



CORPORATE INFORMATION

Bassari Resources Limited is an Australian listed company focused on discovering multimillion ounce gold deposits in the Birimian Gold Belt, Senegal, West Africa.

FAST FACTS

ASX Code	BSR
Issued Capital	572,654,403
Unlisted options	5,800,000
No of shareholders	1,785
Top 20	38%

INVESTMENT HIGHLIGHTS

Exploration permits cover approx. 850 km² over prospective Birimian Gold Belt, Senegal, West Africa.

- Makabingui Gold Project, Mineral Resource (December 2012) **1.0 million ounces in 11.9 Mt at 2.6 g/t gold at a 0.5 g/t cut-off**, comprising:
 - Indicated: 336,000 ozs in 2.6Mt at 4.0g/t
 - Inferred: 669,000 ozs in 9.3Mt at 2.2g/t
- Senegal, stable democracy since 1960.
- Quality ground holding in a +55M ounce gold region which hosts a number of world class deposits.
- Multiple prospects identified along 80km strike length within Kedougou-Kenieba Inlier.
- Strategic and dominant exploration package.
- Gold intersected over a wide interval at Konkouto Prospect.

BOARD AND MANAGEMENT

John Ballard

Chairman

Jozsef Patarica

Managing Director/CEO

Chris Young

Non-Executive Director

Ian Riley

Company Secretary/Chief Financial Officer

CONTACT US

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ASX Release

31 January 2013

December 2012 Quarterly Activity Report

Bassari Resources Limited (ASX:BSR) is pleased to report its activities for the December 2012 quarter on the Company's gold projects and prospects in Senegal, West Africa.

Highlights

Makabingui Gold Project

- **Mineral Resource estimate increased 100% to 1 million ounces of gold in 11.9 million tonnes at 2.6 g/t gold, at a cut-off of 0.5 g/t gold**
 - Indicated: 336,000 oz in 2.6Mt at 4.0 g/t gold
 - Inferred: 669,000 oz in 9.3Mt at 2.2 g/t gold
- **Resource increase based on 28,700 metres drilled, 34% reverse circulation and 66% diamond drilling**
- **80% of the Mineral Resource is above 200 metres depth**
- **Makabingui Project continues to show strong growth potential as part of a larger mineralised system**
- **Assays reported during the quarter included the following intercepts:**
 - 4.2m @ 4.5 g/t gold
 - 4m @ 3.7 g/t gold
 - 2m @ 8.4 g/t gold
 - 8m @ 2.2 g/t gold
 - 3m @ 2.8 g/t gold
 - 2m @ 2.8 g/t gold
- **2013 work programs will focus on growing the gold inventory by targeting extensions of mineralisation within the Makabingui Project area**
- **Very high metallurgical recoveries – overall gold recovery from samples >96%**

Konkouto Prospect

- **Geological assessment completed**
- **Structural review planned for 1st Quarter 2013**

Exploration Activities

December 2012 Quarter

- **Makabingui Gold Project – 1 million ounces of gold**
 - On 4 December 2012, the company released an updated mineral resource estimate of 1.0 million ounces of gold in 11.9 million tonnes at 2.6 g/t gold at a cut-off of 0.5 g/t gold. This is a 100% increase in contained ounces and achieved the Company's principal objective for 2012
 - The drilling program was completed on 4 November 2012 and comprised 28,660 metres, including 18,883 metres of diamond drilling (DD) and 9,777 metres of reverse circulation (RC) drilling
 - Significant assay results reported included the following intercepts:
 - **4.2m @ 4.5 g/t gold** from 66.3 metres on line 99,900N, hole DDS041
 - **4m @ 3.7 g/t gold** from 419 metres on line 99,900N, hole RCS403D
 - **2m @ 8.4 g/t gold** from 93.5 metres on line 99,800N, hole RCS249D
 - **8m @ 2.2 g/t gold** from 14 metres on line 100,700N, hole RCS501D
 - **3m @ 2.8 g/t gold** from 28 metres on line 100,400N, hole RCS477D
 - **2m @ 2.8 g/t gold** from 39 metres on line 100,100N, hole RCS411D
 - There is strong potential for new areas of mineralisation south of the existing resource, including an area along strike where recent artisanal activity has been established. The areas are located within the significant NNE trending Lafia Shear Zone
- **Konkouto Gold Prospect**
 - Independent geological assessment was completed, and modelling undertaken of the mineralised veins as part of a ladder vein array typically developed under the control of a major thrust fault
- **Airborne Geophysical Survey**
 - Internal review of all targets has been completed, targets have been prioritised and work programs developed

