Holdings Limited		✓		Queensland Pacific Metals Limited	✓		✓
Cokal Limited	✓	✓		Red 5 Limited		✓	✓
Coronado Global Resources Inc			✓	Red Hill Minerals Limited	✓	✓	✓
Develop Global Limited		✓	✓	Renascor Resources Limited	✓		
DevEx Resources Limited	✓			Resolute Mining Limited		✓	✓
Dreadnought Resources Limited	✓	✓		Rumble Resources Limited			✓
Ecograft Limited			✓	Sheffield Resources Limited	✓		
Element 25 Limited			✓	Silver Mines Limited	✓		✓
Emerald Resources NL			✓	Sovereign Metals Limited	✓		✓
Fenix Resources Limited	✓			SSR Mining Inc		✓	
Galan Lithium Limited	✓	✓	✓	St Barbara Limited	✓		
Galileo Mining Limited		✓		Strandline Resources Limited	✓	✓	✓
Genesis Minerals Limited		✓	✓	Sunrise Energy Metals Limited		✓	
Global Lithium Resources Limited		✓		Syrah Resources Limited	✓		✓
GreenX Metals Limited	✓			Talga Group Limited		✓	✓
Hastings Technology Metals Limited		✓	✓	Tigers Realm Coal Limited		✓	✓
Hawsons Iron Limited		✓		Tribune Resources Limited	✓		✓
Highfield Resources Limited	✓			Vital Metals Limited			✓
Hot Chili Limited	✓			WA1 Resources Limited	✓		
Iperionx Limited	✓			Westgold Resources Limited		✓	
IRIS Metals Limited	✓			Wildcat Resources Limited	✓		
Jupiter Mines Limited		✓	✓	Winsome Resources Limited	✓		

Was a grant made in the reporting period?

Performance rights were granted to eligible participants in the LTIP cycle that commenced on 1 October 2023, other than the Managing Director. No performance rights were granted to the Managing Director for the 2023 LTIP cycle as a result of the resolution to approve the granting of their performance rights for this cycle not being carried at the Company's 2023 annual general meeting. The number of performance rights granted for the 2023 LTIP cycle was calculated by reference to the 20 trading-day VWAP up to the start of the cycle (A\$0.1828 per share), and each eligible participant's relevant LTIP award opportunity.

What happens to performance rights granted under the LTIP when a participant ceases employment?

Where a participant ceases to be employed by a Group member (and is not immediately employed by another Group member) for any reason other than a qualifying reason, all that participant's unvested performance rights are automatically forfeited.

Where a participant ceases to be employed by a Group member because of a qualifying reason, then the Board must determine, in its absolute discretion, the number of that participant's unvested performance rights (if any) that will remain on foot and become capable of vesting in accordance with LTIP rules. The Board will generally exercise its discretion in the following manner:

- a pro rata number of performance rights granted in the cycle beginning on the 1 October immediately prior to the participant ceasing to be employed, commensurate with the period of employment of the participant during the first year following grant of that cycle, will continue to be held by the participant and will be subject to testing at the conclusion of the performance period for the relevant performance rights, with the remainder to be automatically forfeited;
- all other performance rights that are not forfeited on the participant ceasing to be employed will continue to be held by the participant and will be subject to testing at the conclusion of the performance period for the relevant performance rights; and
- whether or not a performance right vests on completion of testing will be determined in accordance with the terms of the offer of the relevant performance rights.

Qualifying reasons include but are not limited to death, total and permanent disablement, retirement and redundancy.

What happens in the event of a change of control?

Subject to the Board determining otherwise, if a change of control event occurs then a test date arises as at the date of that change of control event, with the Board to test satisfaction of any gates and the extent to which the performance criteria have been satisfied:

- on the basis of the offer price of the relevant transaction that resulted in the change in control event; and
- in the case of absolute TSR performance rights, reducing the percentage TSR performance hurdle pro rata to the unexpired portion of the performance period as at the date the change in control event occurs.

Do shares allocated upon vesting and valid exercise of performance rights dilute existing shareholders' equity?

Shares allocated to the participants in the LTIP upon vesting and valid exercise of performance rights may be satisfied by Base Resources issuing shares to the LTIP trustee or by funding the LTIP trustee to purchase shares on-market. In the event Base Resources issues shares to the LTIP trustee to satisfy the vesting and exercise of performance rights then shareholders' pre-existing equity will be diluted.

Does the Group have a policy in relation to hedging at-risk remuneration?

Yes, the LTIP prohibits participants from entering an arrangement if the arrangement would have the effect of limiting their exposure to risk relating to performance rights that have not vested.

Did any performance rights vest in the reporting period?

17,126,301 performance rights granted for the cycle that commenced on 1 October 2020 were subject to testing at the conclusion of their 3-year performance period on 30 September 2023. 10,528,393 (or 61%) of these rights vested, with the testing outcomes being as follows:

- Absolute TSR performance rights - Base Resources' TSR over the performance period, by reference to a final VWAP of A\$0.1828 and dividends paid of A\$0.1500 per share, equated to a TSR of 43.3%, resulting in 29% of the absolute performance rights vesting.
- Relative TSR performance rights - Base Resources' TSR over the performance period placed it in the 71st percentile, resulting in 93% of the relative performance rights vesting.

Group performance and its link to shareholder return

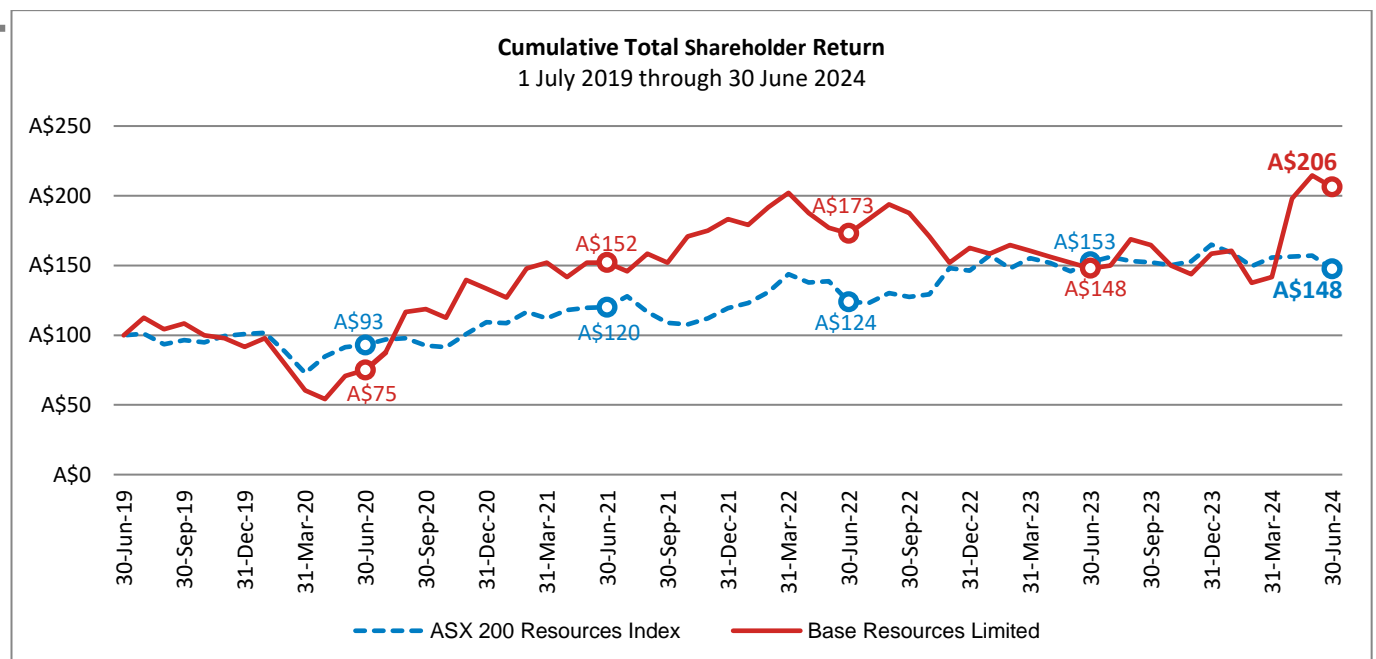
5 Year Performance

The table below outlines the Company's performance over the last five years.

Measure	Unit	Financial Year				
		2020	2021	2022	2023	2024
EBITDA	\$000's	108,687	94,574	158,659	158,567	26,443
EBIT	\$000's	51,503	35,136	117,987	121,540	14,363
NPAT/(NLAT)	\$000's	39,588	10,981	80,741	(4,841)	(1,644)
Earnings per share	cents / share	3.4	0.9	6.9	(0.4)	(0.1)
Dividends paid	cents / share	0.0	6.5	7.0	5.0	4.0
Share Price (30 June)	\$ / share	0.18	0.30	0.28	0.17	0.27

Shareholder Return

The following graph compares the change in the cumulative TSR of Base Resources' shares during the period from 1 July 2019 to 30 June 2024, against the cumulative total return of the ASX 200 Resources Index over the same period, in each case assuming A\$100 was invested.



Senior Executive remuneration outcomes for the reporting period

Total Fixed Remuneration

The Company seeks to ensure that executive remuneration is market competitive, easy to understand and can be clearly communicated to both executives and shareholders.

Total fixed remuneration for the Senior Executives during the reporting period was determined based on average wage growth in the mining, resources and construction industries over the prior twelve months. External remuneration datasets were used to check that each executive's indexed remuneration continued to fall within a target band for their role and further adjustments made where appropriate, which resulted in a 6% increase in total fixed remuneration for each of the Senior Executives, other than the Managing Director (for whom the Board determined that there would be no adjustment for FY24).

The same approach was adopted by the Board for FY25 remuneration packages for each of the Senior Executives from 1 July 2024, which resulted in a 4% increase in total fixed remuneration for each of the Senior Executives, other than the Managing Director and Mr Balloch. For the Managing Director, the Board approved an increase of 5% in total fixed remuneration having regard to benchmark datasets that indicated the Managing Director's total fixed remuneration was below targeted positioning. For Mr Balloch, a once off further increase was made to achieve target positioning within band for his role.

The total fixed remuneration for Senior Executives for FY24 and FY25 is as follows:

Name	Currency	Total Fixed Remuneration	
		2024	2025
T Carstens	AUD	678,000	712,000
K Balloch	AUD	511,980	547,459
A Greyling	AUD	511,980	532,459
S Hay ⁽ⁱ⁾	AUD	488,616	477,229
C Poletti	AUD	488,660	508,206

(i) During FY24 Mr Hay reduced his working hours and his salary was adjusted downward accordingly. Reported salary represents a blend of both his full-time and reduced hours salaries.

Short Term Incentives

A review of the performance of each Senior Executive was undertaken against their 2024 individual performance measures as explained above. The reporting period corporate performance was determined by reference to execution of the Group's strategic plan and the Group financial performance relative to budget. A target performance level was achieved for execution of the Group's strategic plan, while the Group financial performance achieved relative to budget was between the target and stretch performance levels. STIP entitlements earned in the reporting period are paid in FY25.

The following table outlines the STIP that was earned in comparison with the target STIP for FY24, expressed as a percentage of total fixed remuneration:

Name	Target STIP		STIP Awarded	
	Individual performance %	Corporate performance %	Individual performance %	Corporate performance %
T Carstens	15	35	18	35
K Balloch	15	15	20	15
A Greyling	15	15	20	15
S Hay	15	15	19	15
C Poletti	15	15	23	15

LTIP Performance Rights

The LTIP operates on the basis of a series of 3-year performance cycles commencing on 1 October each year. Accordingly, LTIP performance rights issued in the reporting period are subject to a 3-year performance period ending on 30 September 2026.

Performance rights issued under the plan for the 2020 cycle that remained subject to testing at the end of the performance period on 30 September 2023 totalled 17,126,301, with 10,528,393 of those performance rights vesting.

The maximum value of the performance rights that are yet to vest is determined based on the fair value at grant date. The minimum value of performance rights yet to vest is nil since the performance rights will be forfeited if the applicable performance criteria are not met.

The table below outlines the vesting outcomes of performance rights for the last three LTIP cycles completed:

Grant date	Testing date	Number tested	Relative Performance Rights		Absolute Performance Rights	
			Number vested	%	Number vested	%
1 October 2018	30 September 2021	22,545,430	9,393,929	83	4,216,020	37
1 October 2019	30 September 2022	20,804,781	10,055,646	97	10,402,399	100
1 October 2020	30 September 2023	17,126,301	2,523,559	29	8,004,834	93

Take home pay for the reporting period (non-IFRS)

The remuneration detailed in the table below represents each Senior Executive's "take home pay" and is aligned to the current reporting period, and therefore is particularly useful in understanding actual remuneration received during the year. The table excludes adjustments made for accounting purposes and included in Statutory Remuneration (refer to page 30), specifically the probability and value of an employee obtaining long service leave and the fair value of performance rights under three outstanding LTIP cycles expensed during the reporting period. The remuneration packages for all Senior Executives are shown in their applicable employment currency.

Senior Executive	Currency	Salary	Leave entitlements paid	STIP award ⁽ⁱⁱ⁾	Superannuation	Vesting of performance rights ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	Take home pay (before tax) ⁽ⁱ⁾
2024							
T Carstens	AUD	650,500	-	248,707	27,500	302,453	1,229,160
K Balloch	AUD	484,480	-	140,336	27,500	100,949	753,265
A Greyling	AUD	484,480	-	158,354	27,500	98,730	769,064
S Hay	AUD	461,116	-	139,755	27,500	106,110	734,481
C Poletti	AUD	461,160	-	147,338	27,500	92,710	728,708
2023							
T Carstens	AUD	650,500	-	377,966	27,500	862,208	1,918,174
K Balloch	AUD	455,500	-	171,776	27,500	287,776	942,552
A Greyling	AUD	455,500	-	205,381	27,500	281,453	969,834
S Hay	AUD	453,500	-	185,252	27,500	302,490	968,742
C Poletti	AUD	433,500	50,020	185,317	27,500	264,291	960,628

(i) Base Resources' financial results are reported under International Financial Reporting Standards. The above table includes certain non-IFRS measures including vested Performance Rights and take home pay. These measures are presented to enable understanding of the underlying remuneration of Senior Executives.

