BASSARI RESOURCES

ANNUAL REPORT

31 DECEMBER 2016

CORPORATE DIRECTORY

Board of Directors
Alex Mackenzie, Executive Chairman
Philip Bruce, Non-Executive Director
Peter Spivey, Non-Executive Director

Company Secretary
Ian Riley

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ASX Code: BSR

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Corporate Governance
The Company's Corporate Governance Statement and Charters can be accessed on the Bassari website www.bassariresources.com

DIRECTORS' REPORT

The Directors of Bassari Resources Limited ("the Company" or "Bassari") submit herewith their report on the consolidated entity ("the Group"), consisting of Bassari Resources Limited and the entities it controlled at the end of, and during, the financial year ended 31 December 2016.

In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

DIRECTORS

The names and details of Directors in office during the period and up to the date of this report, unless otherwise stated, are:

Alex Mackenzie (Executive Chairman)
Philip Bruce (Non-Executive Director)
Peter Spivey (Non-Executive Director)

Alexander Seaforth Mackenzie – appointed April 2013

Alex graduated as a chartered accountant in 1971 and for many years worked at Price Waterhouse concentrating on the mining sector. From 1985 Alex has been a consultant to the mining industry and has held directorships in a number of mining companies operating in Senegal, Ghana, Ecuador and Australia. In 1993 he identified the potential of a drilling and feasibility program at Sabodala in Senegal. Since that time he has worked predominantly in Senegal promoting and developing that country's mineral resource industry.

Alex identified the gold and resource potential in the Birimian mining belt in Senegal and was directly responsible for identifying not only the potential of the Sabodala gold deposit but the Grande Cote Zircon deposit, then inviting and assisting Mineral Deposits Limited to Senegal to review and ultimately acquire and successfully develop the Sabodala gold project and Grand Cote Zircon project. He later negotiated the joint ventures on the permits that now form Bassari.

Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	55,755,186
Interests in options:	Nil

Philip Francis Bruce BE (Mining) FAusIMM MAICD (Non-Executive Director) – appointed September 2013

Philip has over 35 years mining industry experience in Australia, Africa and Indonesia on gold, platinum and base metals operations and senior corporate management. He has served on a number of listed company boards in Australia and Canada and contributed significantly in their management and growth.

Other current directorships:	Hill End Gold Limited Latrobe Magnesium Limited
Former directorships (last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	41,567,284
Interests in options:	Nil

Peter Spivey BSc, Post Grad Diploma Extractive Metallurgy, GDAFI

Peter, a resident of Senegal, was appointed a Director of Bassari Resources Limited on 18 May 2015.

Peter is a successful mine developer and operator having started in the industry in 1981 in Australia. He is a metallurgist by background with post graduate business qualifications. Most of Peter's work has been in the gold sector, but he has also worked in iron ore and mineral sands projects.

Since 1988 Peter has held a variety of senor positions in Indonesia, Tanzania and most recently working in Senegal and several neighbouring West African countries. He was Chief Operating Officer ("COO") and then Chief Executive Officer of Cluff Gold (now Amara Mining) from 2010 to 2014, and oversaw the development of Senegal's first modern large-scale gold mine, Sabodala, as Mineral Deposits' COO from 2005 to 2009. He also held senior roles with Placerdome and Resolute Ltd.

A key attribute of Peter's is his ability to assemble and develop high quality and effective teams of expatriates and national workers during construction and leading into the operational phases of two new major African gold mines. Peter has a well-established network of contacts throughout the industry, from debt and equity providers of finance, through to service providers, contractors and consultancy groups, and also within many mining companies.

Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	106,666
Interests in options:	Nil

COMPANY SECRETARY

Ian Riley was appointed to the position of Company Secretary in January 2010. Ian is a qualified chartered accountant with over 25 years' experience as a principal in medium sized chartered accounting firms and more recently established his own consulting practice to provide assurance and advisory services. Ian specialised in managing small to medium sized listed public companies, mainly mineral and oil exploration, and was involved in the preparation of valuations and independent expert reports for mergers, acquisitions and capital raisings.

Ian is responsible to the Board for all budgetary and management reporting, taxation and statutory financial reporting. Ian is a Chartered Accountant and Registered Company Auditor.

FORMER PARTNER OF THE AUDIT FIRM

No audit or former audit partners are directors or officers of the Company.

PRINCIPAL ACTIVITIES

The principal activities of the Group are to develop the Makabingui Gold Project which is located within the Sambarabougou permit and to further progress exploration and resource definition within its permit areas located in Senegal in order to identify mineral (primarily gold) deposits that meet commercial parameters of grade and tonnage needed for profitable exploitation.

Following a feasibility study of its Makabingui Gold Project, the Group has been granted an Exploitation Permit by the Senegal Government to develop the Project.

OPERATING RESULTS

The consolidated loss for the Group for the year amounted to $3.859 million, including tenement impairment writedown, $2.67 million (2015:$1.337 million).

FINANCIAL POSITION

The net assets of the consolidated entity have increased by $0.078 million to $46.986 million at 31 December 2016 (2015: $46.908 million). The major movements were:

- Share issues during the year raised $5.051 million (net of costs);
- Impairment writedown of exploration costs, $2.67 million; and
- A loss arising on the translation of foreign operations of $1.114 million.

The consolidated entity had a working capital deficit, being current assets less current liabilities, of $1.398 million as at 31 December 2016 compared to $2.299 million at 31 December 2015.

REVIEW OF OPERATIONS

Overview

Bassari Resources Limited is an Australian ASX-listed company focused on discovering and developing profitable gold resources in the Birimian Gold Belt in south eastern Senegal, West Africa. Bassari has targeted Senegal in view of its great under explored potential, the high prospectivity of the Birimian Gold Belt and Senegal's stable economy and support for the mining industry.

The Company is focused on developing the Makabingui Gold Project by initially targeting four high grade pits and upgrading the existing gravity plant to treat hard rock.

Drilling to date has identified significant gold mineralisation over a strike length of 80 kilometres with early resource expansion targets particularly at Makabingui South and Konkoutou.

Makabingui Gold Project – Feasibility Study Results

The Makabingui Gold Project currently hosts a Mineral Resource[1], which comprises 11.9 million tonnes averaging 2.6 g/t gold for a contained 1 million ounces of gold classified into the Indicated and Inferred Resource categories.

An initial open pit mining phase will be extended to mine deeper resources by open pit or underground methods and further open pits are expected to be developed within the tenements and along strike.

The Makabingui Gold Project ore is free milling, accordingly ore treatment will be low cost, conventional gravity and Carbon in Leach (CIL) processing circuit. The existing gravity plant at the Douta site is to be upgraded at low cost to include a CIL plant.

The Makabingui Open Pit Feasibility and Underground Scoping Studies are presented on an entire project basis with Bassari (through its 100% owned local subsidiary Bassari Resources Senegal SARL) holding 70% interest in the Sambarabougou Exploration Permit.

This Open Pit Feasibility Study was managed by Bassari, with input from a number of specialist independent consultants covering key disciplines. The study provides a detailed assessment of the technical and economic viability for the initial development phase of the Makabingui Gold Project.

The Open Pit Feasibility Study for the initial open pit mining phase delivered outstanding results:

Makabingui Gold Project Ore Reserve[2]

Category	Ore			Waste
Probable	**kt**	**Au g/t**	**Au koz**	**kt**
Pit 1	450	7.3	107	15,680
Pit 2	410	3.8	51	5,250
Total Ore Reserve	**860**	**5.7**	**158**	**20,930**

[1] Prepared and disclosed under the JORC Code 2004 and remains unchanged – 04.12.2012 to 31.03.2017.

[2] The tonnes and grades are stated to a number of significant digits reflecting the confidence of the estimate. Since each number and total is rounded individually the columns and rows in the above table may not show exact sums or weighted averages of the reported tonnes and grade. (See JORC Code Table 1 – Reporting of Ore Reserves – 16.09.2014)

Makabingui initial stage high grade Open Pit Project Feasibility Study summary at US$1,200/oz gold price[1]:

Mined ounces	***180,000 ounces***
Production (recovered gold)	***171,000 ounces***
Average annual gold production	***50,000 ounces***
Average gold grade to the mill	***>5.6 g/t gold at 1.3g/t cut-off grade***
High processing recovery	***95%***
Processing rate	***300ktpa***
Initial project mine life	***3.4 years***
Cash Cost (C1)	***US$683/oz***
Low additional capital	***US$12M***
NPV (8% discount rate)	***US$63M***
IRR	***404%***
Pre-capex free cash flow (after tax)	***US$88M***
Payback from production start	***<12 months***

Pre-production Capital Cost Estimate:

Processing Plant Upgrade	US$5.5M
Mine Pre-development	US$1.7M
Tailings Storage Facility (Year 1)	US$0.5M
First Fill & Spares	US$0.5M
Mine Establishment & Owner's Costs	US$2.8M
Sub Total	**US$11.0M**
Tailings Storage Facility (Year 2 onwards)	US$1.1M
Total Capital Cost Estimate	**US$12.1M**

Notes:

- Mine pre-development allows for four months of mining to build an adequate ROM stockpile prior to gold production
- Mine Establishment & Owner's Costs include mobilisation, mine infrastructure and project management costs
- 180,000 mined ounces comprises 158,000 ounces from the Ore Reserves and 22,000 from Inferred Resources within the pit designs
- Production (recovered gold) of 171,000 ounces includes gold from Inferred Resources within the pit designs.