March 2013 Quarter – Planned Activities

- **Makabingui Gold Project**
 - A detailed structural review and tectonic interpretation of Makabingui incorporating the structural information from the recently completed resource drilling program. Dr L. Wright (New Resource Management Services Ltd – UK) has been commissioned to undertake this work.
 - Test work to establish the Ball Mill Work Index in addition to further metallurgical characterisation test work were completed in January (refer ASX Announcement 30 January 2013).
 - Trenching of new areas along strike in the lead up to the 2013 drilling program. Trenching will focus on growing the existing gold resource.
- **Konkouto Gold Prospect – Trenching along strike of the currently defined mineralised zone and a detailed structural review by Dr L Wright**

Exploration Activities & Results

The Company's exploration permits cover an area of 850km² over the prospective Birimian Gold Belt within the Kedougou Kenieba Inlier (Figure 1).

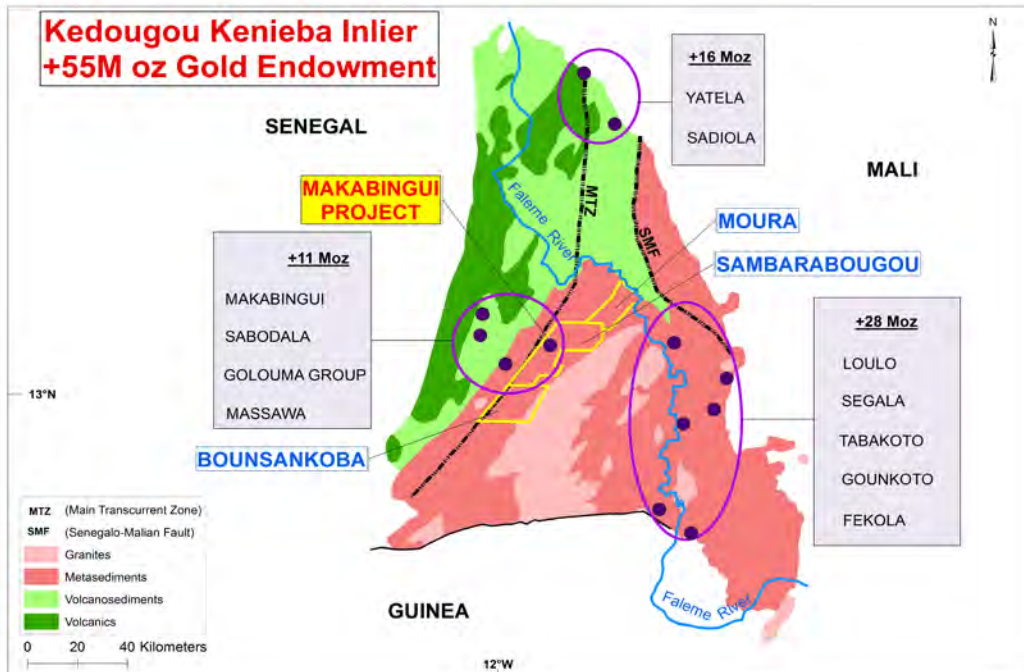


Figure 1 – Kedougou Kenieba Inlier

Sambarabougou Permit (Bassari 70%)

Centrally located of Bassari's three contiguous exploration permits, Sambarabougou contains the Makabingui Gold Project and the Lafia and Missira Gold Prospects (Figure 2).