(ii) STIP awards paid in the financial year.

(iii) The value of Performance Rights vesting on 30 September 2023 has been calculated by reference to the price on the testing date of A\$0.1828. The value of Performance Rights vesting on 30 September 2022 has been calculated by reference to the price on the testing date of A\$0.3010.

Statutory remuneration disclosures for the reporting period

The statutory remuneration disclosures for the year ended 30 June 2024 are detailed below and are prepared in accordance with Australian Accounting Standards, are stated in US dollars and differ from the take home pay summary on page 29. These differences arise due to the accounting treatment of long service leave, accrual of STIP awards and share-based payments.

Senior Executive	Short term employment benefits		Post-employment benefits	Other long term	Share based payments	Total	Performance related
	Salary ^(iv)	STIP award ^{(i)(iv)}	Superannuation ^(iv)	Long service leave ⁽ⁱⁱ⁾	Performance rights ⁽ⁱⁱⁱ⁾		
	US\$	US\$	US\$	US\$	US\$	US\$	%
2024							
T Carstens	426,553	222,293	18,033	7,121	183,538	857,538	47.3
K Balloch	317,689	100,716	18,033	8,985	92,321	537,744	35.9
A Greyling	317,689	100,716	18,033	8,049	94,222	538,709	36.2
S Hay	302,368	96,161	18,033	2,169	94,348	513,079	37.1
C Poletti	302,397	96,129	18,033	7,793	88,200	512,552	36.0
Total	1,666,696	616,015	90,165	34,117	552,629	2,959,622	
2023							
T Carstens	437,982	167,454	18,516	16,387	257,791	898,130	47.3
K Balloch	306,688	94,488	18,516	11,249	88,479	519,420	35.2
A Greyling	306,688	106,620	18,516	7,052	89,818	528,694	37.2
S Hay	305,342	94,097	18,516	5,219	92,131	515,305	36.1
C Poletti	325,554	99,203	18,516	8,540	83,529	535,342	34.1
Total	1,682,254	561,862	92,580	48,447	611,748	2,996,891	

- (i) The FY24 STIP awards represent the amount accrued in the financial year to which the performance relates. FY23 STIP awards represent the actual STIP awarded for that financial year.
- (ii) Long service leave entitlement represents the movement in the provision.
- (iii) The fair value of performance rights is calculated at the date of grant using a Black-Scholes-Merton Model that includes a Monte Carlo Simulation Model and recognised over the period in which the minimum service conditions are fulfilled (the vesting period). The value disclosed is the portion of the fair value of the performance rights recognised in the reporting period. The amount included as remuneration is not necessarily the benefit (if any) that individual Senior Executive may ultimately receive.
- (iv) TFR denominated in Australian dollars (A\$) and converted to US dollars (US\$) for reporting purposes using the average exchange rate for the 2024 financial year of 0.6557 (2023: 0.6733).

Reconciliation of take home pay to statutory remuneration

A reconciliation of the Managing Director's take home pay to statutory remuneration is detailed below as an example:

	2024	2023
Take home pay for the Managing Director (A\$)	1,229,160	1,981,174
Take home pay converted to US\$ using average exchange rates	805,998	1,291,506
<i>Treatment of Long Service Leave:</i>		
Add: Movement in the accounting provision for long service leave entitlements	7,121	16,387
<i>Treatment of STIP accrued for current financial year:</i>		
Add: Movement between accrual and subsequent payment of STIP	59,209	(87,030)
<i>Treatment of performance rights:</i>		
Add: accounting fair value (non-cash) of performance rights recognised in the period	183,538	257,791
Less: value of performance rights vesting in the period (US\$)	(198,328)	(580,524)
Statutory pay for the Managing Director (US\$)	857,538	898,130

Non-Executive Director remuneration

Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. Fees paid to Non-Executive Directors are recommended by the Remuneration & Nomination Committee and the Board is responsible for approving any recommendations, if appropriate. As approved at the Annual General Meeting on 28 November 2011, the aggregate limit of fees payable per annum is A\$750,000 in total.

The Group's policy is that Non-Executive Director remuneration is structured to exclude equity-based remuneration and reviewed annually. All Directors have the insurance premiums for their director's and officer's insurance paid for by the Group.

Non-Executive Directors receive fixed fee remuneration consisting of a cash fee and statutory superannuation contributions made by the Group and additional fees for committee roles as set out below:

	2024 A\$	2023 A\$
Base fees		
Chair	148,500	148,500
Other non-executive directors	85,000	85,000
Remuneration & Nomination Committee		
Chair	-	-
Committee member	5,250	5,250
Audit and Risk Committee		
Chair	14,000	14,000
Committee member	7,000	7,000
Environment, Social & Ethics Committee		
Chair	7,900	7,900
Committee member	3,900	3,900
Risk Committee⁽ⁱ⁾		
Chair	7,900	7,900
Committee member	3,900	3,900

(i) Following the 2023 Annual General Meeting the Audit and Risk committees were combined, and the standalone Risk Committee has been dissolved.

Non-Executive Director remuneration for the year ended 30 June 2024 and prior year are set out below:

	Base fees US\$	Audit and Risk Committee ⁽ⁱⁱⁱ⁾ US\$	Remuneration & Nomination Committee US\$	Risk Committee ⁽ⁱⁱⁱ⁾ US\$	ESE Committee US\$	Superannuation US\$	Total ⁽ⁱ⁾ US\$
2024							
M Stirzaker	87,726	-	-	-	-	9,650	97,376
M Macpherson ⁽ⁱⁱ⁾	20,923	1,723	517	1,944	960	2,867	28,934
D Radley	55,737	9,180	-	1,022	2,557	-	68,496
S Sobey	55,737	2,754	3,443	-	2,557	-	64,491
S Khama	55,737	-	2,869	-	5,180	-	63,786
Total	275,860	13,657	6,829	2,966	11,254	12,517	323,083
2023							
M Stirzaker	90,484	-	-	-	-	9,501	99,985
M Macpherson	51,792	4,265	3,199	4,814	2,376	6,977	73,423
D Radley	57,230	9,426	-	2,626	2,626	-	71,908
S Sobey	57,230	-	3,535	346	2,626	-	63,737
S Khama	19,077	-	-	-	443	-	19,520
Total	275,813	13,691	6,734	7,786	8,071	16,478	328,573

(i) Total remuneration packages denominated in Australian dollars (A\$) and converted to US dollars (US\$) for reporting purposes using the average exchange rate for the 2024 financial year of 0.6557 (2023: 0.6733).

(ii) Retired 24 November 2023.

(iii) Following the 2023 Annual General Meeting the Audit and Risk committees were combined, and the standalone Risk Committee has been dissolved.

Equity instruments

Performance Rights

The table below outlines movements in performance rights during the reporting period and the balance held by each Senior Executive at 30 June 2024.

Name	Grant date ⁽ⁱ⁾	Fair value of each performance right	Vesting date ⁽ⁱⁱ⁾	Number of performance rights	Number granted during year	Number lapsed during year	Number vested during year	Number exercised during the year	Balance that remains subject to performance testing at end of year
T Carstens ⁽ⁱⁱⁱ⁾	1 Oct 2020	A\$0.1385	30 Sep 2023	2,691,429	-	(1,036,873)	1,654,556	-	-
	1 Oct 2021	A\$0.1855	30 Sep 2024	2,647,339	-	-	-	-	2,647,339
	1 Oct 2022	A\$0.0945	30 Sep 2025	2,702,895	-	-	-	-	2,702,895
				8,041,663	-	(1,036,873)	1,654,556	-	5,350,234
K Balloch	1 Oct 2020	A\$0.1385	30 Sep 2023	898,307	-	(346,072)	552,235	-	-
	1 Oct 2021	A\$0.1855	30 Sep 2024	918,981	-	-	-	-	918,981
	1 Oct 2022	A\$0.0945	30 Sep 2025	962,757	-	-	-	-	962,757
	1 Oct 2023	A\$0.1030	30 Sep 2026	-	1,680,460	-	-	-	1,680,460
				2,780,045	1,680,460	(346,072)	552,235	-	3,562,198
A Greyling	1 Oct 2020	A\$0.1385	30 Sep 2023	878,571	-	(338,470)	540,101	(540,101)	-
	1 Oct 2021	A\$0.1855	30 Sep 2024	969,567	-	-	-	-	969,567
	1 Oct 2022	A\$0.0945	30 Sep 2025	962,757	-	-	-	-	962,757
	1 Oct 2023	A\$0.1030	30 Sep 2026	-	1,680,460	-	-	-	1,680,460
				2,810,895	1,680,460	(338,470)	540,101	(540,101)	3,612,784
S Hay	1 Oct 2020	A\$0.1385	30 Sep 2023	944,239	-	(363,768)	580,471	-	-
	1 Oct 2021	A\$0.1855	30 Sep 2024	965,351	-	-	-	-	965,351
	1 Oct 2022	A\$0.0945	30 Sep 2025	958,770	-	-	-	-	958,770
	1 Oct 2023	A\$0.1030	30 Sep 2026	-	1,631,550	-	-	-	1,631,550
				2,868,360	1,631,550	(363,768)	580,471	-	3,555,671
C Poletti	1 Oct 2020	A\$0.1385	30 Sep 2023	825,000	-	(317,831)	507,169	-	-
	1 Oct 2021	A\$0.1855	30 Sep 2024	885,257	-	-	-	-	885,257
	1 Oct 2022	A\$0.0945	30 Sep 2025	918,904	-	-	-	-	918,904
	1 Oct 2023	A\$0.1030	30 Sep 2026	-	1,603,917	-	-	-	1,603,917
				2,629,161	1,603,917	(317,831)	507,169	-	3,408,078
Total				19,130,124	6,596,387	(2,403,014)	3,834,532	(540,101)	19,488,965

- (i) The amount expensed per the statutory remuneration table reflects the period since commencement of services when the Group and the Senior Executive had a shared understanding of the award.
- (ii) Performance rights are tested as at the vesting date against the performance criteria and only those performance rights that satisfy the performance criteria vest.
- (iii) Mr Carstens' performance rights were issued following approval by members under ASX Listing Rule 10.14. No performance rights were granted to Mr Carstens in October 2023.

Outcome of remuneration report vote at the 2023 annual general meeting

At the Base Resources 2023 annual general meeting, more than 25% of the votes cast were against adoption of the 2023 Remuneration Report (primarily represented by the holdings of Base Resources' two major shareholders), constituting a 'first strike' under the Corporations Act. The Board values shareholder feedback and engaged with the two major shareholders to understand the reasons underpinning their respective votes. The Board has considered the feedback and is of the view that the concerns of each major shareholder did not warrant any change to the remuneration arrangements for Senior Executives.

Director and other Senior Executive shareholdings

The number of ordinary shares in Base Resources held by each Director and other Senior Executives of the Group during the reporting period was as follows:

	Shares held at 1 July 2023	Vested performance rights held at 1 July 2023	Performance rights vested during the year	Vested performance rights exercised during the year	Purchased	Sold	Shares held at 30 June 2024
2024							
M Stirzaker	425,000	-	-	-	-	-	425,000
T Carstens	13,001,474	-	1,654,556	-	-	-	13,001,474
S Khama	-	-	-	-	-	-	-
M Macpherson ⁽ⁱ⁾	-	-	-	-	-	-	-
D Radley	500,000	-	-	-	-	-	500,000
S Sobey	-	-	-	-	-	-	-
K Balloch	4,589,796	-	552,235	-	-	-	4,589,796
A Greyling	4,129,026	-	540,101	540,101	-	-	4,669,127
S Hay	2,527,761	-	580,471	-	-	-	2,527,761
C Poletti	2,845,376	-	507,169	-	-	-	2,845,376
	28,018,433	-	3,834,532	540,101	-	-	28,558,534

⁽ⁱ⁾ Details provided are for the period following Mr Macpherson's retirement as a Director on 24 November 2023. Accordingly, Mr Macpherson's shareholding is at the end of the reporting period is reported as at 24 November 2023, not 30 June 2024.

Impact of the proposed combination with Energy Fuels

On 22 April 2024, Base Resources announced a proposed combination with Energy Fuels Inc. (**Energy Fuels**) to create a global critical minerals company with a focus on rare earth elements, heavy mineral sands, uranium and vanadium production, to be effected by way of scheme of arrangement (**Scheme**). The Scheme Booklet setting out information related to the Scheme was released on 2 August 2024.

In accordance with the terms of the LTIP, the Board exercised its discretion in connection with the Scheme to accelerate testing of the performance criteria and gates to vesting for the unvested performance rights on issue. In accordance with the LTIP, the Board tested the performance criteria as at 30 June 2024:

- based on the aggregate of (i) the proposed special dividend (assuming a dividend of A\$0.065 per Base Resources share is determined), and (ii) the implied value of the Scheme consideration; and
- in the case of the performance criteria tied to absolute total shareholder return, by making a pro rata adjustment for a reduced performance period to 30 June 2024.

Following testing, and with the Board being satisfied that all gates to vesting have been passed, 52,417,195 unvested performance rights will vest, with such vesting subject to and conditional on the Scheme becoming effective. The unvested performance rights that do not vest will automatically lapse on the effective date for the Scheme.

Further, the Board (excluding the Managing Director) has determined to provide an additional one-off award opportunity of A\$275,000 to the Managing Director under the STIP. The payment of this one-off award opportunity is conditional on implementation of the Scheme by 31 December 2024.

Senior Executive employment arrangements

The employment arrangements of the Senior Executives are formalised in standard employment agreements. Details of the termination provisions contained in the agreements are provided below.