Capital and operating costs have been derived from first principles based on budget quotes and in-country labour rates where possible as well as consultant databases related to similar projects.

Mine Layout

The development proposal is to commence mining operations utilising existing infrastructure, equipment and 300ktpa gravity processing plant. Four high grade open-cut pits have been identified, designed, and material movement schedules completed within the 1M ounce gold resource (refer Figure 3). The contained ounces and average grade for each pit are:

• Pit 1 – Total of ~460K tonnes at **~ 7.5 g/t gold** for		**111,000 ounces**
• Pit 2 – Total of ~410K tonnes at **~ 3.8 g/t gold** for		**51,000 ounces**
• Pit 3 – Total of ~50K tonnes at **~ 3.1 g/t gold** for		**5,000 ounces**
• Pit 4 – Total of ~67K tonnes at **~ 5.9 g/t gold** for		**13,000 ounces**
	Total	**180,000 ounces**

The total of 180,000 ounces of mined gold includes 22,000 ounces from Inferred Resources.

[1] *Feasibility Study Results release dated 26.06.2014.*

DIRECTORS' REPORT (cont'd)

While the initial open pits may be extended, an Underground Study has provided an assessment of the potential for mining the deeper resource from access declines within the pits to commence on completion of initial mining operations. The underground study is based mostly on Inferred Resources in the final design and only included the resources beneath Pit 1. The study assumed that the existing infrastructure and a 300ktpa processing plant would be utilised, however a larger facility is expected as the project scope grows.

Makabingui High Grade Underground Scoping Study at US$1,200/oz gold price[1]:

(The Underground Scoping Study does not constitute an addition to the Ore Reserves referred to above)

- *Mined ounces* — ***120,000 ounces (additional to open pits)***
- *Average gold grade to the mill* — ***>7.0 g/t gold***
- *Mine life extension* — ***~2.5 years***
- *Estimated Revenue* — ***US$144M***
- *Estimated OPEX* — ***US$56M***
- *Estimated CAPEX* — ***US$35M***
- *Processing recovery* — ***95%***
- *Cut-off-grade* — ***3g/t gold***

[1] *Underground Extension Results release dated 02.09.2014.*

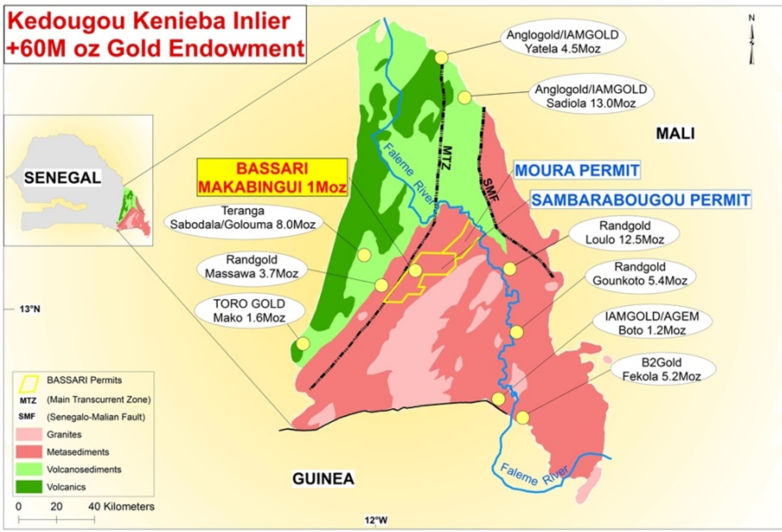

Figure 1 – Kedougou-Kenieba Inlier

ENVIRONMENTAL & SOCIAL IMPACT ASSESSMENT

The Technical Review Committee validation in March 2015 of the Environmental and Social Impact Assessment (ESIA) lodged with the Environmental Department of the Senegalese Government marked a significant milestone in the permitting process for the Makabingui Gold Project.

Following the Technical Review Committee validation, approval of the ESIA by the public meeting held for that purpose allowed the Environmental Department to make formal attestation of the ESIA to Government authorities, which completed the Sambarabougou Mining Concession application.

The Exploitation Permit for the Bassari/WATIC joint venture development of the Makabingui Gold Project has been approved and signed by the Minister of Mines. The terms include an investment of US$100,000 on social development during the pre-development period and 0.5% of gold sales thereafter.

We acknowledge and are encouraged by the ongoing support provided by the government departments involved throughout the permit assessment process.

DIRECTORS' REPORT (cont'd)

PROJECT FINANCE

A number of project financing options are being considered by the Company with due diligence by a number of funding entities presently being undertaken with a project finance term sheet under review by management. The Board is focused on delivering a financing package which maximises value to shareholders through developing the project. Key aspects of the project highlighted by potential financiers:

- High grade starter project reduces overall capital.
- Highly experienced development team in place.
- Detailed design of processing plant upgrade well advanced.
- Senegal is a stable country with government focused on economic growth through mining sector.
- Previous operating experience of gravity plant reduces project risk.
- Existing gravity plant in place reduces development timeline.
- Significant infrastructure already in place including a camp accommodating 112 personnel, medical centre, diesel genset power supply and a 500 megalitre dam.
- Excellent access to site with major port facility in capital city of Dakar.
- Significant upside beyond starter project within existing resources and multiple prospects identified and ranked.

PROJECT AND PERMIT LOCATION

Bassari holds a 70% interest in its permit areas in a central location of the highly prospective Birimian Kenieba Inlier. The extension or conversion of the Moura and Bounsankoba tenements is under review. The permits are located approximately 750 km east of Senegal's capital city of Dakar and about 70km north east of the town of Kedougou, and span 80km strike length of parts of a major crustal shear zone, the Main Transcurrent Shear Zone (MTZ), a well-defined gold mineralised structural corridor. The Kenieba Inlier hosts several multi-million ounce gold deposits and extends into the bordering countries of Mali and Guinea (refer Figure 1).

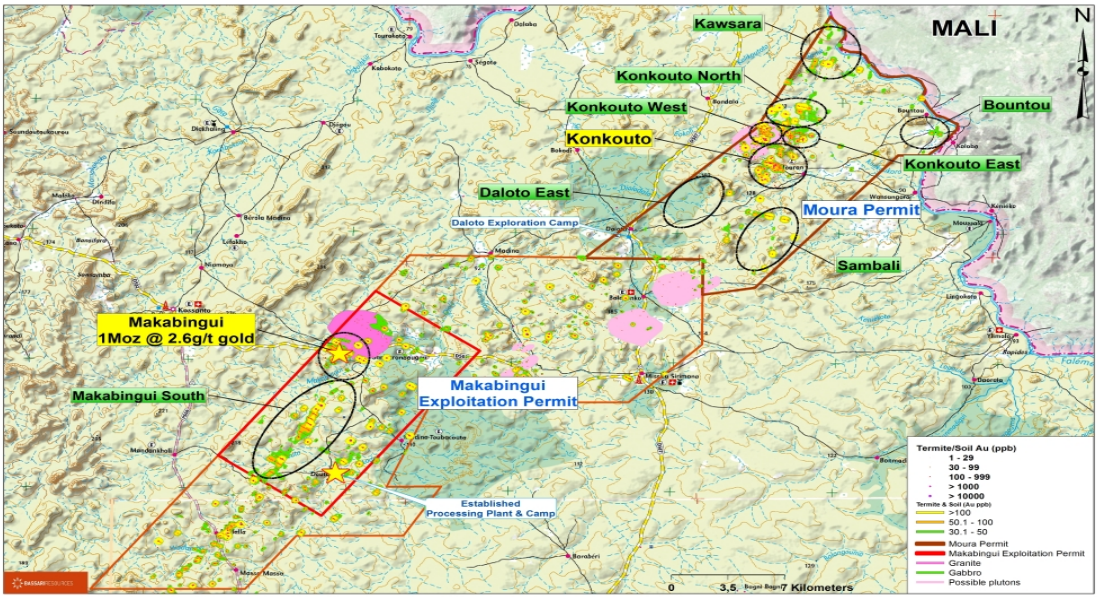

Figure 2 –Bassari's Permits with Project and Permit Locations

Strategic Exploration Package

Bassari is extremely positive about the much larger exploration potential that exists within close proximity to both the Makabingui Gold Project (Exploitation Permit refer Figure 3) and also within its permits.

