

Base Resources Limited

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Base Resources transitions mining at Kwale to South Dune

Base Resources Ltd (ASX:BSE)(LON:BSE) rose on Tuesday following news the firm has completed the transition of mining operations to the South Dune orebody at its Kwale operations in Kenya.

Following a successful and on-schedule transition, mining rates are now back to nameplate capacity with all three hydraulic mining units fully operational.

The Kwale operations mineral separation plant operated on stockpiled heavy mineral concentrate throughout the transition period to ensure uninterrupted production.

WATCH: Base Resources executive discusses mineral sands market after global conferences

Preparations for the transition to the South Dune primarily involved the installation of 7,400 metres of slurry and water piping, a power line, a bridge across the Mukurumudzi Dam spillway, and two pumps.

The transition of mining operations from the fully depleted Central Dune orebody to the South Dune orebody took place over a two-week period and involved moving the hydraulic mining units and the commissioning of the new pumps, pipes and power supply.

"We have been planning for this transition of mining for over 12-months and it is a testament to the professionalism of the team that the move was completed on schedule and without incident," said Colin Bwyne, executive director operations and development.

In a note to clients, analysts at Peel Hunt commented: "This move means that the focus at Kwale turns wholly to the exploration efforts ensuring that Kwale has a reasonable life after the planned start up date for the Toliara project.

"Ensuring this allows the Base team a period of very strong cash flows to work off the Toliara project financing - as well as giving a buffer zone should the Toliara schedule slip."

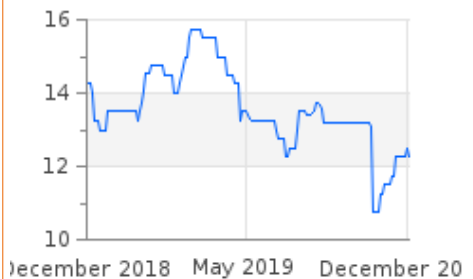
Peel Hunt reiterated a 'buy' rating and 22p target price on Base Resources shares which, in afternoon trading, were 4% higher at 13p.

-- Adds analyst comment, share price --

Price: 12.25

Market Cap: £143.52 m

1 Year Share Price Graph



Share Information

Code: BSE

Listing: AIM

52 week	High	Low
	16.5	10.12

Sector: Rare earths & specialist minerals

Website: www.baseresources.com.au

Company Synopsis:

Base Resources (ASX & AIM: BSE) is an Australian based, African focused, mineral sands producer and developer with a track record of project delivery and operational performance. The Company operates the established Kwale Operations in Kenya and is developing the Toliara Sands Project in Madagascar.

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