Name	Term of contract	Notice period by either party	Termination benefit
T Carstens	Permanent – ongoing until terminated by either party	3 months’ notice by the employee or Company for termination without cause 1 months’ notice for termination by Company if unable to perform duties by reason of illness or incapacity No notice required for termination by Company for cause	12 months’ fixed remuneration in the case of termination by the Company without cause
K Balloch	Permanent – ongoing until terminated by either party	3 months’ notice by the employee	6 months’ fixed remuneration in the case of termination by the Company without cause
A Greyling		6 months’ notice for termination by Company without cause	
S Hay		1 months’ notice for termination by Company for serious breach of employment agreement, incompetence, gross misconduct or refusing to comply with lawful direction given by the Company	
C Poletti		No notice required for termination by Company if convicted of any major criminal offence Company may elect to make payment in lieu of notice	

This Report of Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.



Michael Stirzaker
Chair

Dated: 24 August 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Base Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Base Resources Limited for the financial year ended 30 June 2024 there have been:

- i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

GL + 177

Graham Hogg
Partner
Perth
24 August 2024

FINANCIAL STATEMENTS AND NOTES

Consolidated financial statements for the year ended 30 June 2024

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2024

	Note	2024 US\$000s	2023 US\$000s
Sales revenue	3	135,110	271,434
Cost of sales	4	(94,631)	(121,087)
Gross profit		40,479	150,347
Corporate and external affairs		(14,262)	(14,411)
Community development costs		(4,578)	(7,927)
Business development		(1,820)	(395)
Selling and distribution costs		(1,251)	(2,165)
Other expenses		(1,719)	(1,690)
Exploration and evaluation expenditure written-off	12	(2,486)	(2,219)
Impairment losses	14	-	(88,857)
Profit before financing costs and income tax		14,363	32,683
Financing income	5	2,637	1,616
Financing costs	5	(2,855)	(4,351)
Profit before income tax		14,145	29,948
Income tax expense	6	(15,789)	(34,789)
Net loss for the year		(1,644)	(4,841)
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences – foreign operations		(1,285)	(2,808)
Total other comprehensive loss for the year		(1,285)	(2,808)
Total comprehensive loss for the year		(2,929)	(7,649)
Earnings per share		Cents	Cents
Basic loss per share (US cents per share)	7	(0.14)	(0.42)

The accompanying notes form part of these consolidated financial statements.

Consolidated statement of financial position

as at 30 June 2024

	Note	30 June 2024 US\$000s	30 June 2023 US\$000s
Current assets			
Cash and cash equivalents	9	88,117	92,889
Trade and other receivables	10	33,560	63,061
Inventories	11	24,592	23,111
Other current assets		2,401	10,336
Total current assets		148,670	189,397
Non-current assets			
Capitalised exploration and evaluation	12	171,914	162,933
Property, plant and equipment	13	24,432	23,155
Deferred tax asset	6	-	1,864
Other non-current assets		4,114	-
Total non-current assets		200,460	187,952
Total assets		349,130	377,349
Current liabilities			
Trade and other payables	15	13,106	17,951
Provisions	16	39,587	13,821
Deferred consideration	17	7,000	7,000
Current tax liabilities	6	3,035	-
Other current liabilities		484	233
Total current liabilities		63,212	39,005
Non-current liabilities			
Provisions	16	18,067	39,472
Deferred consideration	17	10,000	10,000
Other non-current liabilities		592	393
Total non-current liabilities		28,659	49,865
Total liabilities		91,871	88,870
Net assets		257,259	288,479
Equity			
Issued capital	18	307,811	307,811
Treasury shares	19	(1,234)	(1,763)
Reserves		(21,551)	(20,838)
(Accumulated losses)/Retained earnings		(27,767)	3,269
Total equity		257,259	288,479

The accompanying notes form part of these consolidated financial statements.

Consolidated statement of changes in equity

for the year ended 30 June 2024

	Issued capital US\$000s	(Accumulated losses)/ Retained Earnings US\$000s	Share based payment reserve US\$000s	Foreign currency translation reserve US\$000s	Treasury shares reserve US\$000s	Total US\$000s
Balance at 1 July 2022	307,811	48,657	3,650	(21,461)	(4,957)	333,700
Loss for the year	-	(4,841)	-	-	-	(4,841)
Other comprehensive loss	-	-	-	(2,808)	-	(2,808)
Total comprehensive loss for the year	-	(4,841)	-	(2,808)	-	(7,649)
<i>Transactions with owners, recognised directly in equity</i>						
Dividends paid	-	(38,344)	-	-	-	(38,344)
Purchase of treasury shares	-	-	-	-	(1,151)	(1,151)
Share based payments	-	(2,203)	(219)	-	4,345	1,923
Balance at 30 June 2023	307,811	3,269	3,431	(24,269)	(1,763)	288,479
Balance at 1 July 2023	307,811	3,269	3,431	(24,269)	(1,763)	288,479
Loss for the year	-	(1,644)	-	-	-	(1,644)
Other comprehensive loss	-	-	-	(1,285)	-	(1,285)
Total comprehensive loss for the year	-	(1,644)	-	(1,285)	-	(2,929)
<i>Transactions with owners, recognised directly in equity</i>						
Dividends paid	-	(29,948)	-	-	-	(29,948)
Purchase of treasury shares	-	314	-	-	(314)	-
Share based payments	-	242	572	-	843	1,657
Balance at 30 June 2024	307,811	(27,767)	4,003	(25,554)	(1,234)	257,259

The accompanying notes form part of these consolidated financial statements.

Consolidated statement of cash flows

for the year ended 30 June 2024

	Note	2024 US\$000s	2023 US\$000s
Cash flows from operating activities			
Receipts from customers		169,225	272,812
Payments in the course of operations		(113,327)	(126,901)
Income taxes paid		(10,451)	(28,326)
Net cash from operating activities	8	45,447	117,585
Cash flows from investing activities			
Purchase of property, plant and equipment		(12,628)	(28,459)
Payments for exploration and evaluation		(10,640)	(10,245)
Interest received	5	2,637	1,616
Other		942	(1,102)
Net cash used in investing activities		(19,689)	(38,190)
Cash flows from financing activities			
Dividends paid	21	(29,948)	(38,344)
Purchase of treasury shares		-	(1,151)
Payments for selling costs		(340)	(1,209)
Principal payments of lease liabilities		(291)	(218)
Net cash used in financing activities		(30,579)	(40,922)
Net (decrease) / increase in cash held		(4,821)	38,473
Cash at beginning of year		92,889	55,447
Effect of exchange fluctuations on cash held		49	(1,031)
Cash at end of year		88,117	92,889

The accompanying notes form part of these consolidated financial statements.

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Note 1: Basis of preparation

Base Resources Limited is a company domiciled in Australia. The registered address is located at Level 3, 46 Colin Street, West Perth, WA, 6005. The consolidated financial statements of the Company, as at and for the year ended 30 June 2024, comprises the Company and its wholly owned subsidiaries (together referred to as **the Group**). The Group is a for-profit entity and primarily involved in the operation of its Kwale Mineral Sands Mine in Kenya and development of its Toliara Project in Madagascar.

The consolidated financial statements of the Group for the year ended 30 June 2024

- Are a general purpose financial report prepared in accordance with Australian Accounting Standards (**AASBs**) adopted by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001* (Cth).
- Comply with International Financial Reporting Standards (**IFRSs**) and interpretations adopted by the International Accounting Standards Board.
- Are presented in United States dollars and all values are rounded to the nearest thousand dollars (**US\$000s**) unless otherwise stated, in accordance with ASIC Corporations instrument 2016/191. The functional currency of the Parent is Australian dollars, whilst all other subsidiaries are United States dollars.
- Have been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The consolidated financial statements were approved by the Board of Directors on 24 August 2024.

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are re-translated to the functional currency at the exchange rate at that date. Non-monetary items in a foreign currency that are measured at historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on re-translation are recognised in the Statement of Profit or Loss and Comprehensive Income.

Foreign operations

The assets and liabilities of foreign operations are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to United States dollars at exchange rates at the dates of the transactions. Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity. When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income and are presented in the foreign currency translation reserve in equity.

Critical accounting estimates and judgements

Estimates and judgements used in developing and applying the Group's accounting policies are continually evaluated and reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised. The critical estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed in the respective sections of the Consolidated Financial Statements. To assist in identifying critical accounting judgements, we have highlighted them with the following formatting:

Ore Reserves and Mineral Resources estimates

The estimated quantities of economically recoverable Ore Reserves and Mineral Resources are based upon interpretations of geological and geophysical models and require assumptions to be made regarding factors such as future operating costs, future commodity prices, future capital requirements and future operating performance. Changes in reported Ore Reserves and Mineral Resources estimates can impact the carrying value of PP&E, provisions for mine closure and rehabilitation obligations, the recognition of deferred tax assets, as well as the amount of depreciation and amortisation charged to the Statement of Profit or Loss and Other Comprehensive Income.

Note: this is an example presentation.

PERFORMANCE FOR THE YEAR

This section analyses the financial performance of the Group for the year ended 30 June 2024. It includes segment performance, earnings per share (EPS) and taxation.

Note 2: Segment reporting

Segment	Principal activities
Kwale Operation	The Group's 100% owned Kwale Operation is located in Kenya and generates revenue from the sale of rutile, ilmenite and zircon.
Toliara Project	The Group acquired the Toliara Project in Madagascar in 2018 and is progressing the project towards development.
Other	Includes Group head office and all corporate expenditure not directly attributable to the Kwale Operation or Toliara Project.

Underlying EBITDA, underlying EBIT and underlying NPAT are non-IFRS financial measures. Underlying EBITDA, underlying EBIT and underlying NPAT represent segment outcomes excluding impairment.

	2024				2023			
	Kwale Operation US\$000s	Toliara Project US\$000s	Other US\$000s	Total US\$000s	Kwale Operation US\$000s	Toliara Project US\$000s	Other US\$000s	Total US\$000s
Reportable segment								
Sales revenue	135,110	-	-	135,110	271,434	-	-	271,434
Adjusted Cost of goods sold ⁽ⁱ⁾								
Operating costs	(72,364)	-	-	(72,364)	(77,048)	-	-	(77,048)
Inventory movement	8,663	-	-	8,663	6,993	-	-	6,993
Royalties expense	(6,777)	-	-	(6,777)	(14,583)	-	-	(14,583)
Kwale mine closure redundancy costs	(7,715)	-	-	(7,715)	-	-	-	-
Write down of inventories	(4,956)	-	-	(4,956)	-	-	-	-
Total adjusted cost of goods sold	(83,149)	-	-	(83,149)	(84,638)	-	-	(84,638)
Adjusted Corporate and external affairs	(6,311)	(94)	(7,259)	(13,664)	(5,323)	(91)	(8,419)	(13,833)
Community development costs	(4,578)	-	-	(4,578)	(7,927)	-	-	(7,927)
Business development	-	-	(1,820)	(1,820)	-	-	(395)	(395)
Selling and distribution costs	(1,251)	-	-	(1,251)	(2,165)	-	-	(2,165)
Exploration and evaluation expenditure written-off	(2,346)	-	(140)	(2,486)	(730)	-	(1,489)	(2,219)
Other expenses	(1,625)	-	(94)	(1,719)	(1,666)	-	(24)	(1,690)
Underlying EBITDA	35,850	(94)	(9,313)	26,443	168,985	(91)	(10,327)	158,567
Depreciation and amortisation	(11,482)	(234)	(364)	(12,080)	(36,450)	(181)	(396)	(37,027)
Underlying EBIT	24,368	(328)	(9,677)	14,363	132,535	(272)	(10,723)	121,540
Net financing income/(expenses)	(2,574)	18	2,338	(218)	(3,554)	29	790	(2,735)
Income tax expenses:								
Corporate income tax	(9,789)	-	-	(9,789)	(22,189)	-	-	(22,189)
Dividend withholding tax	-	-	(6,000)	(6,000)	-	-	(12,600)	(12,600)
Underlying NPAT	12,005	(310)	(13,339)	(1,644)	106,792	(243)	(22,533)	84,016
Impairment Loss	-	-	-	-	(88,857)	-	-	(88,857)
Net loss after tax	12,005	(310)	(13,339)	(1,644)	17,935	(243)	(22,533)	(4,841)

(i) Excluding depreciation and amortisation.

Reportable segment	2024				2023			
	Kwale Operation US\$000s	Toliara Project US\$000s	Other US\$000s	Total US\$000s	Kwale Operation US\$000s	Toliara Project US\$000s	Other US\$000s	Total US\$000s
Capital expenditure	13,506	9,622	140	23,268	28,458	8,345	1,901	38,704
Total assets	139,455	177,067	32,608	349,130	165,784	165,049	46,516	377,349
Total liabilities	69,953	19,224	2,694	91,871	68,321	17,479	3,070	88,870

Determination and presentation of operating segments

Operating segments are components of the Group about which separate financial information is available that is evaluated regularly by the Group's senior executives (chief operating decision makers) in deciding how to allocate resources and in assessing performance.

The division of the Group's results into segments includes allocations of interrelated segment costs on a pro rata basis, where relevant.

Note 3: Revenue

	2024 US\$000s	2023 US\$000s
Revenue from contracts with customers	135,110	271,434
Total sales revenue	135,110	271,434

Recognition and measurement of revenue

The Group sells mineral sands products under a range of International Commercial Terms (Incoterms). Revenue is recognised at the point in time when effective control of the product is transferred to the customer which is the only performance obligation of the Group. The point at which effective control has transferred to the customer is determined under the Incoterms of each sale. For most of the Group's sales, where the Incoterms are Free on Board (**FOB**) or Cost and Freight (**CFR**), this is when the goods are loaded onto a shipping vessel. Other Incoterms only transfer effective control to the customer once the products reach their point of destination, at which stage the performance obligation is considered satisfied and the revenue recognised.

The Group measures its revenues from contracts with customers at a price established in the formal agreement with the customer.

In all circumstances, revenue can reliably be measured based on quantities shipped and prices as described above. All costs associated with the sale, most notably the cost of the inventory being shipped, are known at the time of shipment.

After control has transferred to the customer, there are no continuing obligations such as customer right of return or warranties that could impact the recognition of revenues. Once the Group's sole performance obligation has been met, the Group has the right to invoice the customer and it is therefore probable that future economic benefits will flow to the Group.