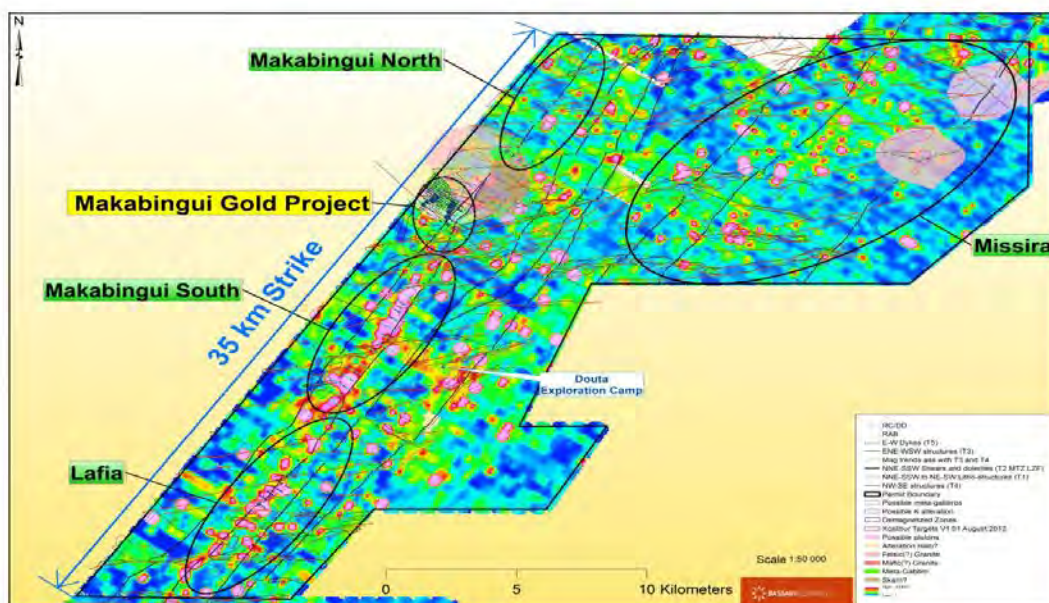


Figure 2 – Sambarabougou Permit – Project & Prospect Location Map

Makabingui Gold Project Update

The upgraded Mineral Resource has been independently estimated by AMC Consultants Pty Ltd at 1.0 million ounces of gold at a 0.5 g/t gold cut-off in 11.9 million tonnes at 2.6 g/t gold. This has resulted in a 100% increase in contained ounces.

The Mineral Resource is reported in accordance with the JORC Code¹ and is presented in Table 1.

Table 1 – Makabingui Project – Indicated and Inferred Mineral Resources as at 4 December 2012

Resource Classification	Cut off Au (g/t)	Tonnage (Mt)	Au (g/t)	Au (oz)
Indicated	0.5	2.6	4.0	336,000
Inferred	0.5	9.3	2.2	669,000
Total	0.5	11.9	2.6	1,005,000

Notes to accompany Table 1

1. The Mineral Resource is reported in accordance with the JORC Code.
2. All tonnages are rounded to the nearest 100,000t. Rounding may affect totals.
3. All ounces are rounded to the nearest 1,000. Rounding may affect totals.

The interpretation is on cross-sections perpendicular to strike, at approximately 125 degrees east of north. The cross sections are located on each drill section line. The section spacing varies from 25 metres to 200 metres. A gold mineralisation shell at a minimum cut-off of 0.2 g/t gold has been generated for each drill section. The surface projection of the Makabingui deposit interpretation is show in Figure 3.

¹ Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 Edition, prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