Previous artisanal activity within the Makabingui Project area south of the existing resource has identified potential for multiple new areas of mineralisation within a significant NE trending shear zone, and further highlights the prospectivity of Makabingui. Previous broad spaced drilling (both RAB and RC) has returned significant gold intercepts which combined with the level of previous artisanal activity highlight the strong prospectivity.

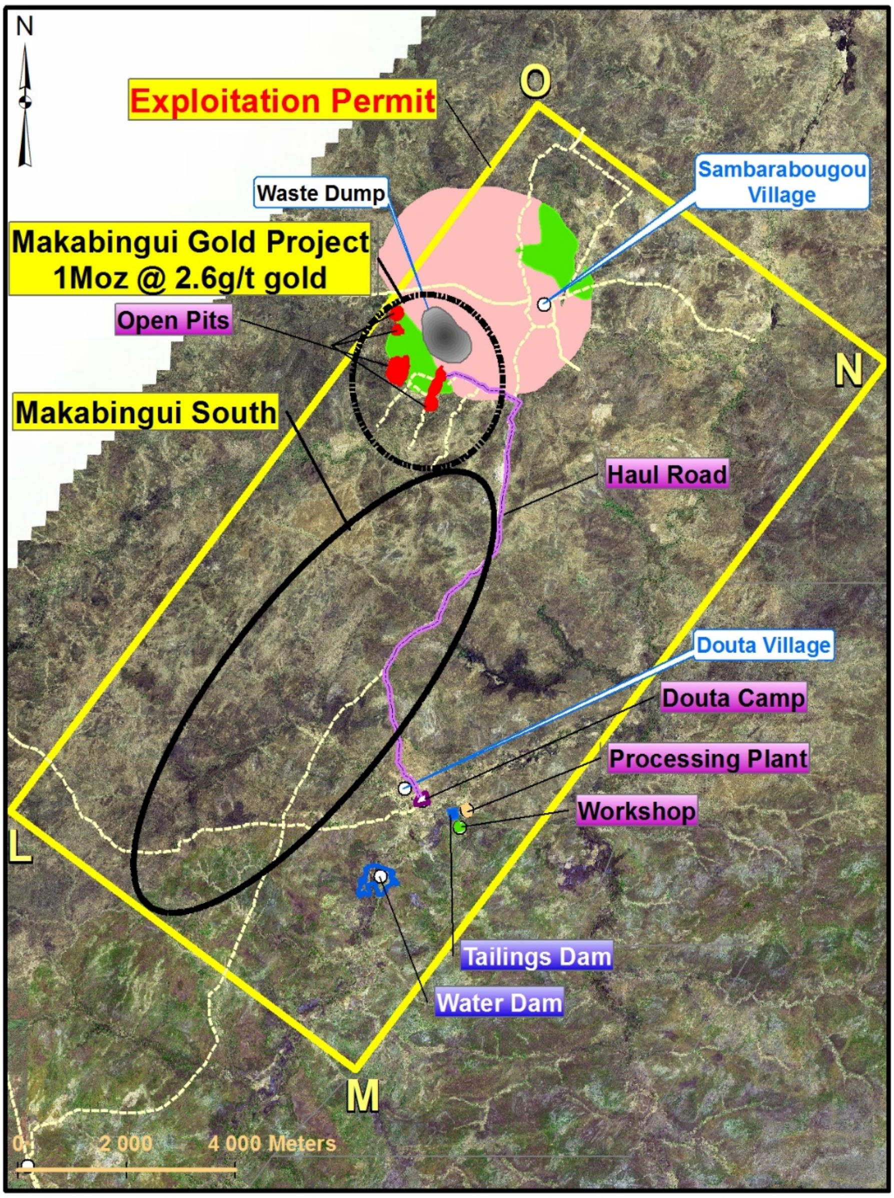

Figure 3 – Makabingui & NE Trending Mineralised Zone

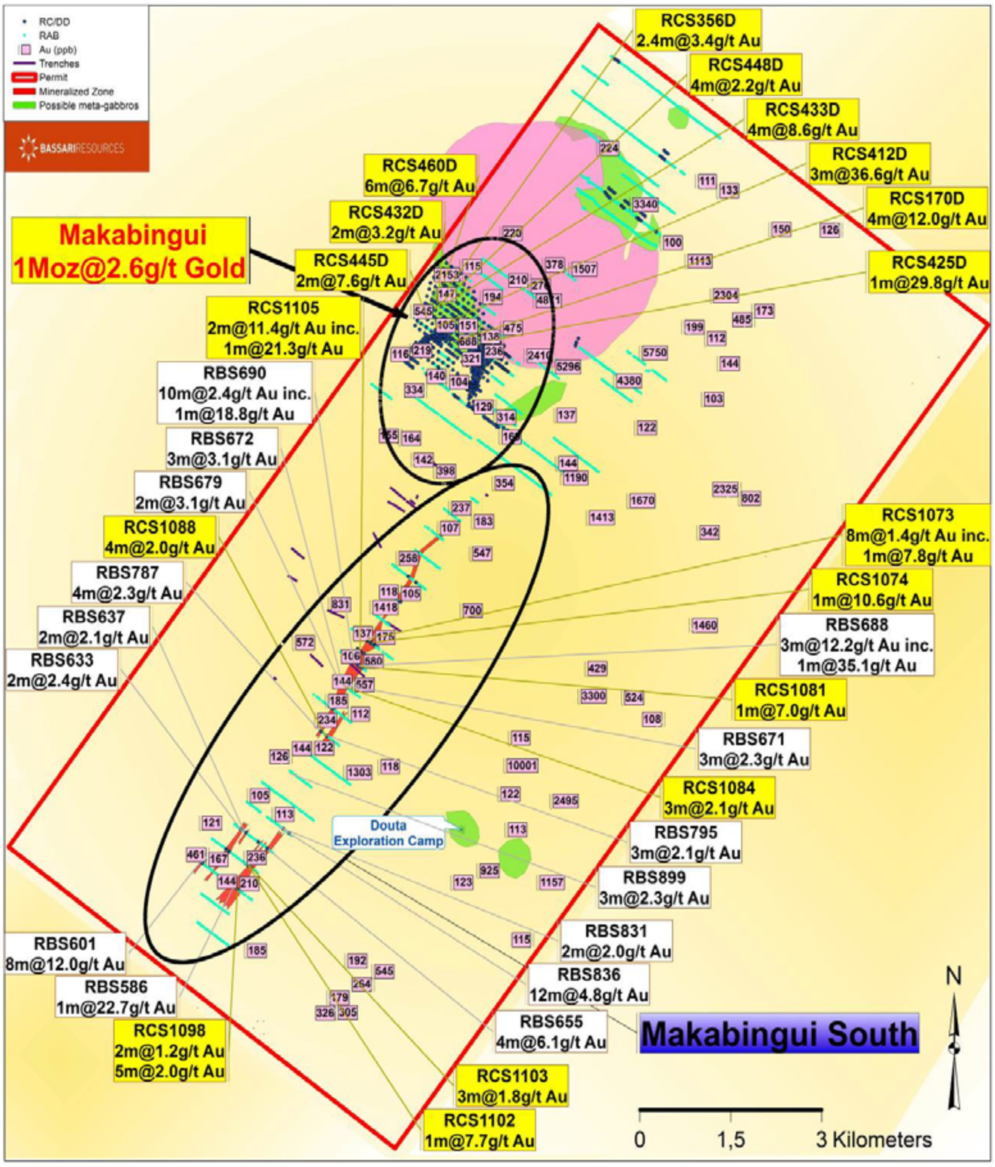

Figure 4 – Makabingui Exploitation Permit with Au intercepts

MOURA EXPLORATION PERMIT (Bassari 70%)

The most northern of Bassari's permits, Moura, contains the Konkoutou Hill, Konkoutou North, Kawsara, Bountou, and Sambali Prospects (Figure 5).

The prospects defined in the Moura Permit are supported by interpreted prospective structural zones highlighted by the soil geochemical survey results.

Konkoutou Drilling Progam

The Konkoutou prospects, located 35 kilometres north of the Makabingui Gold Project on the Moura tenement, have the largest and strongest geochemical gold-in-soil anomaly on the Bassari leases (Figure 5). Continuity of the gold mineralised structures is confirmed at depth and along strike and excellent assay returns from the Reverse Circulation (RC) and Diamond (DD) drilling program at the Konkoutou Hill Gold Project have been received.