Note 4: Cost of sales

	2024 US\$000s	2023 US\$000s
Operating costs	72,364	77,048
Changes in inventories of concentrate and finished goods	(8,663)	(6,993)
Royalties expense	6,777	14,583
Depreciation and amortisation	11,482	36,449
Kwale mine closure redundancy costs (a)	7,715	-
Write down of consumable inventories	4,956	-
	94,631	121,087

a. Kwale mine closure redundancies

Following the October 2023 announcement that Kwale Operations mining is expected to end in December 2024, when existing Kwale Ore Reserves are fully depleted as per the current mine plan, a provision for the redundancy of the Kwale workforce has been raised.

Note 5: Financing income or costs

a. Financing income	2024 US\$000s	2023 US\$000s
Interest income	(2,637)	(1,616)
	(2,637)	(1,616)

b. Financing costs

Unwinding of discount on provision for rehabilitation	2,539	1,112
Foreign exchange (gain)/loss	(478)	2,126
Customer financing charges	340	910
Other financing costs	454	203
	2,855	4,351

Financing expenses

Financing expenses include:

- Foreign exchange losses.
- Customer supplier financing charges.
- Interest on leases.
- Inflation and discounting costs related to the provision for mine closure and rehabilitation and stevedoring receivable.

Financing expenses are calculated using the effective interest rate method. Finance expenses incurred for the development of mining projects are capitalised up to the point at which commercial production is achieved. Other financing expenses are expensed as incurred.

Note 6: Income tax

	2024 US\$000s	2023 US\$000s
a. Amounts recognised in profit or loss		
<i>Current income tax</i>		
Income tax expense	7,925	24,215
Dividend withholding tax	6,000	12,600
<i>Deferred tax</i>		
Origination and reversal of temporary differences	1,864	(2,026)
Income tax expense reported in comprehensive income	15,789	34,789
b. Reconciliation of income tax expense to prima facie tax payable		
<i>The prima facie tax payable on loss from ordinary activities before tax is reconciled to the income tax expense as follows:</i>		
Accounting profit before tax	14,542	29,948
Prima facie tax on operating profit at 30% (2023: 30%)	4,362	8,984
Add/(less) tax effect of:		
Non-deductible items	3,015	4,289
Impairment of Kwale CGU	-	26,657
Write-off of exploration and inventories	913	-
Share based payments	244	285
Tax losses not recognised	1,354	2,338
Effect of foreign exchange	(402)	(443)
Other deferred tax assets not brought to account as realisation not considered probable	3,707	-
Effect of tax rates in foreign jurisdictions ⁽ⁱ⁾	(3,404)	(19,921)
Income tax attributable to operating profit	9,789	22,189
Dividend withholding tax	6,000	12,600
Income tax	15,789	34,789

(i) Under the terms of the Investment Agreement in relation to the Kwale Operations Special Mining Lease, a 50% reduction in the Kenyan corporate income tax applies for 10 years from the date of commercial production. Kwale Operations achieved commercial production in April 2014. The enacted corporate tax rate in the reporting period was 30% resulting in an applicable tax rate of 15% until 31 March 2024 and 30% from 1 April onwards.

	2024 US\$000s	2023 US\$000s
c. Net deferred tax asset/(liability) recognised		
Deferred tax assets movement		
Opening balance	2,814	2,928
Adjustment for change in Kenyan tax rate (2024: 30%; 2023: 15%)	2,803	-
Provisions	1,114	115
Tax losses	11	1
Accrued short term incentives	33	(46)
Unrealised FX	(840)	(184)
Derecognition of temporary differences as realisation not considered probable	(3,707)	-
Closing balance	2,228	2,814
Deferred tax liability movement		
Opening balance	(950)	(3,090)
Adjustment for change in Kenyan tax rate (2024: 30%; 2023: 15%)	(950)	-
Property, plant and equipment	(328)	2,140
Total	(2,228)	(950)
Net deferred tax asset/(liability)	-	1,864
d. Deferred taxes unrecognised	2024 US\$000s	2023 US\$000s
Deductible temporary differences	4,239	540
Tax losses Australia	16,949	13,505
Tax losses other	577	954
Exploration and evaluation expenditure Madagascar	13,024	11,454
	34,789	26,453

Potential deferred tax assets attributable to tax losses and exploration and evaluation expenditure carried forward have not been brought to account at 30 June 2024 and 2023 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration and evaluation expenditure to be realised;
- the Group continues to comply with conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss and exploration expenditure.

Recoverability of deferred tax assets

Balances related to taxation disclosed are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future changes to taxation legislation. The current income tax position represents the directors' best estimate, pending assessment by the tax authorities in Australia and jurisdictions where it has foreign operations.

The deferred tax asset for Kwale Operations unused tax losses has been derecognised as the directors believe it is not probable that future taxable profits will be available to utilise those losses due to the reduced revenues expected with Kwale Operations mining set to end in December 2024. Determination of future taxable profits requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively, sale of the respective areas of interest will be achieved. This includes estimates and judgements about commodity prices, exchange rates, future capital requirements, future operational performance and the timing of estimated cash flows. Changes in these estimates and assumptions could impact on the amount and probability of estimated taxable profits and accordingly the recoverability of deferred tax assets.

Recognition and measurement of income taxes

The income tax expense/benefit for the year comprises current income tax expense/benefit and deferred tax expense/benefit.

Current income tax expense charged to the Statement of Profit or Loss and Other Comprehensive Income is the expected tax payable or recoverable on the taxable income or loss calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date, and any adjustment to tax payable in respect of previous years. Deferred income tax expense reflects movements in deferred tax asset and liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/benefit is charged or credited directly to equity instead of the Statement of Profit or Loss and Other Comprehensive Income when the tax relates to items that are credited or charged directly to equity.

Current tax assets and liabilities are measured at the amounts expected to be paid to/recovered from the relevant taxation authority. At 30 June 2024, current tax liabilities represent FY24 income tax payable of \$3.0 million (2023: nil).

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Note 7: Earnings per share

	2024 US\$000s	2023 US\$000s
Loss used to calculate basic/diluted earnings per share	(1,247)	(4,841)

Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share

<i>in thousands of shares</i>	2024	2023
Issued ordinary shares at 1 July	1,178,012	1,178,012
Treasury shares at 1 July	(12,119)	(22,947)
Treasury shares acquired on market by the Trustee to satisfy vested performance rights under the Company's LTIP	(1,948)	(4,604)
Treasury shares allocated to participants in the Company's LTIP on exercise of vested performance rights	2,958	10,796
Weighted average number of ordinary shares at 30 June	1,166,903	1,161,257
Basic EPS (US cents per share)	(0.14)	(0.42)

At 30 June 2024, 21,618,914 performance rights (30 June 2023: 12,931,377) were excluded from the diluted weighted average number of shares calculation because their effect would have been anti-dilutive.

Note 8: Operating cashflows

The Group's operating cashflow reconciled to loss after tax is as follows:

	2024 US\$000s	2023 US\$000s
Loss for the year	(1,644)	(4,841)
Depreciation and amortisation	12,080	37,027
Kwale mine closure redundancy costs	7,715	-
Share based payments	1,430	1,490
Mine rehabilitation provision inflation and discounting	2,539	1,112
Financing costs classified as financing activity	(3,721)	1,623
Write down of consumable inventories	4,956	-
Write-off of exploration expenditure	2,486	2,219
Impairment loss	-	88,857
Decrease in receivables and prepayments	32,380	5,760
Increase in inventories	(6,437)	(8,012)
Decrease/(increase) in deferred tax asset	1,864	(2,026)
Decrease in trade and other payables (excluding movement in exploration and evaluation payables)	(5,344)	(3,832)
Increase in current tax liabilities	3,035	-
Decrease in provisions	(5,892)	(1,792)
Cash flow from operations	45,447	117,585

OPERATING ASSETS AND LIABILITIES

This section presents information about the Group's assets and liabilities, including its policies and processes for measuring and estimating these balances.

Note 9: Cash and cash equivalents

	30 June 2024 US\$000s	30 June 2023 US\$000s
Cash at bank and on hand	38,110	42,889
Short-term deposits	50,007	50,000
Cash and cash equivalents	88,117	92,889

Note 10: Trade and other receivables

	30 June 2024 US\$000s	30 June 2023 US\$000s
Current		
Trade receivables	22,061	55,809
Value Added Tax (VAT) receivables	11,392	7,213
Other receivables	107	39
	33,560	63,061

Note 11: Inventories

	30 June 2024 US\$000s	30 June 2023 US\$000s
Current		
Heavy mineral concentrate and other intermediate stockpiles – at cost	966	548
Finished goods stockpiles – at cost	17,544	9,299
Stores and consumables – at cost	10,340	13,264
Provision for slow moving consumable store inventory	(4,258)	-
	24,592	23,111

Net realisable value of inventories

Inventories are recognised at the lower of cost and net realisable value (NRV).

NRV is based on the estimated amount expected to be received when the product is sold, less all costs still to be incurred in converting the relevant inventory to a saleable product and transporting to the port ready for shipment. The computation of NRV for inventories of heavy mineral concentrate and finished product involves significant judgements and estimates in relation to timing of processing, processing costs, transport costs, commodity prices and the ultimate timing of sale. A change in any of these critical assumptions will alter the estimated NRV and may therefore impact the carrying value of inventories.

Recognition and measurement of inventories

Inventories of heavy mineral concentrate and finished product are valued on a weighted average cost basis and include direct costs and an appropriate portion of fixed and variable overhead expenditure, including depreciation and amortisation.

Inventories of consumable supplies and spare parts to be used in production are valued at weighted average cost. Obsolete, slow moving or damaged inventories are valued at NRV. A regular and ongoing review is undertaken to establish the extent of surplus items, and a provision is made for any potential loss on their disposal.

The provision for slow moving consumable store inventory is an estimate based on management judgement which gives consideration to the expected short remaining mine life of Kwale Operations, inventory turnover trends and historical inventory write-offs. The actual amount of inventory write-offs could be higher or lower than the allowance made:

	30 June 2024 US\$000s	30 June 2023 US\$000s
Write down of consumable inventories		
Obsolete consumable store inventory written off	698	-
Provision for slow moving consumable store inventory	4,258	-
	4,956	-

Note 12: Capitalised exploration and evaluation

	30 June 2024 US\$000s	30 June 2023 US\$000s
Toliara Project – Madagascar	171,914	161,757
Kenya	-	1,176
Closing carrying amount	171,914	162,933
Movement in carrying amount		
Opening balance	162,933	156,069
Exploration and evaluation expenditure during the year	11,315	10,173
Write-off of exploration expenditure during the year	(2,486)	(2,219)
Effects of movement in foreign exchange	152	(1,090)
	171,914	162,933

On-ground activities at the Toliara Project have been suspended since the Government of Madagascar-imposed suspension, which was put in place in November 2019, pending agreement on the fiscal terms applying to the project. Following engagement with the Government in early 2024, and as confirmed during recent discussions, Base Resources considers in-principle agreement has been reached on the key fiscal terms that will apply to the whole Toliara Project (i.e. both mineral sands and monazite), although these remain subject to entry of binding documentation and therefore the terms remain subject to change and timing is ultimately uncertain. Engagement with the Government is now focused on agreeing the terms of a binding memorandum of understanding (**MoU**) that records the terms agreed in-principle, a draft of which is well advanced. Lifting of the Toliara Project's on-ground suspension is expected to occur upon entry into the MoU, which Base Resources believes to be achievable in the near term. The suspension does not affect the validity of the Toliara Project's mining permit.

In December 2023, the Company completed a pre-feasibility study on the production of monazite through concentration of the existing waste stream from the project's mineral sands processing facilities. The results of the study significantly enhanced the overall forecast financial returns from the Toliara Project.

Extensional exploration at Kwale Operations and in Tanzania failed to demonstrate commercial viability, and as a result \$2.5m of capitalised exploration has been written off.

Recognition and measurement of exploration and evaluation expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource. Accordingly, exploration and evaluation expenditure are those expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Accounting for exploration and evaluation expenditure is assessed separately for each 'area of interest'. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

For each area of interest, the expenditure is recognised as an exploration and evaluation asset when the rights of tenure to that area of interest are current and the expenditure is expected to be recouped through successful development and exploitation of an area of interest, or alternatively by its sale, and where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

General and administrative costs are allocated to, and included in, the cost of exploration and evaluation assets only to the extent that those costs can be related directly to operational activities in the area of interest to which the exploration and evaluation assets relate. In all other instances, these costs are expensed as incurred.

Accumulated costs in relation to an abandoned area are written off in full to the Statement of Profit or Loss and Other Comprehensive Income in the year in which the decision to abandon the area is made.