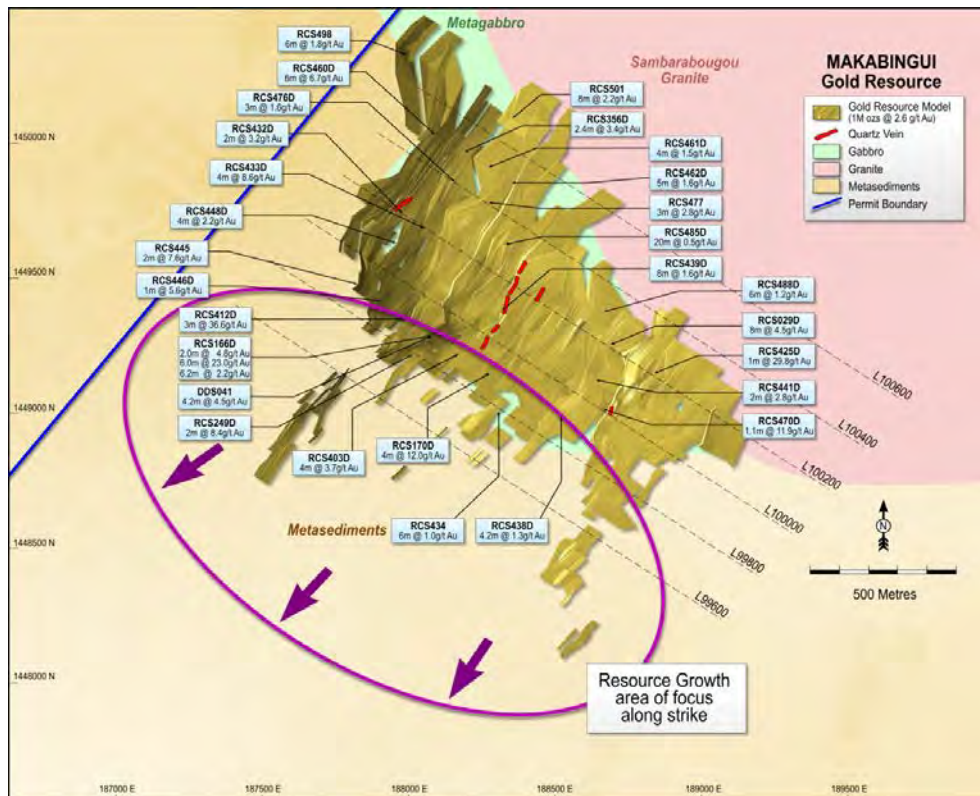


Figure 3 – Makabingui Gold Project Plan

Digital strings representing the interpretation for each section were constructed. The strings defining the mineralised shell have been snapped to the drill holes and were then linked along strike to form three dimensional solids defining the zones of mineralisation.

A total of 1074 drill holes were used in the interpretation and 384 drill holes were used to estimate the updated mineral resource at a cut-off grade of >0.5 g/t gold. Both reverse circulation (RC) and diamond drill holes (DD) were used with a high proportion of sampling from RC holes (56%). The 2012 drilling program incorporated more DD than RC and focused on the host metagabbro between lines 99,800N and 100,800N on 100 metre spaced lines with 100 metre spaced drill holes along the lines. A considerable number of holes completed as part of the 2011 resource expansion program were extended.

Artisanal activity established along the Lafia gold trend south of the Makabingui gold resource, south western extensions of the existing resource and very encouraging RAB and RC drill results at Makabingui South along a strike length of approximately 8 km have identified potential for new lodges within the significant NNE trending shear zone (Figure 4), and further highlight the prospectivity of the Company's permits. Trenching and a detailed structural review are planned to assist in the development of detailed drilling programs in these areas.