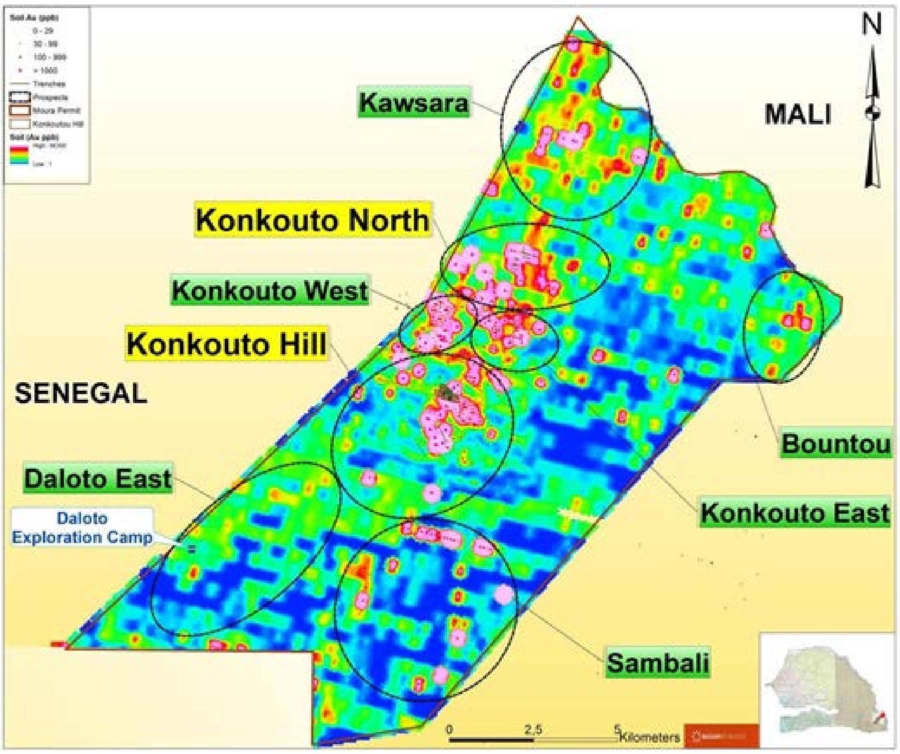

Figure 5 - Konkoutou Prospects Location

Gold intersections from the recent drilling program include:

- 21m at 3.5 g/t Au from 54m including 6m at 9.6 g/t Au (RCM077)
- 11m at 5.7 g/t Au from 21m including 1m at 44.2 g/t Au and 5m at 1.4 g/t Au (RCM084)
- 10m at 5.1 g/t Au from 96m including 4m at 9.3 g/t Au (RCM075)
- 5m at 4.9 g/t Au from 23m including 1m at 22.2 g/t Au and 4m at 2.0 g/t Au (RCM087)

Konkoutou Hill Resource Drilling

The focus of the drilling program was to delineate resources at the Konkoutou Hill Gold Project over 450 metres strike length and down to approximately 100m below surface.

The latest results from the current RC and DD resource drilling at the Konkoutou Hill Gold Project (ASX announcements 28 November 2016, 25 January 2017) include the following down hole intersections (Figure 6):

- 21m at 3.5g/t Au from 54m including 6m at 9.6g/t Au (RCM077)
- 10m at 5.1g/t Au from 96m including 4m at 9.3g/t Au (RCM075)
- 15m at 1.1g/t Au from 46m (RCM078)
- 4m at 3.6g/t Au from 89m (RCM066)
- 4m at 3.5g/t Au from 76m (RCM069D)
- 3m at 4.2g/t Au from 24m (RCM076)
- 2m at 8.3g/t Au from 83m (RCM079D)
- 11m at 5.7g/t Au from 21m including 1m at 44.2g/t Au and 5m at 1.4g/t Au (RCM084)
- 5m at 4.9g/t Au from 23m including 1m at 22.2g/t Au and 4m at 2.0g/t Au (RCM087)
- 3m at 2.9g/t Au from 50m (RCM089)
- 2m at 2.5g/t Au from 64m and 2m at 1.9g/t Au from 74m (RCM083)

These results confirm the continuity between the drill lines of the high grade gold mineralised structures together with the strong intersections (ASX announcements 12 January 2012, 7 May 2012, 8 April 2016 and 22 June 2016), which include :

- 27m at 1.7g/t Au including 2m at 10.5g/t (RCM060)
- 22m at 1.5g/t Au including 9m at 3.0g/t (RCM055)
- 9m at 2.2g/t Au (RCM061)
- 12m at 0.9g/t Au (RCM064)
- 9m at 11.5g/t Au including 3m at 33.9g/t Au from 161 metres (DDM003)
- 50m at 2.5g/t Au from 19m (RCM002)
- 20m at 3.0g/t Au from 32m (RCM012)
- 5m at 4.7g/t Au from 34m (RCM025)

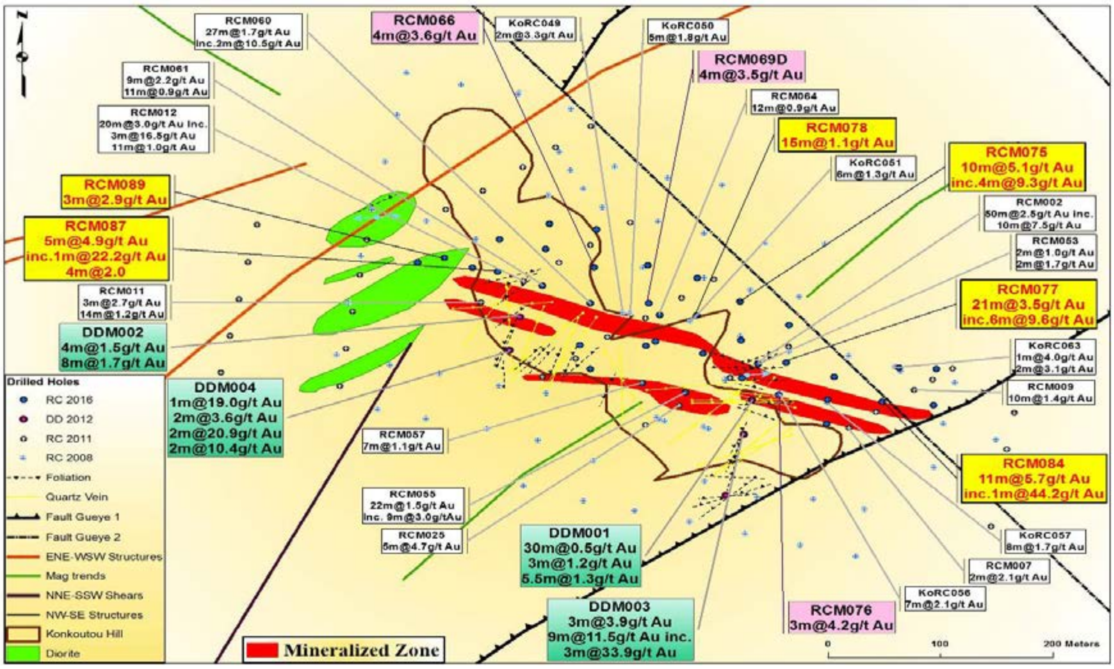

Figure 6 - Konkoutou Hill Gold Project with main Au intersections including new results

The completed drilling program of 2,922m included 2,424m of RC drilling and 498m of diamond drilling to delineate the resources at the Konkoutou Hill Gold Project in a grid of 40m x 40m. The objective of the program was to confirm the continuity of the high grade structures to a relatively shallow depth over a strike length of approximately 450m (Figure 6).

Twenty four RC holes (RCM066 to RCM089) totaling 2,424m were drilled in eleven lines. Most holes were drilled towards the south at a dip of -60° in order to intersect perpendicularly, the maximum structures controlling the gold mineralisation.

Seven RC holes were extended by diamond tails (RCM056D, RCM067D, RCM069D, RCM070D, RCM071D, RCM079D, and RCM082D) in order to intersect deeper mineralised structures interpreted as sub-vertical. A total of 498m of diamond drill core spread over these six holes was completed.

The lithology mapped in the diamond tails are mainly foliated greywacke and shale intersected by quartz veins and quartz veinlets. Locally, quartz feldspar porphyry fingers (1- 2m width) have intruded the sedimentary unit.

The drilling information and geological interpretation of the gold mineralised structures is being compiled for a resource estimation by international consultants and the preparation of a feasibility study for the development of the deposit. While it is expected that the Konkoutou Hill project will be a satellite source for the Makabingui processing plant, which is located 35 kilometres to the south, the Konkoutou area is well-mineralised and may be the focus of later production for the Company.

Structurally, Konkoutou Hill is related to NW-SE thrust zones which are in a NE-SW trending mineralised shear zone. The area includes many mineralised quartz veins. Gold bearing quartz veins occur as fracture filling in a sheared greywacke unit trending NW and dipping to the NE. The mineralised quartz veins have a general NNE-SSW to E-W direction. Quartz veins are sometimes parallel to cleavage and thrust planes and deformed into extensional shear bands.