Impairment testing of exploration and evaluation assets

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Note 13: Property, plant and equipment

	Plant & equipment US\$000s	Mine property and development US\$000s	Buildings US\$000s	Right-of- use assets US\$000s	Capital work in progress US\$000s	Total US\$000s
2024						
At cost	260,790	158,869	6,556	1,576	208	427,999
Accumulated depreciation and impairment	(250,887)	(145,977)	(5,965)	(738)	-	(403,567)
Closing carrying amount	9,903	12,892	591	838	208	24,432
Reconciliation of carrying amounts:						
Balance at 1 July 2023	10,475	9,768	1,039	590	1,283	23,155
Additions	3,188	9,169	-	562	443	13,362
Transfers	1,151	367	-	-	(1,518)	-
Disposals	(1)	-	-	-	-	(1)
Depreciation expense	(4,909)	(6,409)	(448)	(314)	-	(12,080)
Effects of movement in foreign exchange	(1)	(3)	-	-	-	(4)
Balance at 30 June 2024	9,903	12,892	591	838	208	24,432

2023	Plant & equipment US\$000s	Mine property and development US\$000s	Buildings US\$000s	Right-of-use assets US\$000s	Capital work in progress US\$000s	Total US\$000s
At cost	284,269	214,343	6,556	1,010	1,283	507,461
Accumulated depreciation and impairment	(273,794)	(204,575)	(5,517)	(420)	-	(484,306)
Closing carrying amount	10,475	9,768	1,039	590	1,283	23,155

Reconciliation of carrying amounts:

Balance at 1 July 2022	45,416	33,837	1,447	845	7,467	89,012
Additions	8,337	18,229	8	-	1,194	27,768
Transfers	248	7,099	27	-	(7,374)	-
Disposals	(17)	-	-	-	-	(17)
Increase in mine rehabilitation cost	-	32,446	-	-	-	32,446
Depreciation expense	(15,801)	(20,552)	(443)	(231)	-	(37,027)
Impairment loss (Note 14)	(27,709)	(61,148)	-	-	-	(88,857)
Effects of movement in foreign exchange	1	(143)	-	(24)	(4)	(170)
Balance at 30 June 2023	10,475	9,768	1,039	590	1,283	23,155

Impairment of assets

At each reporting date, the Group reviews the carrying values of its assets to determine whether there is any indication those assets have been impaired. When impairment indicators are identified, the Group determines the recoverable value of the cash-generating unit (CGU) to which the assets are allocated, via an estimation of the fair value of the CGU. Estimating the fair value amount requires management to make an estimate of expected future cash flows from the CGU over the forecast period and to determine a suitable discount rate in order to calculate the present value of those cash flows. Key estimates supporting the expected future cash flows include commodity prices, production output and cost forecasts.

Ore Reserves and Mineral Resources estimates

The estimated quantities of economically recoverable Ore Reserves and Mineral Resources are based upon interpretations of geological and geophysical models and require assumptions to be made regarding factors such as future operating costs, future commodity prices, future capital requirements and future operating performance. Changes in reported Ore Reserves and Mineral Resources estimates can impact the carrying value of property, plant and equipment, the recognition of deferred tax assets, as well as the amount of depreciation and amortisation charged to the Statement of Profit or Loss and Other Comprehensive Income.

Each class of property, plant and equipment (PP&E) is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

PP&E is measured on a historical cost basis. Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in the Statement of Profit or Loss and Comprehensive Income during the financial period in which they are incurred.

Any gain or loss on disposal of an item of PP&E is determined by comparing the proceeds from disposal with the carrying amount and is recognised net within other income/other expenses in the Statement of Profit or Loss and Other Comprehensive Income.

Mine property and development assets include costs transferred from exploration and evaluation assets once technical feasibility and commercial viability of an area of interest are demonstrable and a decision to proceed with development of the project has been made and includes subsequent development costs required to bring the mine into production. Any ongoing costs associated with mining which are considered to benefit mining operations in future periods are capitalised.

Depreciation

All PP&E, except freehold land, is depreciated on a straight line basis over the asset's useful life to the Group, commencing from the time the asset is held ready for use. The depreciation methods used for each class of depreciable assets are:

Class of plant and equipment	Depreciation method
Buildings	Straight line at 5% per annum
Plant and equipment – process plant	Straight line over remaining mine life
Plant and equipment – other	Straight line at 10% to 30% per annum
Mine property and development	Straight line over remaining mine life
Right-of-Use Assets	Straight line over term of lease

The assets' residual values and useful lives are reviewed, and adjusted prospectively if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Right-of-use assets (Leases)

As a lessee, the Group recognises a right-of-use (**ROU**) asset, representing its right to use the underlying asset, and a lease liability, representing its obligation to make lease payments, on the statement of financial position for leases (other than short term and low value leases). ROU assets are depreciated over the life of the lease.

The Group recognises a ROU asset and a lease liability (refer to Note 22) at the lease commencement date. The ROU asset is initially measured at cost (present value of the lease liability plus any initial direct costs of acquiring the asset), and subsequently at cost less accumulated depreciation, impairment losses and adjusted for remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments expected to be paid over the lease term, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, the Group's incremental borrowing rate or, where not available, a market rate alternative. The lease liability is further remeasured if the estimated future lease payments change as a result of index or rate changes, residual value guarantees or likelihood of exercise of purchase, extension or termination options.

Note 14: Impairment of Kwale Operations assets

At each reporting date, the Group reviews the carrying values of its assets to determine whether there is any indication those assets have been impaired. The company has determined that no impairment assessment is required.

In FY23, Kwale Operations CGU's carrying value exceeded its recoverable amount by \$88.9 million, resulting in a pre-tax impairment loss of \$88.9 million being charged to the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023. In estimating the future post-tax cash flows expected to be generated by Kwale Operations, the Company assumed:

- Production from Kwale Ore Reserves estimates using historical processing recoveries.
- Production consistent with previously released production guidance.
- Increased operating costs based on recent cost history.
- Future capital requirements, including the cost of transitioning mining operations to the Bumamani deposit following depletion of the South Dune and recently updated rehabilitation and closure cost estimates.
- Third party price forecasts from a global, independent consulting and publishing company which specialises in all aspects of the mineral sands, titanium dioxide and coatings industries. Given the market and global economic outlook at the time, the Company elected to take a conservative position and use a midpoint between the publishing company's 'base case' and 'low case' price forecasts.
- A discount rate of 10%.
- Remaining mine life to December 2024.

The impairment loss was applied to the following assets on a pro rata basis, except for the Rehabilitation and mine closure asset which has been written down to nil as this asset is not expected to contribute to future cash flows and therefore no future economic benefit existed:

	2024 US\$000s	2023 US\$000s
Property, plant and equipment (Note 13)	-	27,709
Mine development asset (Note 13)	-	61,148
	-	88,857

Note 15: Trade and other payables

	30 June 2024 US\$000s	30 June 2023 US\$000s
Trade payables and accruals	13,106	17,951

Note 16: Provisions

	30 June 2024 US\$000s	30 June 2023 US\$000s
Current		
Mine closure and rehabilitation	30,313	12,432
Kwale mine closure redundancies (Note 4)	7,685	-
Employee benefits	1,589	1,389
	39,587	13,821
Non-current		
Mine closure and rehabilitation	18,031	39,424
Employee benefits	36	48
	18,067	39,472
Movement in mine closure and rehabilitation:		
Balance at 1 July	51,856	22,286
(Decrease)/Increase in rehabilitation estimate	(971)	33,829
Rehabilitation activities	(5,080)	(5,371)
Unwinding of discount	2,539	1,112
Balance at 30 June	48,344	51,856

Mine closure and rehabilitation obligations

The calculation of the mine closure and rehabilitation provision requires assumptions such as application of environmental legislation, mine closure dates, available technologies, engineering costs and inflation and discount rates. A change in any of the assumptions used may have a material impact on the carrying value of mine closure and rehabilitation obligations.

The mine closure and rehabilitation provision is recorded as a liability at present value, assuming a risk-free discount rate equivalent to the 2 year US Government bonds rate of 5.33% as at 30 June 2024 (2023: 4.87%) and an inflation factor derived from the US consumer price index of 2.97% (2023: 6.01%).

Although the ultimate amount to be incurred is uncertain, management has, at 30 June 2024, estimated the cost of mine closure and rehabilitation activities using estimate of timing of rehabilitation activities spanning from 0.5 to 5 years and a total undiscounted and uninflated estimated cash flow of \$48.5 million (2023: \$50.0 million). The decrease in the undiscounted and uninflated estimate is due to rehabilitation work completed during the year on the Kwale Central, Kwale South, Kwale North dunes and the tailings storage facility. Management's estimate of the underlying cost of mine closure and rehabilitation activities is reviewed by an external consultant on a regular basis for completeness, with the last such review completed in May 2024.

Recognition and measurement of provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

A mine closure and rehabilitation provision is recognised at the commencement of a mining project and/or construction based on the estimated costs necessary to meet legislative requirements by estimating future costs and discounting these to a present value. The provision is recognised as a liability, separated into current (estimated costs arising within twelve months) and non-current components based on the expected timing of these cash flows. A corresponding asset is included in mine property and mine development assets, only to the extent that it is probable that future economic benefits associated with the restoration expenditure will flow to the entity and is amortised over the life of the mine.

At each reporting date the mine closure and rehabilitation provision is re-measured in line with changes in discount rates and timing or amounts of the costs to be incurred. Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence in light of the significant judgements and estimates involved and are dealt with on a prospective basis as they arise.

Changes in the liability relating to mine closure and rehabilitation obligations are added to or deducted from the related asset (where it is probable that future economic benefits will flow to the entity), other than the unwinding of the discount which is recognised as a financing expense in the Statement of Profit and Loss and Other Comprehensive Income. Where a change in the liability relating to mine closure and rehabilitation obligations results in a reduction to the liability greater than the carrying value of the related asset, the reduction in excess of the asset carrying value will be recognised in the Statement of Profit and Loss and Other Comprehensive Income. Changes in the asset value have a corresponding adjustment to future amortisation charges.

Note 17: Deferred consideration

	30 June 2024 US\$000s	30 June 2023 US\$000s
Current		
Deferred consideration – Toliara Project acquisition	7,000	7,000
Non-current		
Deferred consideration – Toliara Project acquisition	10,000	10,000

In January 2018, Base Resources completed the acquisition of the Toliara Project in Madagascar, with payment of \$75.0 million in up-front consideration, for an initial 85% interest. In January 2020, in accordance with the terms of the share sale agreement with World Titane Holdings Limited, the Group acquired the remaining minority interest in the Toliara Project. A further \$17.0 million (deferred consideration) is payable on achievement of key milestones, with \$7.0 million payable upon attaining fiscal and legal stability and \$10.0 million payable on making a final investment decision (**FID**). With the an MoU to record the Toliara Project fiscal terms, together with lifting of the suspension of activities, expected to be achievable in the near term, Base Resources believes it would take approximately 14 months to complete the necessary work to reach a FID. Based on the expected timing of progressing to FID, a current liability of \$7.0 million and a non-current liability of \$10.0 million being recognised.

If the Scheme of Arrangement between Energy Fuels and Base Resources is implemented and as a result change of control occurs, payment of the \$17.0 million deferred consideration is accelerated to 14 days.

CAPITAL STRUCTURE, FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

This section presents information about the Group's financial assets and liabilities, its exposure to financial risks, as well as its objectives, policies and processes for measuring and managing risks.

Note 18: Issued capital

Date	Number	US\$000s
1 July 2022	1,178,011,850	307,811
30 June 2023	1,178,011,850	307,811
1 July 2023	1,178,011,850	307,811
30 June 2024	1,178,011,850	307,811

All issued shares are fully paid. The Group does not have authorised capital or par value in respect of its issued shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group.

Recognition and measurement of issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Note 19: Treasury shares reserve

During the reporting period, the Company instructed the trustee of the Base Resources LTIP (**Trustee**) to acquire ordinary shares in the Company on-market (**Treasury Shares**), for future allocation to holders of performance rights issued under the Company's LTIP that vest and are exercised. During the reporting period the LTIP cycle commencing 1 October 2020 (**2020 cycle performance rights**), completed its three year performance period, resulting in a partial vesting (refer to Note 20). Subsequent to their vesting, several LTIP participants chose to exercise their vested 2020 cycle performance rights and were allocated Treasury Shares.

The treasury shares reserve comprises the cost of treasury shares that had not yet been allocated to an LTIP participant as at 30 June 2024.

Date	Number	US\$000s
1 July 2022	22,946,785	4,957
Treasury shares acquired on market by the LTIP Trustee	8,706,800	1,151
Treasury shares allocated to LTIP participants on exercise of vested performance rights	(19,534,195)	(4,345)
30 June 2023	12,119,390	1,763
1 July 2023	12,119,390	1,763
Treasury shares acquired on market by the LTIP Trustee	2,953,325	314
Treasury shares allocated to LTIP participants on exercise of vested performance rights	(5,801,366)	(843)
30 June 2024	9,271,349	1,234

Note 20: Share-based payments

Performance rights

During the reporting period, the Company issued 28,790,016 performance rights to key management personnel and other senior staff under the Bases Resources' LTIP. The LTIP operates on a series of annual cycles. Each cycle commences on 1 October and is followed by a three year performance period, with a test date on the third anniversary of the commencement of the cycle. Performance rights are tested against two criteria, relative TSR performance set against an applicable comparator group and absolute TSR based on the total shareholder return within the performance period.

The three year performance period for the 17,126,301 performance rights granted for the 2020 cycle performance rights concluded on 30 September 2023. Base Resources' absolute TSR over the performance period was 43%, resulting in 29% of the absolute TSR performance rights vesting. Base Resources' relative TSR over the performance period placed it in the 71st percentile which resulted in 93% of the relative TSR performance rights vesting. Accordingly, a total of 10,528,393 of the 2020 cycle performance rights vested.

Total expenses arising from share based payment transactions during the year as part of employee benefit expenses was \$1.7 million (2023: \$1.5 million).

Granted performance rights are as follows:

Performance cycle date	KMP	Other employees	Total	Fair value at grant date
1 October 2021	6,386,495	10,283,242	16,669,737	A\$0.1855
1 October 2022	6,506,083	11,779,943	18,286,026	A\$0.0945
1 October 2023	6,638,338	22,151,678	28,790,016	A\$0.1030

All performance rights are granted for nil consideration.

The fair value of the performance rights granted during the reporting period has been estimated at the date of grant using a the Black-Scholes-Merton model that includes a Monte Carlo Simulation Model using the following assumptions: share price of A\$0.17, risk-free interest rate of 4.08%; volatility factor of the expected market price of the Company's shares of 55.0%; annual dividend yield of nil and a remaining life of performance rights of 3.00 years at valuation date. The fair value of the performance rights is recognised over the three year performance period, which commenced on the date of grant of 1 October 2023.

The movement in the number of performance rights during the year is set out below:

	2024	2023
Opening balance	51,725,507	61,092,425
Granted – cycle commenced during reporting period	28,790,016	17,929,469
Granted – cycles commenced in previous reporting periods ⁽ⁱ⁾	356,557	-
Forfeited – cycles commenced in previous reporting periods	-	(6,491,606)
Lapsed – cycles commenced in previous reporting periods	(6,597,908)	(346,736)
Vested	(10,528,393)	(20,458,045)
Closing balance	63,745,779	51,725,507

(i) Performance rights granted to LTIP participants commencing employment during the financial year but prior to the cycle commencing 1 October 2023.