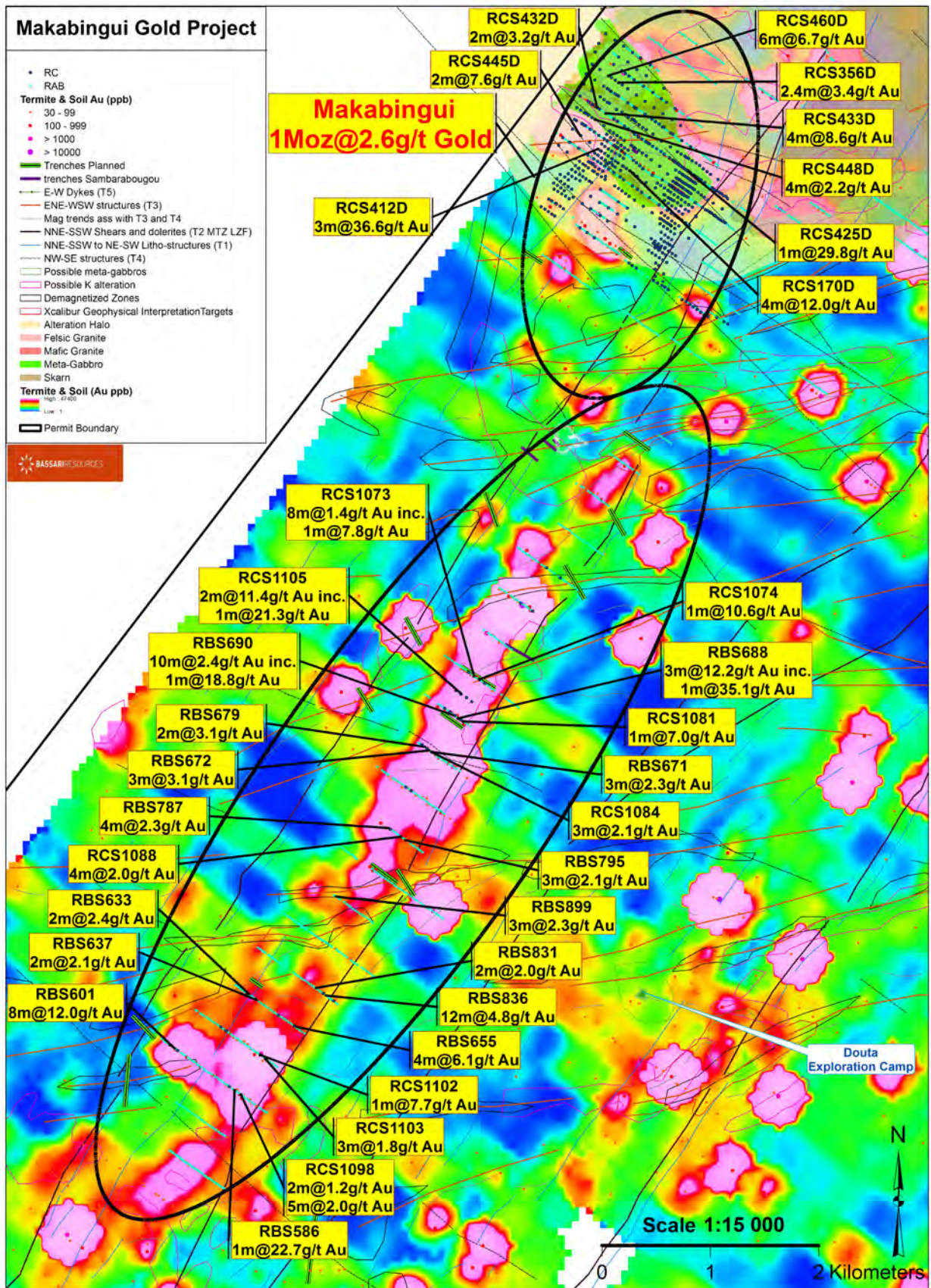


Figure 4 – Makabingui Project Area – Sambarabougou Permit

Moura Permit (Bassari 70%)

The most northern of Bassari's three contiguous permits, Moura contains the Konkouto Prospect, Kawsara, Bountou, and Sambali Prospects (Figure 5).