Maiden Konkoutou North RC Drilling Program

The initial reverse ciculation (RC) drilling program on the Konkoutou North prospect comprised 16 holes (RCM090 to RCM105) totalling 1,179m in five 200m-spaced lines along the interpreted main zone. The holes were 40m apart on section and most holes (13) were drilled towards an azimuth of 105°N at a dip of -60°. Three holes on one line were drilled towards an azimuth of 285° with the same dip (scissor holes) to check the orientation of the structures controlling the gold mineralisation.

The objective of the drilling was to confirm at depth and on strike the mineralised structures previously highlighted with the rock and trench results which include :

Trench mapping and sampling	Quartz vein/let rock chip sampling
10m @ 2.9g/t gold	80.4g/t gold
15m @ 1.0g/t gold	65.5g/t gold
5m @ 2.1g/t gold	37.6g/t gold
2m @ 5.5g/t gold	37.3g/t gold

A total of 1,241 samples (including check samples) were sent to the SGS laboratory in Bamako, Mali for gold analysis.

These drilling results have highlighted the presence of a series of gold mineralised lodes characterised by quartz carbonate veins and veinlets associated with pyrite and arsenopyrite.

The geology is mainly characterised by a sedimentary sequence of greywacke and shale with quartz veins and quartz veinlets intruded by metagabbro. This is similar mineralisation and host geology to the 1Moz Makabingui gold resource.

The Konkoutou North prospect is the second prospect to be drilled on the Moura Permit among numerous other prospects yet to be drilled. It is an area of 2.0km x 0.3km defined by gold-in-soil anomalies which coincide with a geophysical anomaly highlighted by the High Resolution Airborne Magnetic and Radiometric Survey conducted in June 2012 by Xcalibur Airborne Geophysics.

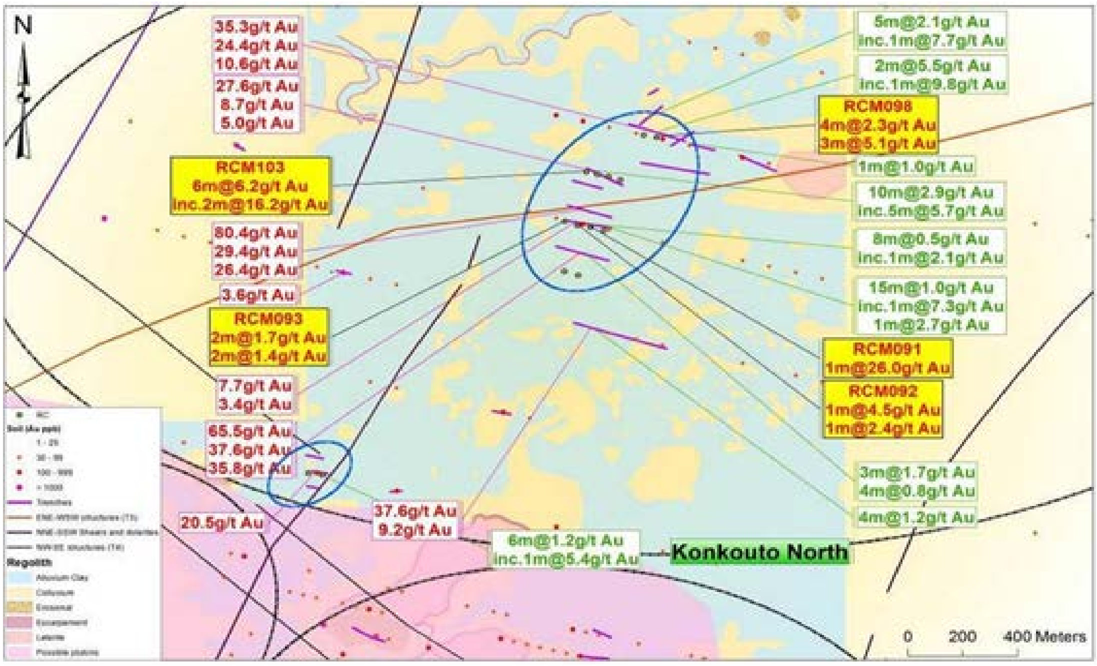

Figure 7 - Konkoutou North prospect rock chips and trench results (green colour) with best Au intercepts of RC drilling (in yellow colour)

Competent Persons' Statement

The technical information in this report related to open cut and underground designs for the Makabingui deposit has been sourced from Australian Mine Design and Development Pty Ltd (AMDAD) Report 1723-140630 and Underground Scoping Study dated August 2014 and reviewed by Mr John Wyche (author of the reports). The technical information in this report related to metallurgical test work and comminution test work has been sourced from ALS Metallurgy (New South Wales – Sydney) Report M2867 and AMML – Australian Minmet Metallurgical Laboratories Pty Ltd Report 0398-1.

The information that relates to the Mineral Resources and Exploration Results has been reviewed and approved by Mr Moussa Diba who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Diba is a geologist employed by Bassari Resources Senegal SARL and has over 20 years' experience in the industry and has more than five years' experience which is relevant to the style of mineralisation being reported upon and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Diba consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. The Mineral Resource information referred to was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not changed since it was last reported.

The AMDAD pit optimisation study used a Mineral Resource made up of a combination of Indicated and Inferred Resource blocks. There is a low level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Indicated mineral resources or that the production target itself will be realised.

The Competent Person signing off on the Makabingui Ore Reserve Statement is John Wyche. Mr Wyche is a Member of The Australasian Institute of Mining and Metallurgy who has 30 years of experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Reserves'. Mr Wyche is a full time employee of Australian Mine Design and Development Pty Ltd and acts as a consultant mining engineer to Bassari Resources Limited. Mr Wyche is not an employee of Bassari Resources Limited and does not hold shares or other equities in Bassari Resources Limited.

CORPORATE

Capital raising

Placements during the first half of the year at $0.01 (1 cent) each ordinary share raised $1.596 million before costs with further placements in the second half of the year at $0.022 (2.2 cents) each ordinary share raising $1.965 million before costs. In addition, the Company announced the offer of a Share Purchase Plan (SPP) to all eligible shareholders on 29 July 2016. The SPP closed on 16 August 2016, raising $1,540,000 for the issue of 70,000,122 ordinary shares at $0.022 (2.2 cents) per each ordinary share. All funds raised have been for the purpose of providing working capital and to fund the further progress of the development phase of the Makabingui Gold Project and advance drilling programs at Konkoutou on the Moura permit.

DIVIDENDS

During the financial year, no dividends were paid (2015: $Nil). The Directors have not recommended the payment of a dividend.

SHARES

At the date of this report 1,821,805,586 ordinary shares were on issue.

SHARE OPTIONS

At the date of this report, there were no unissued ordinary shares of the Company under option. No shares were issued during the year on conversion of options.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the financial year other than:

- The Company raised additional capital during the year of $5.051 million after costs through the issue of 318.9 million ordinary shares. The funds were used to advance the development of the Makabingui Gold Project and to fund a drilling program at Konkoutou on the Moura exploration permit.
- The Group has fully impaired expenditure on the Bounsankoba exploration permit while its extension is under review resulting in a write down of $2.6 million.

EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Since the end of the financial year, the Directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

There have been no events that have occurred subsequent to the end of the reporting period that would require adjustment to, or disclosure in, the financial report.

INDEMNITIES AND INSURANCE – OFFICERS

In addition to the amounts disclosed for remuneration of Directors and Key Management, Bassari pays a premium each period in respect of Directors and Officers insurance. In accordance with normal commercial practice, disclosure of the premium payable under, and the nature of the liabilities covered by, the insurance contract is prohibited by a confidentiality clause in the contract.

INDEMNITIES AND INSURANCE – AUDITOR

The Company has not, during or since the financial year end, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

DIRECTORS' MEETINGS

The number of meetings of the Company's Board of Directors held during the year ended 31 December 2016, and the number of meetings attended by each director was:

Name	Number of Meetings Held	Number Eligible to Attend	Number of Meetings Attended
A S Mackenzie	2	2	2
P F Bruce	2	2	2
P Spivey	2	2	2

The Company has no separate audit or remuneration committee at present, with both committees consisting of all directors. Therefore, meetings above include a meeting of the audit and remuneration committees. The role of the audit committee is undertaken by the Board of Directors.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of the Court under Section 237 of the Corporations Act 2001 to bring proceedings on behalf of the company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

During the year BDO East Coast Partnership, the Company's auditor, has not provided any other services in addition to their statutory duties. In relation to services provided in the prior year, the Directors were satisfied that the provision of these non-audit services by the auditor (or by another person or firm on the auditor's behalf) was compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. Details of amounts paid or payable are as follows:

	2016 $	2015 $
BDO East Coast Partnership		
Audit or review of financial reports of the entity	45,519	52,714
Taxation services	1,000	1,500
Firms not related to the lead auditor • audit services	14,775	23,557
Total remuneration	**61,294**	**77,771**

BDO East Coast Partnership continues in office in accordance with the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under Section 307C of the *Corporations Act* 2001 is included on page 24 of the financial report.