Recognition and measurement of share based payments

The Base Resources LTIP is an equity settled employee share scheme. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of performance rights is ascertained using a recognised pricing model which incorporates all market vesting conditions.

Note 21: Dividends

Details in relation to dividends announced or paid since 1 July 2023 are set out in the below table:

Record Date	Payment Date	Unfranked cents per share (AUD)	Total US\$000s
11 September 2023	28 September 2023	4.0	29,948
Total			29,948

Note 22: Financial risk management

The Group's activities expose it primarily to the following financial risks:

- Market risk consisting of interest rate risk and currency exchange risk.
- Credit risk.
- Liquidity risk.

The overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance. The senior executives of the Group meet on a regular basis to analyse treasury risks and evaluate treasury management strategies in the context of the prevailing economic conditions and forecasts.

Risk management policies are approved and reviewed by the Risk Committee and the Board on a regular basis. Financial assets and liabilities of the Group are carried at amortised cost, which approximates fair value.

The Group's financial instruments consist of deposits with banks, accounts receivable, trade payables, deferred consideration and lease liabilities:

	Note	2024 US\$000s	2023 US\$000s
Financial assets			
Cash and cash equivalents		88,117	92,889
Trade and other receivables and other current assets	9	33,560	63,061
		121,677	155,950
Financial liabilities			
Trade and other payables	14	13,106	17,951
Deferred consideration	16	17,000	17,000
Lease liabilities		900	626
		31,006	35,577

Interest rate risk

The Group holds its cash deposits in accounts held with Australian and International banks at variable rates and term deposits at fixed rates.

	Carrying amount		Realisable/payable within six months	
	2024 US\$000s	2023 US\$000s	2024 US\$000s	2023 US\$000s
Fixed rate instruments				
Financial assets	50,176	50,168	50,007	50,000
Financial liabilities	(900)	(626)	(167)	(152)
	49,276	49,542	49,840	49,848
Variable rate instruments				
Financial assets	37,941	42,721	37,941	42,721
Financial liabilities	-	-	-	-
	37,941	42,721	37,941	42,721

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates would have increased or decreased equity and profit or loss before tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	2024 US\$000s	2024 US\$000s	2023 US\$000s	2023 US\$000s
Variable rate instruments	100bp increase	100bp decrease	100bp increase	100bp decrease
Profit or loss	379	(379)	427	(427)
Equity	379	(379)	427	(427)

Currency risk

The Group is exposed to currency risk from bank balances, payables and receivables that are denominated in a currency other than the respective functional currencies of Group entities, being USD and AUD.

The USD carrying amount of the Group's financial assets and liabilities by its currency risk exposure at the reporting date is:

30 June 2024

In US\$000s:	AUD	USD	KES	MGA	Other	Total
Cash and cash equivalents	-	18,603	2,403	180	14	21,200
Trade and other receivables	-	-	8,961	2,530	-	11,491
Trade and other payables	(3)	(256)	(4,764)	(320)	(545)	(5,888)
Net exposure	(3)	18,347	6,600	2,390	(531)	26,803

30 June 2023

In US\$000s:	AUD	USD	KES	MGA	Other	Total
Cash and cash equivalents	-	42,737	2,545	63	15	45,360
Trade and other receivables	-	-	4,958	2,140	-	7,098
Trade and other payables	(83)	(186)	(5,259)	(167)	(625)	(6,320)
Net exposure	(83)	42,551	2,244	2,036	(610)	46,138

The following significant exchange rates applied during the year:

	Average rate		30 June spot rate	
	2024	2023	2024	2023
AUD:USD	0.6557	0.6733	0.6672	0.6641
USD:KES	144.21	125.34	129.53	140.52
USD:MGA	4,460.32	4,270.51	4,465.15	4,510.77

Sensitivity analysis

Based on the financial instruments held at reporting date, had the functional currencies weakened/strengthened by 10% and all other variables held constant, the Group's before-tax profit/(loss) for the year to date would have been \$2.7 million lower/higher (2023: \$4.8 million lower/higher).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash and deposits with financial institutions as well as credit exposures to outstanding receivables. Credit risk on cash and deposits is managed by holding funds with a range of reputable international banks.

The Group is exposed to counterparty credit risk through its principal activity of mineral sands products sales under normal terms of trade. Total sales revenue for the year ended 30 June 2024 was \$135.1 million (2023: \$271.4 million). Base Resources had three major customers who individually accounted for more than 10% of sales revenue, with the first contributing \$33.8 million (2023: \$39.4 million), the next contributing \$21.0 million (2023: \$15.0 million) and the last contributing \$15.3 million (2023: \$16.1 million). These customers represent 52% (2023: 64%) of the trade receivables balance at 30 June 2024.

Customer credit risk is managed by the Group's policy to only trade with reputable companies, with whom a long-term offtake agreement is held, or where such an agreement is not in place, sales are backed by Letters of Credit held with internationally recognised banks. Credit assessments are undertaken to determine the credit quality of the customer, taking into account their financial position, external credit reports and other relevant factors. Individual risk limits are granted in accordance with the internal credit policy and, depending on the risk rating, sales are authorised via appropriate personnel as defined by the Group's delegation of authority.

Other receivables at 30 June 2024 include \$8.8 million (2023: \$5.0 million) in VAT receivable owed by the Government of Kenya (refer to Note 10). An estimation has been made as to the timing of the receipt of this amount and forms the basis for its classification as a current asset.

At the reporting date the carrying amounts of financial assets are adjusted for any impairment and represent the Group's maximum exposure to credit risk, excluding the value of any collateral or other security, which was as follows:

	2024 US\$000s	2023 US\$000s
Financial assets – cash flow realisable		
Cash and cash equivalents	88,117	92,889
Trade and other receivables	33,560	63,061
Total anticipated inflows	121,677	155,950

At 30 June 2024, the ageing of trade and other receivables, excluding VAT receivable, that were not impaired was as follows:

	2024 US\$000s	2023 US\$000s
Neither past due nor impaired	22,061	55,809
	22,061	55,809

There were no impairment losses in relation to financial assets during the current or the prior financial year. The maximum exposure to credit risk for the financial assets, excluding the value of any collateral or other security, at the reporting date by geographic region of the customer or financial institutions was:

	2024 US\$000s	2023 US\$000s
United Kingdom	50,789	40,773
Australia	31,102	44,335
Kenya	13,204	11,620
China	8,041	24,759
Saudi Arabia	6,004	-
USA	-	18,524
Other	12,537	15,939
Total	121,677	155,950

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with financial liabilities. The Group manages liquidity risk by conducting regular reviews of the timing of cash outflows and the maturity profiles of term deposits in order to ensure sufficient funds are available to meet its obligations.

Financial liability maturity analysis

Contractual cash flows

	Carrying amount	Total	2 months or less	2 – 12 months	1 – 2 years	2 – 5 years	More than 5 years
30 June 2024	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s
Trade and other payables	13,106	13,106	11,130	1,976	-	-	-
Lease liabilities	900	900	55	252	290	303	-
	14,006	14,006	11,185	2,228	290	303	-
30 June 2023	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s
Trade and other payables	17,951	17,951	17,951	-	-	-	-
Lease liabilities	626	1,371	38	302	358	673	-
	18,577	19,322	17,989	302	358	673	-

Capital management

Management controls the capital of the Group in order to maintain an appropriate working capital position to ensure that the Group can fund its operations and continue as a going concern. Capital is managed by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

	2024 US\$000s	2023 US\$000s
Cash and cash equivalents	88,117	92,889
Trade and other receivables	33,560	63,061
Inventories	24,592	23,111
Other current assets	2,401	10,336
Trade and other payables	(13,106)	(17,951)
Provisions	(39,587)	(13,821)
Deferred consideration	(7,000)	(7,000)
Income tax payable	(3,035)	-
Other liabilities	(484)	(233)
Working capital position	85,458	150,392

Note 23: Contingent liability

In connection with its acquisition of the Kwale Project in 2010, Base Titanium Limited granted a 2% royalty to third parties owning or having an interest in that project. There is a disagreement between Base Titanium Limited and one of the royalty holders, Osisko Gold Royalties Ltd (Osisko), which holds 75% of the 2% royalty (i.e. a 1.5% royalty) – specifically, whether, and the extent to which, the royalty applies outside the Kwale Special Mining Lease 23 as it existed at the time of the acquisition. Osisko has taken formal steps to enforce its claimed rights in respect of the royalty, which Base Titanium is opposing. The directors have not disclosed an estimate of any amount for this contingent liability as a reliable estimate of the amount arising from any possible obligation cannot be made at this stage.

GROUP STRUCTURE AND OTHER INFORMATION

Note 24: Parent entity disclosures

As at, and throughout the financial year ended 30 June 2024, the parent entity of the consolidated group was Base Resources Limited.

	2024 US\$000s	2023 US\$000s
Financial performance of the parent entity		
Profit for the year	26,664	63,820
Total comprehensive income for the year	26,664	63,820

	2024 US\$000s	2023 US\$000s
Financial position of the parent entity		
Current assets	31,622	44,875
Non-current assets	186,924	176,595
Total assets	218,546	221,470
Current liabilities	3,230	2,785
Non-current liabilities	217	397
Total liabilities	3,447	3,182
Net assets	215,099	218,288
Issued capital	307,811	307,811
Treasury shares	(1,234)	(1,763)
Reserves	(56,841)	(59,109)
Accumulated losses	(34,637)	(28,651)
Total equity	215,099	218,288

Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Base Resources Limited at the end of the reporting period. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing these financial statements, all inter-group balances and transactions between entities in the Group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Controlled entity	Country of Incorporation	Ownership %	
		2024	2023
Base Titanium (Mauritius) Limited	Mauritius	100	100
Base Titanium Limited	Kenya	100	100
Base Exploration Limited	Kenya	100	100
BTS Holdings (Mauritius) Limited	Mauritius	100	100
Madagascar Mineral Fields Limited	Mauritius	100	100
Malagasy Sands No. 2 Limited	Mauritius	100	100
Base Toliara SARL	Madagascar	100	100
Madagascar Resources SARL	Madagascar	100	100
BET Two Limited	Tanzania	100	100

Note 25: Related parties

	2024	2023
Key management personnel compensation:	US\$	US\$
Short-term employment benefits	2,593,279	2,770,937
Post-employment benefits	102,682	117,915
Share-based payments	552,629	611,748
Other long term	34,117	48,447
	3,282,707	3,549,047

Refer to the Remuneration Report for further details.

Recognition and measurement of short term employee benefits

Employee benefit obligations arising from the Group's STIP are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under the STIP where the Group has a present legal or constructive obligation as a result of past services by the employee, and the obligation can be estimated reliably.

Recognition and measurement of defined contribution plans

Contributions are made by the Group to individual defined contribution superannuation plans for Australian directors and employees and are expensed when incurred.

Note 26: Auditors' remuneration

	2024 US\$	2023 US\$
Audit services		
<i>KPMG Australia</i>		
Audit of financial report	125,736	132,589
<i>Overseas KPMG firms</i>		
Audit services	130,685	138,363
	256,421	270,952
Other services		
<i>KPMG Australia</i>		
Other services	36,714	7,747
<i>Overseas KPMG firms</i>		
Other services	-	-
	36,714	7,747

Note 27: New accounting standards not yet adopted

New standards adopted in the period

A number of new standards are effective for the annual periods beginning on or after 1 July 2024. The Group has not elected to early adopt the new or amended standards in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below.

- Lack of exchangeability (Amendments to AASB 121).
- Presentation and Disclosure in Financial Statements (new Standard AASB 18).

The abovementioned standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements when adopted.

Note 28: Events after the reporting date

Since the end of the reporting period, on 24 August 2024, the Board has determined an unfranked special dividend of AUD 6.5 cents per share with a record date of 18 September 2024, the determination and payment of which is conditional on the scheme of arrangement pursuant to which Energy Fuels Inc. will acquire Base Resources becoming legally effective. The financial impact of the dividend amounting to \$52.2 million has not been recognised in the Consolidated Financial Statements for the year ended 30 June 2024.

Note 29: Company details

The principal place of business and registered office of the Company is:

Base Resources Limited (ASX & AIM: BSE)
Level 3, 46 Colin Street
West Perth 6005 Western Australia

Consolidated entity disclosure statement

as at 30 June 2024

Name of entity ⁽ⁱ⁾	Percentage owned (%)	Place of business/country of incorporation	Australian tax resident or foreign tax resident ⁽ⁱⁱ⁾	Foreign jurisdiction of foreign residents
Base Resources Limited		Australia	Australian	n/a
Controlled entities of Base Resources Limited				
Base Titanium (Mauritius) Limited	100	Mauritius	Foreign	Mauritius
Base Titanium Limited	100	Kenya	Foreign	Kenya
Base Exploration Limited	100	Kenya	Foreign	Kenya
BTS Holdings (Mauritius) Limited	100	Mauritius	Foreign	Mauritius
Madagascar Mineral Fields Limited	100	Mauritius	Foreign	Mauritius
Malagasy Sands No. 2 Limited	100	Mauritius	Foreign	Mauritius
Base Toliara SARL	100	Madagascar	Foreign	Madagascar
Madagascar Resources SARL	100	Madagascar	Foreign	Madagascar
BET Two Limited	100	Tanzania	Foreign	Tanzania

(i) All represent body corporate entities unless otherwise specified.

(ii) All entities have retained the same tax residency as their country of incorporation.

The ultimate controlling entity of the Group is Base Resources Limited. The Group’s consolidated entity disclosure statement as at 30 June 2024 has been prepared in accordance with Section 295 (3A) of the Corporations Act and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements. Unless otherwise indicated, no entities are trustee, partners or participants in joint ventures.