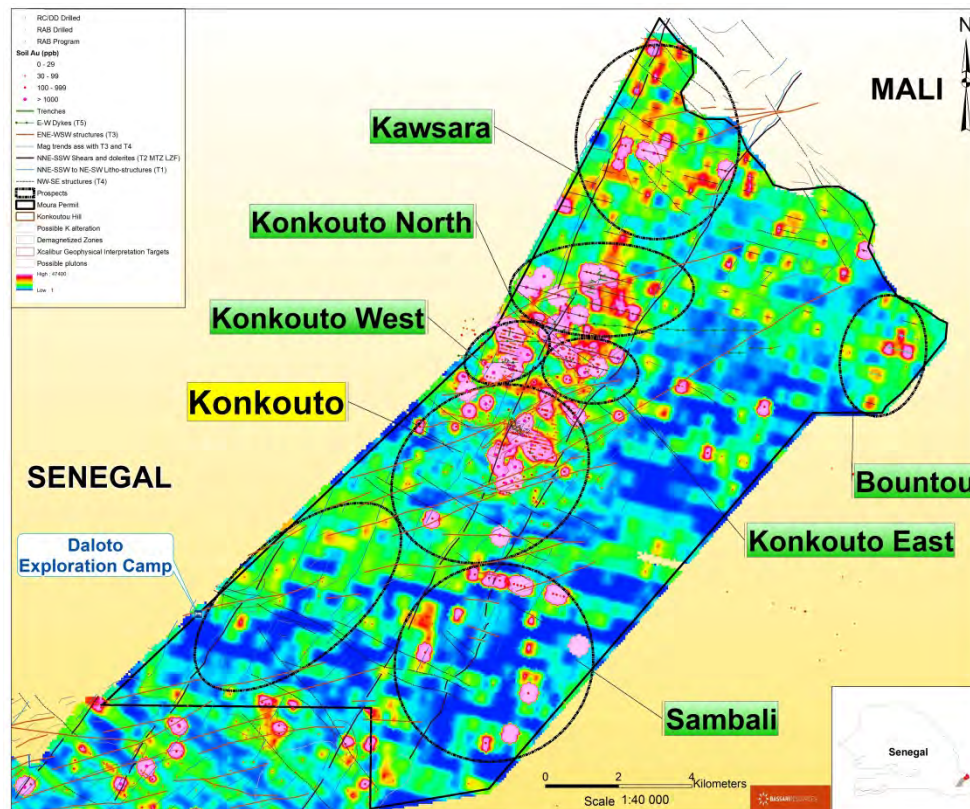


Figure 5 – Moura Permit – Prospect Location Map

Konkouto Gold Prospect

The Konkouto gold discovery is located some 35 kilometres north east of the Makabingui Gold Project. Konkouto is centred on a low hill approximately 700 metres long and 100 metres wide. There are numerous artisanal pits showing mineralised quartz veins and stockwork quartz-carbonate veins and veinlets hosted by a metasedimentary greywacke unit (Figure 6). These are characterised by different textures from fine to coarse grained associated with muscovite, biotite and carbonate. This facies appears to be the main host of the gold mineralisation.

An independent geological assessment has modelled the mineralised veins as part of a ladder vein array typically developed under the control of a major thrust fault.

Trenching along strike of the mineralised zone and a detailed structural review by Dr L Wright are planned for the March 2013 quarter.

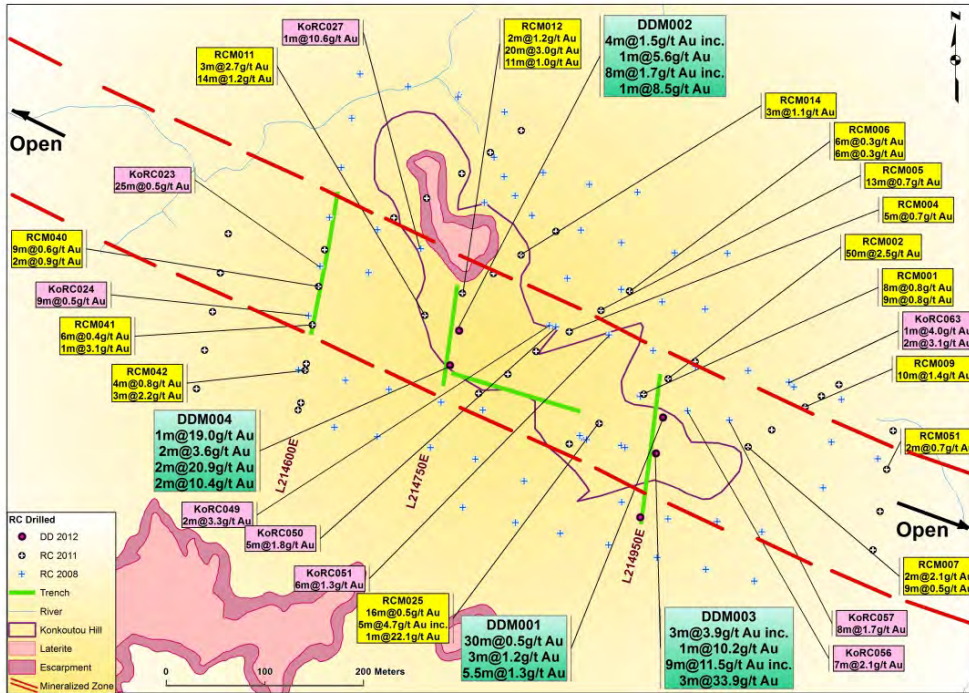


Figure 6 – Konkouto Prospect Plan

Bounsankoba Permit (Bassari 70%)

Bounsankoba the most southern of Bassari's three contiguous permits contains the Sekhoto, Massa Massa and Sakhofara Prospects (Figure 7).

