



BASE RESOURCES LTD

ASX and Media Release

30 November 2010

Share Placement to Advance Kwale Development

Base Resources Limited ("Base") (ASX:BSE) is pleased to announce that it has received firm commitments from institutional and other sophisticated investors for an \$8.1 million share placement at \$0.30 per share. This will provide additional funding for the completion of the Enhanced Definitive Feasibility Study and allow greater flexibility in the timing of implementation and development funding activities for the Kwale Project.

The recently completed Process Design Review identified and evaluated to scoping study level a suite of design and concept changes to the original Definitive Feasibility Study that improve the project in terms of enhanced returns and risk profile. This work has established the scope of the Enhanced Definitive Feasibility Study, due for completion in the 2nd quarter of 2011, and has presented more opportunities than originally anticipated. In addition, several implementation steps have been identified, the acceleration of which ahead of completion of the main development funding will simplify funding activities, reduce some development timing risks and generally provide greater flexibility.

The placement has been arranged by RFC Corporate Finance Ltd ("RFC") and is being made to institutions and other sophisticated and professional investors pursuant to section 708 of the Corporations Act. The placement will see the issue of a total of 27 million shares in 2 stages – an initial 18 million shares will be issued within the 15% discretionary placement limit and a further 9 million shares will be issued subject to shareholder approval at a general meeting to be held on or about 24 January 2011.

Tim Carstens, Base Resources' Managing Director said: "We are delighted with the way the Kwale Project development is unfolding. We are undoubtedly in the right sector with the right project at the right time. That we have been able to secure additional funding to capitalise on opportunities and in doing so introduce a number of significant institutional investors to the register is a strong vote of confidence in the quality of Base Resources' Kwale project, its management team and the Company's value proposition."

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Corporate Details:

Board of Directors:

Andrew King	Non Executive Chairman
Tim Carstens	Managing Director
Colin Bwy	Executive Director
Sam Willis	Non Executive Director
Winton Willesee	Non Executive Director/ Company Secretary

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About Base Resources:

Base Resources Limited (ASX: BSE) is developing the world-class Kwale Mineral Sands Project in Kenya, East Africa. Kwale is an advanced and highly competitive project in a sector with a significant forecast supply shortfall widely expected to emerge in the medium term.

The Kwale Project represents an advanced development opportunity with all material project approvals, permits and licenses required for development currently in place and a full definitive feasibility study (DFS) having been completed, representing an investment of in excess of US\$60 million by the previous owners.

The Project enjoys a high level of support from the Government of Kenya as well as the local community and, located just 50km from Mombasa, Kenya's principal port facility, is well serviced by existing physical infrastructure.

Importantly, two pilot plant operations at Kwale provide confidence in processing behavior and indicate a suite of readily marketable products. The Project's high value mineral assemblage and low stripping ratio result in a projected revenue to cash cost ratio that would place Kwale in the top quartile of world producers.

An updated and enhanced DFS is underway and will be completed in the June quarter of 2011 with a view to completing off-take and financing arrangements in the 3rd quarter of 2011. A realistic development time line should see the Kwale Project in production in 2013.

Base Resources also has a portfolio of early stage exploration projects in Western Australia's Mid West region, with established targets for iron ore, gold, base metals and uranium. The Company continues to

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progress the granting of the tenements, the evaluation of their potential and the consideration of the various development alternatives to maximize realized value.

The Board of Base Resources brings together a diverse skill set and considerable experience in all aspects of exploration and development, operations, finance, corporate development and capital markets – together with a commitment to unlock value for its shareholders from the Company's growing and diverse portfolio of assets in both Africa and Australia

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