DIRECTORS' DECLARATION

In the opinion of the directors of Base Resources Limited:

the consolidated financial statements and notes that are set out on pages 37 to 68 and the Remuneration Report on pages 18 to 35 in the Directors' Report, are in accordance with the *Corporations Act 2001* (Cth), including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance, for the financial year ended on that date;
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (iii) that the Consolidated Entity Disclosure Statement is true and correct as at 30 June 2024; and

there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* (Cth) from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2024.

The directors draw attention to Note 1 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:



Michael Stirzaker

Chair

Dated at Perth this 24 August 2024

For personal use only



Independent Auditor's Report

To the shareholders Base Resources Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Base Resources Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated Statement of Financial Position as at 30 June 2024;
- Consolidated statement of profit or loss and other Comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024;
- Notes, including material accounting policies; and
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Mine closure and rehabilitation provision (US\$48.3 million)

Refer to Note 15 to the Financial Report

The key audit matter

The accuracy of the Kwale rehabilitation provision was considered to be a key audit matter due to:

- The significant size of the provision;
- Inherent complexity in estimating future rehabilitation costs; and
- The significant judgement applied by the Company to determine the provision.

We focused on the significant and judgmental assumptions the Company applied in their rehabilitation provision including forecast closure costs.

The Company utilises both internal and external experts to assist in the determination of the rehabilitation provision.

The existence of management's significant estimate and judgments in determining these future costs contributes to our conclusion that this is a key audit matter. We involved sustainability closure specialists to supplement our senior audit team members in assessing this key audit matter.

How the matter was addressed in our audit

Our procedures included:

- Assessing the basis for the forecast costs to be incurred in meeting rehabilitation obligations and assessing the key assumptions used in calculating the recorded provision;
- Working with our closure specialists to assess the reasonableness of the approach and methodology used by the Company and Company's external expert to update the closure cost estimate. This included identifying any environmental related scope limitations of the external expert's engagement and assessing any specific environmental related issues identified;
- Testing data inputs into the provision model, including area and unit costs to verify accuracy and completeness of data used in developing the estimate. This includes a comparison of estimated future rehabilitation costs per hectare against actual rehabilitation costs per hectare incurred to date;
- Assessing the reasonability of economic and other assumptions applied in the model such as inflation and risk-free discount rate;
- Assessing the mathematical accuracy of the rehabilitation provision model and ensuring relevant model inputs reconcile to the report obtained from management's external expert; and
- Assessing the changes from management's prior estimate, including the provision unwind, impact for updating the estimate and spend during the year.

Other Information

Other Information is financial and non-financial information in Base Resources' annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- Implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.



Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Base Resources Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 18 to 35 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Graham Hogg

Partner

Perth

24 August 2024

MINERAL RESOURCES AND ORE RESERVES STATEMENT

The 2024 Mineral Resources and Ore Reserves estimates for **Base Resources Limited** are summarised in the table below, together with the 2023 Mineral Resources and Ore Reserves estimates for comparison.

	2024 ¹ as at 30 June 2024									2023 ¹ as at 30 June 2023								
	Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	HM Assemblage				Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	HM Assemblage			
						ILM (%)	RUT (%)	LEUC (%)	ZIR (%)						ILM (%)	RUT (%)	LEUC (%)	ZIR (%)
Mineral Resources (Measured + Indicated + Inferred, inclusive of Ore Reserves)																		
Kwale ²	13.5	0.22	1.6	36	1.1	51	153	-	5.8	184	2.8	1.5	36	1.9	45	133	-	5.8
Ranobe ⁴	2,580	111	4.3	7.7	0.4	71	1.0	1.0	5.9	2,580	111	4.3	7.7	0.4	71	1.0	1.0	5.9
Ore Reserves (Proved + Probable)																		
Kwale	7.6	0.14	1.8	33	1.3	52	16	-	6.2	21	0.5	2.2	32	2.1	52	14	-	6.1
Ranobe	904	55	6.1	3.8	0.1	73	1.0	1.0	5.9	904	55	6.1	3.8	0.1	73	1.0	1.0	5.9

Notes:

- Table may be subject to slight arithmetic differences due to rounding.
- Kwale incorporates the Kwale South Dune, Kwale North Dune and Bumamani deposits.
- Kwale rutile reported is rutile + leucoxene minerals.
- The Ranobe Mineral Resources estimate also specifies the monazite and garnet within the mineral assemblage as a percentage of HM, refer to the standalone table for the Ranobe Mineral Resources estimate below for these percentages.

The Mineral Resources and Ore Reserves estimates in this statement are reported in accordance with the JORC Code.

For further information about the estimates in this statement, including information that is material to understanding the estimates in relation to the applicable criteria in Table 1 of the JORC Code, refer to the announcements in the table below ². The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcements below and all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed.

Deposit(s)	Estimate	Announcement Title	Estimate Date	Release Date
Kwale North Dune and Bumamani	Mineral Resources	2024 Mineral Resources and Ore Reserves Statement	30 June 2024	31 July 2024
Kwale North Dune and Bumamani	Ore Reserves	Maiden Kwale North Dune and Bumamani Ore Reserves estimates	20 June 2022	20 June 2022
Ranobe (Toliara Project)	Mineral Resources & Ore Reserves	Updated Ranobe Mineral Resources and Ore Reserves estimates	27 September 2021	27 September 2021
2023 Comparatives	Mineral Resources & Ore Reserves	2023 Mineral Resources and Ore Reserves Statement	30 June 2023	11 August 2023

² ASX announcements are available at <https://baseresources.com.au/investors/announcements/>.

Kwale Deposits

The Company's 100% owned Kwale Operations in Kenya is located in Kwale County and approximately 50 kilometres south of Mombasa and 10 kilometres inland from the Kenyan coast. The Company's wholly-owned subsidiary, Base Titanium, holds Special Mining Lease No. 23, which contains the Kwale South Dune, the Kwale North Dune and the Bumamani deposits.

Mineral Resources

The 2024 Kwale Mineral Resources, as at 30 June 2024, are estimated to be 13.5Mt at an average HM grade of 1.6% for 0.22Mt of contained HM, at a 1% HM cut-off grade.

The 2024 Kwale Mineral Resources estimate represents a decrease of approximately 170Mt (or 93%) in material tonnes containing 2.6Mt of HM compared to the 2023 Kwale Mineral Resources estimate. This was primarily due to an update of the Kwale North Dune Mineral Resource to remove material no longer considered to have prospects of eventual economic extraction, together with mining depletion and associated sterilisation of the Kwale South Dune, Kwale North Dune and Bumamani Mineral Resources.

The Kwale South Dune Mineral Resources were wholly depleted and/or sterilised following the completion of mining in January 2024, a decrease of 8.9Mt containing 0.19Mt of HM compared to the 2023 Kwale South Dune Mineral Resources estimate.

The 2024 Kwale North Dune Mineral Resources are estimated to be 11.4Mt at an average HM grade of 1.6% for 0.19Mt of contained HM as at 30 June 2024, a decrease of 157Mt containing 2.33Mt of HM compared to the 2023 Kwale North Dune Mineral Resources estimate.

The 2024 Bumamani Mineral Resources are estimated to be 2.2Mt at an average HM grade of 1.7% for 0.04Mt of contained HM as at 30 June 2024, a decrease of 3.7Mt containing 0.08Mt of HM compared to the 2023 Bumamani Mineral Resources estimate.

An infill drill program on the Kwale North Dune and Bumamani deposits was completed during 2023 for improved resource definition and classification to support detailed mine planning. As part of this drill program, access was obtained to land on the southern boundary of the Bumamani deposit, allowing drilling to further extend the deposit 250 metres along strike. Both the Kwale North Dune and Bumamani Mineral Resources estimates have been updated for the additional drilling and revised mineral assemblage values following refinement of the Kwale MinMod algorithm. The corresponding Kwale North Dune and Bumamani Ore Reserves estimates have also been reported using the updated resource models and revised pit designs.

Ore Reserves

Included within the Kwale Mineral Resources are the Kwale Ore Reserves, estimated to be 7.6Mt at an average HM grade of 1.8% for 0.14Mt of contained HM as at 30 June 2024.

The 2024 Kwale Ore Reserves estimate represents a decrease of approximately 13.7Mt (or 64%) in ore tonnes containing 0.34Mt (or 71%) of HM compared to the 2023 Kwale Ore Reserves estimate.

The Kwale South Dune Ore Reserves were wholly depleted and/or sterilised following the completion of mining in January 2024, a decrease of 5.2Mt containing 0.13Mt of HM.

The Kwale North Dune Ore Reserves are estimated to be 5.6Mt at an average HM grade of 1.8% for 0.10Mt of contained HM as at 30 June 2024, a decrease of 6.6Mt containing 0.15Mt of HM due to mining depletion, sterilisation, and revised pit designs following the 2023 infill drill program referred to above.

The Bumamani Ore Reserves are estimated to be 2.1Mt at an average HM grade of 1.7% for 0.04Mt of contained HM as at 30 June 2024, a decrease of 1.9Mt containing 0.05Mt of HM due to mining depletion and sterilisation, partially offset by revised pit designs following the 2023 infill and extensional drill program referred to above.

2024 Kwale Mineral Resources estimate compared with the 2023 estimate at a 1% HM cut-off grade.

	2024 as at 30 June 2024								2023 as at 30 June 2023							
Category	Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	HM Assemblage			Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	HM Assemblage		
						ILM (%)	RUT (%)	ZIR (%)						ILM (%)	RUT (%)	ZIR (%)
Kwale South Dune Mineral Resources																
Measured	-	-	-	-	-	-	-	-	4.9	0.11	2.2	26	2.3	59	14	6.1
Indicated	-	-	-	-	-	-	-	-	4.0	0.09	2.2	27	6.1	57	14	6.0
Total	-	-	-	-	-	-	-	-	8.9	0.19	2.2	26	4.0	58	14	6.1
Kwale North Dune Mineral Resources																
Measured	8.1	0.13	1.7	38	0.6	52	15	5.5	104	1.60	1.5	37	1.5	40	13	5.4
Indicated	3.3	0.05	1.6	39	1.0	50	14	5.2	62	0.89	1.4	37	2.1	49	14	6.1
Inferred	-	-	-	-	-	-	-	-	2	0.03	1.2	37	2.9	49	15	6.5
Total	11.4	0.19	1.6	38	0.7	51	15	5.4	169	2.51	1.5	37	1.8	43	13	5.7
Bumamani Mineral Resources																
Measured	1.7	0.03	1.8	20	2.2	51	17	8.2	3.0	0.066	2.2	19	2.2	48	15	7.5
Indicated	0.5	0.01	1.6	22	7.2	52	16	7.4	2.6	0.045	1.7	23	5.2	47	16	7.7
Inferred	-	-	-	-	-	-	-	-	0.3	0.004	1.4	27	6.1	41	14	7.8
Total	2.2	0.04	1.7	20	3.4	51	17	8.0	5.9	0.115	1.9	21	3.8	47	15	7.6
Total Kwale Mineral Resources																
Measured	9.8	0.16	1.7	35	0.9	52	15	5.9	112	1.77	1.6	36	1.6	41	13	5.5
Indicated	3.8	0.06	1.6	37	1.7	50	14	5.5	69	1.02	1.5	36	2.5	50	14	6.2
Inferred	-	-	-	-	-	-	-	-	3	0.03	1.2	36	3.3	48	15	6.7
Total	13.5	0.22	1.6	36	1.1	51	15	5.8	184	2.82	1.5	36	1.9	45	13	5.8

Table may be subject to slight arithmetic differences due to rounding. Mineral Resources are reported inclusive of Ore Reserves.

2024 Kwale Ore Reserves estimate compared with the 2023 estimate.

	2024 as at 30 June 2024								2023 as at 30 June 2023							
Category	Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	HM Assemblage			Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	HM Assemblage		
						ILM (%)	RUT (%)	ZIR (%)						ILM (%)	RUT (%)	ZIR (%)
Kwale South Dune Ore Reserves																
Proved	-	-	-	-	-	-	-	-	3.6	0.09	2.4	27	2.2	59	14	6.1
Probable	-	-	-	-	-	-	-	-	1.6	0.05	3.0	26	7.4	57	13	6.1
Total	-	-	-	-	-	-	-	-	5.2	0.13	2.6	27	3.8	58	14	6.1
Kwale North Dune Ore Reserves																
Proved	4.6	0.08	1.9	38	0.5	53	15	5.6	7.3	0.15	2.1	39	0.7	48	13	5.5
Probable	1.0	0.02	1.8	39	1.1	49	14	5.1	4.9	0.10	2.1	38	1.6	52	13	5.9
Total	5.6	0.10	1.8	38	0.6	53	15	5.5	12.1	0.25	2.1	39	1.1	50	13	5.6
Bumamani Ore Reserves																
Proved	1.6	0.03	1.7	20	2.1	51	17	8.2	2.6	0.06	2.3	19	2.2	48	16	7.5
Probable	0.4	0.01	1.7	22	7.5	52	16	7.3	1.3	0.03	2.2	19	5.3	48	16	7.6
Total	2.1	0.04	1.7	20	3.3	51	17	8.0	3.9	0.09	2.3	19	3.2	48	16	7.5
Total Kwale Ore Reserves																
Proved	6.2	0.11	1.8	33	0.9	53	16	6.3	13.5	0.30	2.2	32	1.4	51	14	6.1
Probable	1.4	0.03	1.8	34	3.0	50	15	5.7	7.8	0.18	2.3	33	3.4	53	14	6.2
Total	7.6	0.14	1.8	33	1.3	52	16	6.2	21.3	0.48	2.2	32	2.1	52	14	6.1

Table may be subject to slight arithmetic differences due to rounding.

Ranobe Deposit

The Company's 100% owned Toliara Project is based on the Ranobe deposit, located approximately 45 kilometres north of the town of Toliara and 15km inland from the coast in south-west Madagascar. The Ranobe deposit sits within *Permis d'Exploitation* 37242, which is a mining lease under Malagasy law. The Company is currently progressing the project towards development. However, on-ground activities at the Toliara Project remain suspended following the Government of Madagascar-imposed suspension put in place in November 2019, pending agreement on the fiscal terms applying to that project. For details about the status of the Company's discussions in relation to the lifting of the suspension and fiscal terms, refer to the Toliara Project sub-section of the Review of Operations section of this Annual Report on pages 6 and 7.