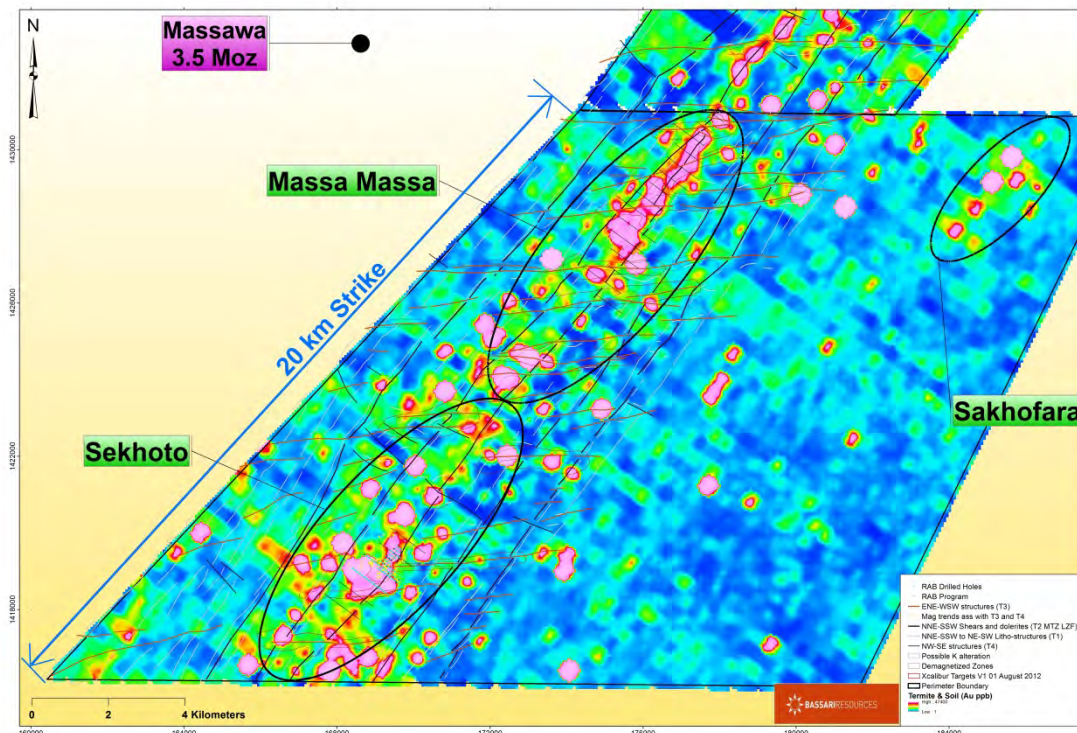


Figure 7 – Bounsankoba Permit, Prospect Plan

The results of a regional termite sampling program on a 400 metre by 50 metre grid through the eastern corridor of the permit were assessed along with the interpretation of the detailed aeromagnetic survey. The Sekhoto Prospect (Figure 8) has been identified as a priority drill target for 2013. The prospect is defined by coherent termite anomalies and RAB intercepts over a strike of 1.5 kilometres. High-grade mineralisation related to quartz veining along a NNE trend has been defined by a combination of rock chip sampling, trenching and RAB drilling. The prospect is located within the Lafia Shear Zone, which is a major regional structure trending NNE and cross cut by NE to ENE structures. There is potential for secondary structures to localise significant gold mineralisation.