LIKELY DEVELOPMENTS

Other than as provided elsewhere in this financial report, there is no further disclosure regarding the likely developments of the operations of the Company in future financial years, other than the Company's continuing efforts to develop the Makabingui Gold Project and further its exploration activities as described in the Review of Operations.

ENVIRONMENTAL REGULATION

To the best of the Directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of all environmental legislation and is not aware of any breach of those requirements during the financial year and up to the date of the Directors' report.

AUDITED REMUNERATION REPORT

This Remuneration Report outlines the Director and executive remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 and its Regulations. For the purposes of this report Key Management Personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, the term 'executive' encompasses the Chief Executive, senior executives, general managers and secretaries of the Parent and the Group.

Policy for determining the nature and amount of key management personnel remuneration

Remuneration Committee

The Remuneration Committee comprising the Board of Directors of the Company is responsible for determining and reviewing remuneration arrangements for the directors and executives.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality, high performing director and executive team.

Remuneration Philosophy

The performance of the Company depends upon the quality of its directors and executives. To prosper, the Company must attract, motivate and retain highly skilled directors and executives. To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Focus on creating sustained shareholder value; and
- Differentiation of individual rewards commensurate with contribution to overall results according to individual accountability, performance and potential.

There is no direct relationship between KMP remuneration and the entity's performance for the last 5 years as measured by dividends paid, changes in the share price and any return of capital.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive Director and executive remuneration is separate and distinct.

Non-Executive Director Remuneration

Objective
The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Pursuant to the Company's Constitution, the Directors of the Company are entitled to receive remuneration for their services as Directors in such amount which in aggregate does not exceed an amount per annum fixed by the Company in general meeting from time to time. Currently, the aggregate amount is fixed at $250,000 per annum. At present, the Company has determined to pay the Executive Chairman $60,000 and Non-Executive Directors $40,000 per annum each.

If a non-executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above.

A Director is entitled to be reimbursed travelling and other expenses properly incurred by them in attending Director's or general meetings of the Company or otherwise in connection with the business of the company in accordance with the company's Constitution.

In the 31 December 2016 financial year, no new share based payments in the form of options over ordinary shares were granted under the LTI plan to directors (2015: Nil) and there are no options currently on issue.

Where employment ceases prior to the vesting of the share options, the share options are forfeited unless cessation of employment is due to termination initiated by the Group or death. In the event of a change of control of the Group, the performance period end date will be brought forward to the date of the change of control and options will vest over this shortened period.

The Company prohibits executives from entering into arrangements to protect the value of unvested LTI awards. This includes entering into contracts to hedge their exposure to options or shares granted as part of their remuneration package.

The aim of the Directors is to increase shareholder wealth through successfully achieving its primary objectives. During exploration these objectives are not linked to company earnings. Instead the successful discovery of gold resources and reserves is intended to drive shareholder wealth. Thus an increase in shareholder wealth will give rise to an increase in total director remuneration. No other remuneration is linked to performance conditions.

Senior Management and Executive Director Remuneration

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- Reward executives for company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- Align the interests of executives with those of shareholders;
- Link reward with the strategic goals and performance of the Company;
- Ensure total remuneration is competitive by market standards; and
- The executive remuneration program is designed to support the Company's reward philosophies and to underpin the Company's growth strategy. The program comprises the following components:
    - Fixed remuneration component
    - Variable remuneration component including short term incentive (STI) and long term incentive (LTI)

Variable Remuneration – Short Term Incentive (STI)

Objective

The objective of the STI program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the executive to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

Structure

In the 31 December 2016 year no payments were made (2015: $Nil).

Actual STI payments granted to each executive depend on the extent to which specific targets set at the beginning of the financial year are met. The targets consist of a number of Key Performance Indicators (KPIs) in line with the achievement of the Company's objectives.

On an annual basis, after consideration of performance against KPIs, the Remuneration Committee, in line with their responsibilities, determine the amount, if any, of the short term incentive to be paid to each executive. This process usually occurs within 3 months after the reporting date.

The aggregate of annual STI payments available for executives across the Group is subject to the approval of the Remuneration Committee. Payments made are delivered as a cash bonus in the following reporting period. No STI is available to be carried forward into the future years.

Remuneration – Long Term Incentive (LTI)

Objective

The objective of the LTI plan is to reward executives in a manner that aligns remuneration with the creation of shareholder wealth. As such, LTI grants are only made to executives who are able to influence the generation of shareholder wealth and thus have an impact on the Group's performance against the relevant long term performance hurdle.

Structure

LTI grants to executives are delivered in the form of options over ordinary shares. In both the 31 December 2016 and the 31 December 2015 financial years, no new share based payments in the form of options over ordinary shares were granted under the LTI plan to executives.

Where employment ceases prior to the vesting of the share options, share options are forfeited unless cessation of employment is due to termination initiated by the Group or death. In the event of a change of control of the Group, the performance period end date will be brought forward to the date of the change of control and awards will vest subject to performance over this shortened period. The Company prohibits executives from entering into arrangements to protect the value of unvested LTI awards. This includes entering into contracts to hedge their exposure to options or shares granted as part of their remuneration package.

Key Management Personnel – Directors and Executives

Name	Position Held
Alexander S Mackenzie	Executive Director
Philip F Bruce	Non-Executive Director
Peter Spivey	Non-Executive Director
Ian Riley	Company Secretary/CFO

The above Directors and company secretary are also the group and company executives.

Key Management Personnel - Service Contracts

Company Secretary/CFO

The Company has entered into an agreement with Ian Riley that provides for Mr Riley to be contracted by the Company as Company Secretary/CFO for a period of 12 months and to be remunerated at the rate of $155,000 per annum. The contract which can be terminated by either party with one month's notice, provides for renewal of a further term of 12 months.

Use of remuneration consultants

The Company has not made use of remuneration consultants during the current or prior financial years.

Voting and comments made at the Company's 30 May 2016 Annual General Meeting ('AGM')

At the 30 May 2016 AGM, 99.74% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2015. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Remuneration of key management personnel

The remuneration for each Director and each of the executive officers of the consolidated entity during the year was as follows:

Remuneration for the year ended 31 December 2016

	Short term employee benefits			Post employment benefits	Long-term Benefits		Share based Payments	% of value of remuneration	Total	% performance related
	Salary & Fees $	Cash Bonus $	Non Monetary benefits $	Superannuation $	Incentive Plans $	Long-service leave $	Options $	Options %		
Non-executive directors										
P F Bruce (i)	46,600	-	-	-	-	-	-	-	46,600	-
P Spivey (ii)	154,597	-	-	-	-	-	-	-	154,597	-
Subtotal non-executive directors	201,197	-	-	-	-	-	-	-	201,197	
Executive directors										
A S Mackenzie (iii)	199,540	-	-	-	-	-	-	-	199,540	-
Subtotal executive Directors	199,540	-	-	-	-	-	-	-	199,540	
Total Directors	400,737	-	-	-	-	-	-	-	400,737	
Non-Director key management										
I D Riley	155,000	-	-	-	-	-	-	-	155,000	-
Total Non-Director key management	155,000	-	-	-	-	-	-	-	155,000	
Total key management	555,737	-	-	-	-	-	-	-	555,737	

(i) Remuneration includes Director's fees $40,000 and consulting fee, $6,600.
(ii) Remuneration includes Director's fees, $40,000 and consulting fee, $114,597.
(iii) Remuneration includes Chairman's fee of $60,000 and consulting fees of $139,540. Remuneration includes amounts paid and payable.

DIRECTORS’ REPORT (cont’d)

Remuneration for the year ended 31 December 2015

	Short term employee benefits			Post employment benefits	Long-term Benefits		Share based Payments	% of value of remuneration	Total	% performance related
	Salary & Fees $	Cash Bonus $	Non Monetary benefits $	Superannuation $	Incentive Plans $	Long-service leave $	Options $	Options %		
Non-executive directors										
C H Young (i)	16,667	-	-	-	-	-	-	-	16,667	-
P F Bruce	40,000	-	-	-	-	-	-	-	40,000	-
P Spivey (iii)	95,144								95,144	
Subtotal non-executive directors	151,811	-	-	-	-	-	-	-	151,811	-
Executive directors										
A S Mackenzie (ii)	202,500								202,500	
J Patarica (iv)	128,333	-	-	12,367	-	-	-	-	140,700	-
Subtotal executive Directors	330,833	-	-	12,367	-	-	-	-	343,200	
Total Directors	482,644	-	-	12,367	-	-	-	-	495,011	-
Non-Director key management										
I D Riley	155,000	-	-	-	-	-	-	-	155,000	-
Total Non-Director key management	155,000	-	-	-	-	-	-	-	155,000	
Total key management	637,644	-	-	12,367	-	-	-	-	650,011	-

(i) Mr Young retired as a Director on 29 May 2015.
(ii) Remuneration includes Chairman’s fee of $60,000 and consulting fees of $142,500.
(iii) Mr Spoivey was appointed to the Board on 18 May 2015.
(iv) Mr Patarica resigned form the Board on 14 June 2015.