In view of the progress made with the Government of Madagascar on agreeing fiscal terms and the terms of the MoU (as described in section of this Annual Report referenced above), the Company considers there are reasonable grounds for the project progressing in the near term, allowing the continued public reporting of the Ranobe Ore Reserves estimates. Furthermore (and by extension), the Company also considers that the continued public reporting of the Ranobe Mineral Resources estimates is permissible as resources continue to have reasonable prospects for eventual economic extraction. The basis for this includes the progress made with the Government of Madagascar discussions referred to above, as well as the large scale and high grade nature of the deposit, the completed feasibility studies with test work indicating that typical mineral sands processing recoveries are achievable and the forecast strong economic outcomes.

Mineral Resources

The 2024 Ranobe Mineral Resources are unchanged from the 2023 estimate of 2,580Mt at an average HM grade of 4.3% for 111Mt of contained HM, based on a 1.5% HM cut-off grade.

Ore Reserves

Included within the Ranobe Mineral Resources are the Ranobe Ore Reserves, estimated to be 904Mt at an average HM grade of 6.1% for 55Mt of contained HM as at 30 June 2024, which is unchanged from the 2023 estimate. No monazite or garnet is incorporated in the Ranobe Ore Reserves estimate because the existing mining tenure, *Permis D'Exploitation 37242*, does not currently provide the right to exploit these minerals.

The 2024 Ranobe Mineral Resources estimate at a 1.5% HM cut-off grade.

						Mineral Assemblage as % of HM					
Category	Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	ILM (%)	RUT (%)	LEUC (%)	ZIR (%)	MON (%)	GARN (%)
2024 Ranobe Mineral Resources (as at 30 June 2024)											
Measured	597	36	6.1	4.3	0.2	74	1.0	1.0	5.9	1.9	2.2
Indicated	793	35	4.4	7.1	0.5	71	1.0	1.0	5.9	2.0	3.6
Inferred	1,190	39	3.3	9.7	0.6	69	1.0	1.0	5.8	2.0	4.3
Total	2,580	111	4.3	7.7	0.4	71	1.0	1.0	5.9	2.0	3.4

Table may be subject to slight arithmetic differences due to rounding. Mineral Resources are reported inclusive of Ore Reserves.

The 2024 Ranobe Ore Reserves estimate.

						Mineral Assemblage as % of HM			
Category	Tonnes (Mt)	HM (Mt)	HM (%)	SL (%)	OS (%)	ILM (%)	RUT (%)	LEUC^ (%)	ZIR (%)
2024 Ranobe Ore Reserves (as at 30 June 2024)									
Proved	433	30	6.9	3.8	0.1	75	1.0	1.0	6.0
Probable	472	25	5.3	3.9	0.2	72	1.0	1.0	5.8
Total	904	55	6.1	3.8	0.1	73	1.0	1.0	5.9

Table may be subject to slight arithmetic differences due to rounding.

[^]Recovered Leucoxene will be split between Rutile and Chloride Ilmenite products depending on product specification requirements.

Mineral Resources and Ore Reserves Governance

A summary of the governance, internal controls and estimation process applicable to Base Resources' Mineral Resources and Ore Reserves estimates is as follows:

Mineral Resources

- Review and validation of drilling and sampling methodology and data spacing, geological logging, data collection and storage, sampling and analytical quality control.
- Geological interpretation – review of known and interpreted structure, lithology and weathering controls.
- Estimation methodology – relevant to mineralisation style and proposed mining methodology.
- Comparison of estimation results with previous mineral resources models, and with results using alternate modelling methodologies.
- Visual validation of block model against raw composite data.
- Assessment of reasonable prospects for eventual economic extraction.
- Use of external Competent Persons to assist in preparation of initial Mineral Resources estimates or complete an independent review of initial Mineral Resources estimates.

Ore Reserves

- Review of potential mining methodology to suit deposit and mineralisation characteristics.
- Review of potential Modifying Factors, including cost assumptions and commodity prices to be utilised in mining evaluation.
- Ore Reserves estimate updates initiated following material changes in the relevant Modifying Factor assumptions.
- Optimisation using appropriate software packages for open pit evaluation.
- Design based on optimisation results.
- Use of external Competent Persons to assist in preparation of initial Ore Reserves estimates.

Competent Persons' Statements

The information in this statement that relates to Mineral Resources and Ore Reserves is based on, and fairly represents, information and supporting documentation prepared by the Competent Persons named in the table below. Each Competent Person:

- is a Member or Fellow of The Australasian Institute of Mining and Metallurgy or the Australian Institute of Geoscientists; and
- has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the JORC Code and as a qualified person for the purposes of the AIM Rules for Companies.

Mr Ian Reudavey has approved this statement as a whole and consented to its inclusion in this Annual Report in the form and context in which it appears.

Mr Ian Reudavey is employed by Base Resources and presently holds equity securities in Base Resources. Mr Reudavey is also entitled to participate in Base Resources' long-term incentive plan and receive equity securities under that plan. Mr Scott Carruthers and Mr Edwin Owino are both employed by Base Titanium, Base Resources' wholly owned subsidiary. Mr Carruthers and Mr Owino hold equity securities in Base Resources and are also entitled to participate in Base Resources' long-term incentive plan and receive equity securities under that plan. Details about that plan are included in the Remuneration Report.

Name	Estimate(s)	Employer
Ian Reudavey	Kwale Mineral Resources and Ore Reserves (overall), Kwale North Dune Mineral Resources, Ranobe Mineral Resources, Kwale North Dune Ore Reserves and Bumamani Ore Reserves	Base Resources, full-time employee
Scott Carruthers	Ranobe Ore Reserves	Base Titanium, full-time employee
Edwin Owino	Bumamani Mineral Resources	Base Titanium, full-time employee

ADDITIONAL SHAREHOLDER INFORMATION

The following additional information required by the ASX Listing Rules is current as at 31 July 2024.

Ordinary Shares

Distribution of shares	Holders	Units	%
1 – 1,000	165	13,567	0.00
1,001 – 5,000	642	2,036,190	0.17
5,001 – 10,000	454	3,644,698	0.31
10,001 – 100,000	1,170	45,395,522	3.85
100,001 and over	381	1,126,921,873	95.66
	2,812	1,178,011,850	100.00

There were 260 holders of unmarketable parcels of shares (<A\$500) based on the closing share price of A\$0.26 per share as at 31 July 2024 comprising a total of 172,219 shares.

The voting rights attached to the ordinary shares are as follows:

- At a meeting of members or a class of members, each member entitled to vote, may vote in person, or by proxy or attorney.
- On a show of hands, subject to the limited exceptions set out in rules 16.2(a)(i) and 16.2(a)(ii) of the Company's Constitution, every individual present who is a member or a proxy, attorney or representative of a member has one vote.
- On a poll, every member present in person or by proxy, attorney or representative has one vote for each ordinary share held.

20 largest registered holders of shares	Number of Shares	%
PACIFIC ROAD CAPITAL MANAGEMENT GP II LIMITED	274,073,166	23.27
HSBC CUSTODY NOMINEES <AUSTRALIA> LIMITED	268,421,746	22.79
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	133,871,316	11.36
CITICORP NOMINEES PTY LIMITED	133,695,037	11.35
COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C>	40,417,463	3.43
PACIFIC ROAD CAPITAL II PTY LIMITED	38,363,613	3.26
CERTANE CT PTY LTD <BASE RESOURCES ALLOC A/C>	29,710,980	2.52
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	15,763,545	1.34
CERTANE CT PTY LTD <BASE RESOURCES UNALLOC A/C>	9,271,349	0.79
MR TIMOTHY JAMES CARSTENS	8,023,054	0.68
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	6,353,121	0.54
BNP PARIBAS NOMS PTY LTD	5,659,898	0.48
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS>	5,514,593	0.47
SHARESIES AUSTRALIA NOMINEE PTY LIMITED	5,113,068	0.43
UBS NOMINEES PTY LTD	4,624,818	0.39
MRS REBECCA HUGHES	4,589,796	0.39
MR ANDRE JOHANNES GREYLING + MRS RENE GREYLING <GREYLING SUPER FUND A/C>	3,775,026	0.32
TRENTHAM SUPER PTY LTD <TRENTHAM SF A/C>	3,406,864	0.29

MR MICHAEL CHARLES BOWDEN	3,000,000	0.25
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	2,932,571	0.25
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)	996,581,024	84.60
Total Remaining Holders Balance	181,430,826	15.40

For details about the number of shares that KMP had a relevant interest in as at 30 June 2024, refer to page 34.

Substantial shareholdings

The substantial shareholders of the Company, and the number of securities in which those shareholders and their associates have a relevant interest, as disclosed in the substantial holding notices received by the Company are:

Name	Number of Shares
Pacific Road Capital II Pty Limited and Pacific Road Capital Management GP II Limited	310,813,913
Sustainable Capital Ltd	243,034,866
Mitsubishi UFJ Financial Group, Inc. (First Sentier Investors RQI Pty Ltd)	87,021,878
FIL Limited	75,877,583

Performance rights

The following unlisted performance rights are on issue. Performance rights do not carry a right to vote. Voting rights will attach to any ordinary shares allocated upon vesting and exercise of performance rights in accordance with their terms of issue pursuant to the Base Resources Long Term Incentive Plan.

Cycle	Date of Testing	Number of Performance Rights	Number of Holders
2017	30 September 2020	76,599*	1
2018	30 September 2021	555,848*	1
2019	30 September 2022	1,240,405*	2
2020	30 September 2023	4,727,029*	9
2021	30 September 2024	16,669,737	35
2022	30 September 2025	18,286,026	39
2023	30 September 2026	28,720,287	38

* Performance rights have vested but remain subject valid to exercise.

During the reporting period, the trustee of the LTIP acquired 2,953,325 ordinary shares on-market at an average price of A\$0.1665 per share for future allocation to LTIP participants upon vesting and exercise of performance rights granted pursuant to the LTIP.

Other information

The Company has a primary listing on ASX and a secondary listing on the London Stock Exchange's AIM. There is no current on-market buy back taking place.

GLOSSARY

Term	Meaning
AASB	Australian Accounting Standards Board
AIM	London Stock Exchange's AIM
APES	Accounting Professional and Ethical Standards
Assemblage	The relative proportion of heavy mineral components, principally ilmenite, rutile, zircon and, where applicable, leucoxene, monazite and garnet
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AUD	Australian dollar
Base Resources or the Company	Base Resources Limited
Base Titanium	Base Titanium Limited
Competent Person	The JORC Code requires that a Competent Person be a Member or Fellow of The Australasian Institute of Mining and Metallurgy, of the Australian Institute of Geoscientists, or of a 'Recognised Professional Organisation'. A Competent Person must have a minimum of five years' experience working with the style of mineralisation or type of deposit under consideration and relevant to the activity which that person is undertaking
Corporations Act	<i>Corporations Act 2001</i> (Cth)
CGU	Cash-generating unit
Cut-off grade	The lowest grade of mineralised material that is thought to be economically mineable and available. Typically used by Base Resources to define which material is reported in a Mineral Resources estimate
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
ESE	Environment, Social and Ethics
ESMS	Environment and Social Management System
FY23, year or reporting period	Financial year ended 30 June 2023
FY24	Financial year ending 30 June 2024

Term	Meaning
GARN	Garnet, a valuable heavy mineral
Group	Base Resources and its controlled entities
Heavy mineral or HM	In mineral sands, minerals with a specific gravity greater than 2.85 t/m ³ .
HMC	Heavy mineral concentrate
IFRS	International Financial Reporting Standards
ILM	Ilmenite, a valuable heavy mineral
Indicated	An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit
Inferred	An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition, as published by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
KES	Kenyan Shilling
KMP	Key management personnel
Kwale East	The Company's exploration project, located immediately to the east of Kwale Operations and within Prospecting Licence 2018/0119
Kwale Operations or Kwale Project	The Company's 100% owned Kwale Mineral Sands Operations in Kenya.
LEUC	Leucoxene, a valuable heavy mineral.
LTIP	Base Resources' Long Term Incentive Plan
Measured	A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit
MGA	Malagasy Ariary

Term	Meaning
Mineral Resources	Mineral Resources are a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are subdivided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories
MinMod	A company developed mineralogy modelling technique, it comprises an XRF analysis of the magnetic and non-magnetic fractions of each composite or sample, the results from which are then back-calculated to determine in-ground mineralogy
Modifying Factors	Modifying Factors are considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors
MON	Monazite, a valuable heavy mineral that contains rare earth elements.
MSP	Mineral separation plant
Mt	Million tonnes
NPAT	Net profit after tax
NRV	Net realisable value
Ore Reserves	Ore Reserves are the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified
OS	Oversize material, for Kwale and Ranobe it is defined as material >1mm in size
Probable	A Probable Ore Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve
Proved	A Proved Ore Reserve is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors
RUT	Rutile, a valuable heavy mineral
SL	Slimes, fine material (defined as <45µm at Kwale and <63µm at Ranobe) that is a waste product from the processing of mineral sands
STIP	Base Resources' Short Term Incentive Plan

Term	Meaning
TFR	Total fixed remuneration
TiO ₂	Titanium dioxide
TSR	Total shareholder return
USD or US\$	United States dollar
VWAP	Volume weighted average price
WCP	Wet concentrator plant
XRF analysis or XRF	A spectroscopic method used to determine the chemical composition of a material through analysis of secondary X-ray emissions, generated by excitation of a sample with primary X-rays that are characteristic of a particular element
ZIR	Zircon, a valuable heavy mineral.

DIRECTORS

Mr Michael Stirzaker, Non-Executive Chair

Mr Tim Carstens, Managing Director

Ms Diane Radley, Non-Executive Director

Mr Scot Sobey, Non-Executive Director

Ms Sheila Khama, Non-Executive Director

COMPANY SECRETARY

Mr Chadwick Poletti

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