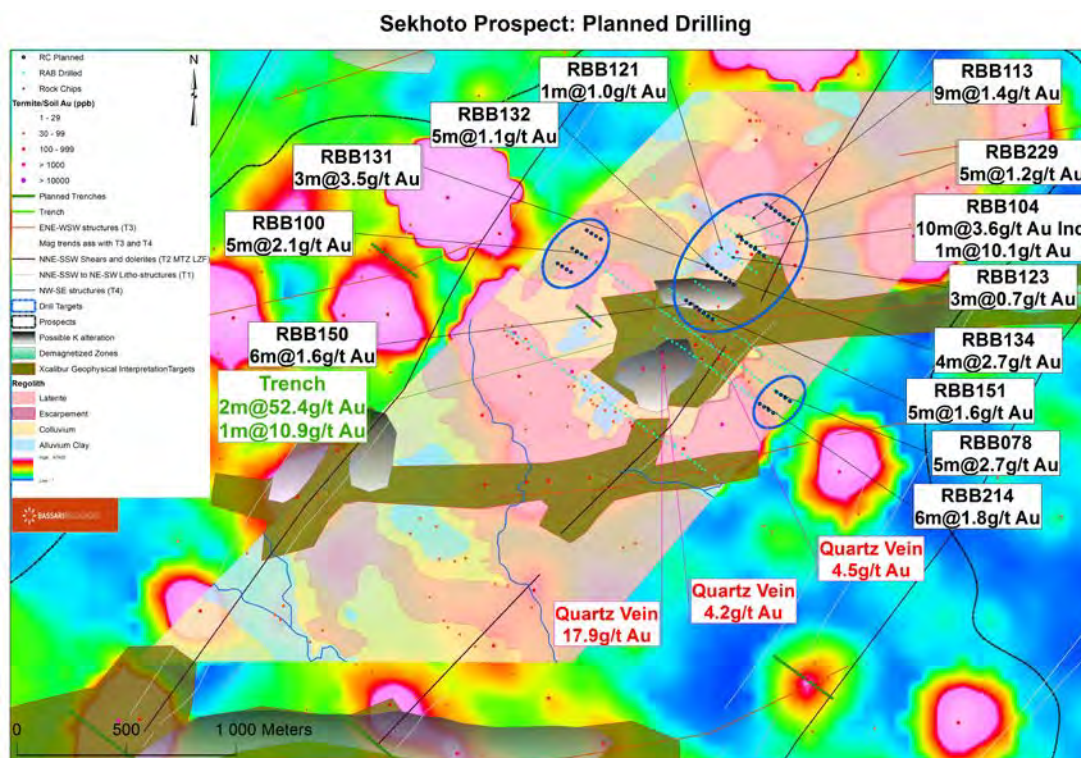


Figure 8 – Sekhoto Prospect Plan

Corporate

Conferences

Bassari Resources Limited presented at the following conferences during the quarter:

- 2nd International Mining Conference & Exhibition, SIM Senegal 2012 in Dakar 6-8 November 2012; and
- Mines & Money London 2012, 4-5 December 2012.

Managing Director Mr Jozsef Patarica will be presenting at the Mines & Money Hong Kong Conference 18-22 March 2013. The Company is pleased to invite shareholders and investors to visit its booth at the conference.

The presentations delivered at the conferences will be available on www.bassari.com.au

About Bassari

Melbourne - based West African gold explorer Bassari Resources Limited (ASX:BSR) has a strategic portfolio of exploration permits focused on the Birimian Gold Belt in Senegal. The permits cover an area of 850 km² with 80 km of strike along the combined three contiguous permits. The permits are located within the Kedougou Kenieba Inlier which is a +55M ounce gold region. Bassari's vision is to discover and delineate gold resources which can be developed into profitable operations.

Forward Looking Statement

This release may include forward-looking statements which are based on assumptions and judgements of management regarding future events and results. Statements regarding Bassari Resources Limited plans with respect to future exploration and drilling are forward-looking statements. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Bassari Resources Limited that could cause actual results to differ materially from such statements. Bassari Resources Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

Competent Persons Statement

The technical information in this report has been reviewed and approved by Mr Chris Young who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Young has over 40 years experience in the industry and has more than 5 years experience which is relevant to the style of mineralisation being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Young consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

For further information please contact:

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

BASSARI RESOURCES LIMITED

ABN

84 123 939 042

Quarter ended ("current quarter")

31 December 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors – Gold sale proceeds	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(2,326) (403)	(8,572) (1,797)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	8	101
1.5 Interest and other costs of finance paid		(7)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(2,721)	(10,275)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		(81)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows		(81)
1.13 Total operating and investing cash flows (carried forward)	(2,721)	(10,356)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,721)	(10,356)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1	11,001
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Costs of capital raising		(727)
	Net financing cash flows	1	10,274
	Net increase (decrease) in cash held	(2,720)	(82)
1.20	Cash at beginning of quarter/year to date	4,214	1,766
1.21	Exchange rate adjustments to item 1.20	(8)	(198)
1.22	Cash at end of quarter	1,486	1,486

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	117
1.24	Aggregate amount of loans to the parties included in item 1.10	N/A

1.25 Explanation necessary for an understanding of the transactions

Salaries and payments made for consulting services to directors and director related companies.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	750
4.2 Development	-
4.3 Production	-
4.4 Administration	450
Total	1,200

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,486	4,214
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,486	4,214

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	572,654,403	572,654,403		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,714	5,714	11 cents	11 cents
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	3,300,000 2,500,000	Nil Nil	<i>Exercise price</i> 45 cents 30 cents	<i>Expiry date</i> 31-01-2013 31-12-2013
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	5,714	5,714	11 cents	
7.10 Expired during quarter	59,270,125	59,270,125	11 cents	30-11 2012
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)		
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company Secretary)

Date: 31 January 2013

Print name:

Ian Riley

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.