DIRECTORS' REPORT (cont'd)

- **Options and Rights Holdings**

  No options were held directly, indirectly or beneficially by company directors and key management personnel at any time during the 2016 and 2015 financial years.

- **Shareholdings -** Number of shares held, directly, indirectly or beneficially, by company Directors and key management personnel

2016	Balance as at 1 January 2016	Received as Remuneration	Options Exercised	Net Change Other*	Balance as at 31 December 2016
Directors					
A S Mackenzie	55,073,367	-	-	681,819	55,755,186
P Spivey	106,666	-	-	-	106,666
P Bruce #	41,567,284	-	-	-	41,567,284
KMP					
I Riley	1,979,232	-	-	454,546	2,433,778
TOTAL	98,726,549	**-**	**-**	1,136,365	99,862,914

*Participation in Share Purchase Plan

Philip Bruce is employed by Hill End Gold Limited (HEG) and represents HEG and associates' shareholding in Bassari of shares 2,932,176 (31 December 2015: 101,780,140). Mr Bruce holds 41,567,284 (2015: 41,567,284) shares beneficially, in an entity controlled by Mr Bruce.

Remuneration Options

No options or rights were granted for the year ended 31 December 2016 and 31 December 2015.

No shares were issued upon the exercise of remuneration options.

Additional Information

The earnings of the consolidated entity for the five years to 31 December 2016 are summarised below:

	31 Dec 2016 $000	31 Dec 2015 $000	31 Dec 2014 $000	31 Dec 2013 $000	31 Dec 2012 $000
Revenue	17	21	25	25	141
Total loss before income tax	(3,859)	(1,337)	(1,676)	(1,703)	(2,072)
Total loss after income tax	(3,859)	(1,337)	(1,676)	(1,703)	(2,072)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

Share price at financial year end (cents per share)	3.0	1.0	1.3	0.8	3.0
Basic earnings per share (cents per share)	(0.23)	(0.10)	(0.16)	(0.25)	(0.4)

End of Audited Remuneration Report

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the company under ASIC Corporations (Rounding in Financial/Directors report) Legislative Instrument 2016/91. The company is an entity to which the Legislative Instrument applies. Amounts in the Directors' report have been rounded off in accordance with the Legislative Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Signed in accordance with a resolution of the directors made pursuant to s.298 (2) of the Corporations Act 2001.

Alex Mackenzie
Executive Chairman

Melbourne, 30 March 2017

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Melbourne VIC 3008
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Australia

DECLARATION OF INDEPENDENCE BY JAMES MOONEY TO THE DIRECTORS OF BASSARI RESOURCES LIMITED

As lead auditor of Bassari Resources Limited for the year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Bassari Resources Limited and the entities it controlled during the period.

James Mooney

Partner

BDO East Coast Partnership

Melbourne, 30 March 2017

CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Notes	2016	2015
		$'000	$'000
Revenue from continuing operations	5	17	21
Corporate expenses		(343)	(391)
Employment and consultant costs	6	(557)	(697)
Occupancy costs		(189)	(184)
Travel and accommodation		(115)	(84)
Depreciation of non-current assets		(2)	(2)
Impairment of assets		(2,670)	-
Loss from continuing operations before income tax		**(3,859)**	**(1,337)**
Income tax expense relating to continuing operations	7	-	-
Loss from continuing operations		**(3,859)**	**(1,337)**
Loss for the year attributable to the owners of Bassari Resources Limited		**(3,859)**	**(1,337)**
Other Comprehensive Income			
Items that may be reclassified to profit and loss in the future			
Exchange difference on translation of foreign operation		(1,114)	156
Other comprehensive income for the year net of income tax		(1,114)	156
Total Comprehensive Income for the year attributed to the owners of Bassari Resources Limited		(4,973)	**(1,181)**
Earnings per share for loss from continuing operations attributable to the owners of Bassari Resources Limited			
Basic earnings per share (cents)	17	(0.23)	(0.10)
Diluted earnings per share (cents)	17	(0.23)	(0.10)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Notes	2016	2015
		$'000	$'000
CURRENT ASSETS			
Cash and cash equivalents	8	1,044	253
Trade and other receivables	9	60	97
TOTAL CURRENT ASSETS		**1,104**	**350**
NON CURRENT ASSETS			
Property, plant and equipment	10	-	5
Exploration and evaluation assets	11	48,384	49,202
TOTAL NON-CURRENT ASSETS		**48,384**	**49,207**
TOTAL ASSETS		**49,488**	**49,557**
CURRENT LIABILITIES			
Trade and other payables	12	1,789	1,935
Financial liabilities	13	675	675
Provisions	14	38	39
TOTAL CURRENT LIABILITIES		**2,502**	**2,649**
TOTAL LIABILITIES		**2,502**	**2,649**
NET ASSETS		**46,986**	**46,908**
EQUITY			
Contributed equity	15	68,571	63,520
Reserves	16	1,411	2,525
Accumulated losses		(22,996)	(19,137)
TOTAL EQUITY		**46,986**	**46,908**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	Contributed Equity	Reserves	Accumulated Losses	Total
		$'000	$'000	$'000	$'000
Balance at 1 January 2015		**60,678**	**2,356**	**(17,800)**	**45,234**
Loss for the year		-	-	(1,337)	(1,337)
Other comprehensive income		-	156	-	156
Total comprehensive income for the year		**-**	**156**	**(1,337)**	**(1,181)**
Issue of ordinary shares and other equity instruments	15	2,842	-	-	2,842
Equity portion of convertible notes		**-**	13	-	13
Transactions with owners as owners		**2,842**	**13**	**-**	**2,855**
Balance at 31 December 2015		**63,520**	**2,525**	**(19,137)**	**46,908**
Loss for the year		-	-	(3,859)	(3,859)
Other comprehensive income		-	(1,114)	-	(1,114)
Total comprehensive income for the year		**-**	**(1,114)**	**(3,859)**	**(4,973)**
Issue of ordinary shares and other equity instruments	15	5,051	-	-	5,051
Equity portion of convertible notes		**-**	-	-	-
Transactions with owners as owners		**5,051**	**-**	**-**	**5,051**
Balance at 31 December 2016		**68,571**	**1,411**	**(22,996)**	**46,986**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	2016	2015
		$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		9	17
Payments to suppliers and employees		(1,314)	(746)
Interest received		8	4
Net cash used in operating activities	23	**(1,297)**	**(725)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capitalised exploration and evaluation expenditure		(2,910)	(2,131)
Net cash used in investing activities		**(2,910)**	**(2,131)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	350
Proceeds from issue of equity securities		5,101	2,892
Issue costs		(50)	(50)
Net cash provided by financing activities		**5,051**	**3,192**
Net increase / (decrease) in cash and cash equivalents held		**844**	**336**
Cash and cash equivalents at beginning of financial year		**253**	**(58)**
Effects of changes in foreign exchange rates on cash held		**(53)**	**(25)**
Cash and cash equivalents at end of financial year	8,23	**1,044**	**253**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

1. GENERAL INFORMATION

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Corporations Act 2001 as appropriate for profit oriented entities.

The financial statements cover Bassari Resources Limited and controlled entities as a consolidated entity for the financial year ended 31 December 2016. Bassari Resources Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

Separate financial statements for Bassari Resources Limited as an individual entity are no longer presented as a consequence of a change to the Corporations Act 2001, however limited financial information for Bassari Resources Limited as an individual entity is included in Note 22.

The financial statements were authorised for issue by the Directors on 30 March 2017.

The financial report is presented in Australian currency.

The address of the registered office and principal place of business of the company is:

Level 17
500 Collins Street
Melbourne Vic 3000

Going Concern

For the year ended 31 December 2016, the Consolidated Entity incurred a net loss of $3,859,000, and had net cash outflows from operating activities of $1,297,000 and net cash outflows from exploration activities of $2,910,000. At 31 December 2016, the Company has net current liabilities of $1,398,000. At 31 December 2016, the Consolidated Entity reported cash and cash equivalents of $1,044,000.

The ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through debt or equity, successful exploration and subsequent exploitation of the consolidated entity's tenements. The existence of these conditions indicates a material uncertainty that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern.

Notwithstanding the above, the directors have prepared the financial statements on a going concern basis, which contemplates the continuity of normal business activity, the realisation of assets and the settlement of liabilities through the normal course of business for the following reasons:

- Subsequent to the end of the financial year, the Group issued 23,080,004 ordinary shares at $0.03 (3 cents) each, raising an additional $692,400 before costs. Funds are to be applied to working capital and to further progress the Makabingui Gold Project development.
- The company is currently negotiating with a number of interested parties to provide funding for the Makabingui Gold Project with a project funding term sheet under review by management.
- The Group has prepared cash flow budgets which include additional cash outflows for operational and project studies, which can be deferred in part if there are delays in raising capital or insufficient capital is raised to fund forecast expenditure.
- The Group has a history of successfully raising funds. The Company has the ability to raise further capital without shareholder approval under ASX Listing Rules 7.1 and 7.1A.

On the basis that sufficient funding is expected to be raised to meet the Group's expenditure forecasts, the directors consider that the Group remains a going concern and these financial statements have been prepared on this basis.

Should the company be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might be necessarily incurred should the consolidated entity be unable to continue as a going concern and meet its debts as and when they fall due.

2. NEW STANDARDS AND INTERPRETATIONS

(a) *New, Revised or Amending Accounting Standards and Interpretations Adopted*

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to their operations and effective for the year.

There have been no significant new and revised Standards and amendments thereof and Interpretations effective for the year that are relevant to the Group.

(b) New, Revised or Amending Accounting Standards and Interpretations Not Yet Effective

At the date of approving the financial report, the following Australian Accounting Standards and Interpretations relevant to the Group have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the year ended 31 December 2016.

Standard/Interpretation	**Effective for the annual reporting period beginning on**	**Expected to be initially applied in the financial year ending**
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2017	31 December 2018
AASB 9 'Amendments to Australian Accounting Standards -Financial Instruments'	1 January 2018	31 December 2018
AASB 16 'Amendments to Australian Accounting Standards - Leases'	1 January 2019	31 December 2019

The Group has not yet determined the full effect of the above amendments to standards and interpretations, however at this stage, as the Company's financial instruments disclosures are not significant, it is not expected to be material.

No other changes have a material impact on reporting and disclosures.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Australian Accounting Standards include International Financial Reporting Standards as adopted in Australia. Compliance with International Financial Reporting Standards as adopted in Australia ensures that the financial report complies with International Financial Reporting Standards (IFRS).

Basis of preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars unless otherwise stated.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2016, and the comparative information presented in these financial statements for the year ended 31 December 2015.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Consolidation

The consolidated financial statements comprise the financial statements of Bassari Resources Limited and its subsidiaries at each period end (“the Group”). Subsidiaries are entities over which the Group has control. The consolidated entity controls an entity when the consolidated entity 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 to direct the entity. Consolidated financial statements include all subsidiaries from the date that control commences until the date that control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless costs cannot be recovered.

(b) Segment Reporting

The Consolidated Entity has adopted AASB 8 *Operating Segments* whereby segment information is presented using a ‘management approach’. Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The principal business and geographical segment of the Company is mineral exploration within Senegal, West Africa. The Company has its head office in Australia, which represents a non-material reportable segment.

The Board of Directors review internal management reports at regular intervals that are consistent with the information provided in the consolidated statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result no reconciliation is required because the information as presented is what is used by the Board of Directors to make strategic decisions including assessing performance and in determining allocation of resources.

(c) Cash and Cash Equivalents

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, over short term highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(d) Employee Entitlements Provision

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non–monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the end of the financial reporting period are recognised in liabilities in respect of employees' services rendered up to the end of the financial reporting period and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Entitlement Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee entitlements and measured as the present value of expected future payments to be made in respect of services provided by employees during the reporting period using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using corporate bond rates at the end of the financial reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(e) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recouped through the successful development of the area or sale, or where exploration and evaluation activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Accumulated costs in relation to an abandoned area are written off in full against profit/(loss) in the period in which the decision to abandon the area is made. In addition, a provision is raised against exploration and evaluation expenditure where the directors are of the opinion that the carried forward net cost may not be recoverable. Any such provision is charged against the results for the period.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Expenditure is not carried forward in respect of any area of interest/mineral resource unless the entity's rights of tenure to that area of interest are current.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of the relevant stage. Provisions are made for the estimated costs of restoration relating to areas disturbed during the mines operation up to reporting date but not yet rehabilitated. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with relevant clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on a discounted basis.

Any changes in the estimates of the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that any restoration will be completed within one year of abandoning the site.

Exploration and evaluation expenditure is assessed for impairment if facts and circumstances suggest that the carrying amount may exceed the recoverable amount.

For the purposes of impairment testing, exploration and evaluation expenditure is allocated to cash- generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

(f) Foreign Currency Translation

The functional and presentation currency of Bassari Resources Limited and its Australian subsidiaries is Australian dollars ($A). Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the financial reporting period. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

The functional currency of the overseas subsidiaries is CFA Franc (FCFA). At reporting date, the assets and liabilities of the overseas subsidiary is translated into the presentation currency of Bassari Resources Limited at the closing rate at the end of the financial reporting period and income and expenses are translated at the weighted average exchange rates for the period. All resulting exchange differences are recognised as other comprehensive income and in a separate component of equity (foreign exchange translation reserve). On disposal of a foreign entity, the cumulative exchange differences recognised in foreign currency translation reserves relating to that particular foreign operation is recognised in profit or loss.

(g) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of the GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(h) Impairment of Assets

At each reporting date, the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash generating unit to which the asset belongs.

(i) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect their accounting profit or taxable profit.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances relating to amounts recognised directly in equity are also recognised directly in equity.

(j) Leases

Leases where the lessor retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to profit or loss on a straight line basis over the period of the lease.

(k) Revenue Recognition

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must be met before revenue is recognised:

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(l) Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to members of Bassari Resources Limited by the weighted average number of ordinary shares outstanding during the financial period. The weighted average number of issued shares outstanding during the financial period does not include shares issued as part of an Employee Share Loan Plan that are treated as in-substance options.

Diluted earnings per share

Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(m) Trade and Other Payables

They represent liabilities for goods and services provided to the group prior to the end of the financial period that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Borrowings – Convertible Notes

Convertible notes are accounted for as the aggregate of (i) a liability component and (ii) and equity component.

At initial recognition, the fair value of the liability component of the convertible note is determined using a market interest rate for an equivalent non-convertible note. The remainder of the proceeds is allocated to the conversion option as an equity component, recognised in the Statement of Changes in Equity.

Transaction costs associated with issuing the convertible notes are allocated to the liability and equity components in proportion to the allocation of proceeds. The liability component is subsequently carried at amortised cost, calculated using the effective interest method, until extinguished in conversion or maturity.

(o) Contributed Equity

Ordinary share capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of new shares or options are recognised directly in equity as a reduction of the share or option proceeds received. Ordinary share capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

(p) Rounding Amounts

The company is of a kind referred to in ASIC Corporation (Rounding in Financial/Directors Reports) Legislative Instrument 2016/91 and in accordance with that Legislative Instrument, amounts in the financial statements have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

Management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revisions affect only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Critical Judgments

Management has made the following judgments when applying the Group's accounting policies:

Tax losses - The Group has not recognised a deferred tax asset with regard to unused tax losses and other temporary differences, as it has not been determined whether the Group will generate sufficient taxable income against which the unused tax losses and other temporary differences can be utilised.

Exploration costs – The Group has capitalised costs associated with its exploration activities as stated in note 3(e) and at 31 December 2016, fully impaired the capitalised costs for Bounsankoba.

Contingent liabilities – The Group has noted a contingent liability in relation to a tax assessment in Senegal, that the Company believes is erroneous. Details are disclosed in Note 20.

Critical Accounting Estimates and Assumptions

Details of critical accounting estimates and assumptions about the future made by management at reporting date are set out below:

Impairment – The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the assets is determined.

Convertible notes – The carrying value of the convertible notes in note 13 is equal to the Net Present Value of the liability, and has been calculated using an estimated discount rate of 12%. A change to this rate would result in a different carrying value, along with different amounts recorded for the equity portion of the convertible notes (note 16) and the resulting interest charge.

Employee benefits provision - The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Judgments made by management in the application of International Financial Reporting Standards as adopted in Australia that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

5. REVENUE

	2016 $'000	2015 $'000
Interest revenue from bank deposits	8	2
Other revenue	9	19
	17	21

6. LOSS FOR THE YEAR

	2016 $'000	2015 $'000
Loss before income tax has been determined after:		
Employee benefits:		
Salaries, wages, on-costs and consultant fees	550	678
Superannuation – defined contribution	7	19
	557	697

7. INCOME TAXES

	2016 $'000	2015 $'000
Income tax recognised in profit or loss	-	-
Tax expense comprises: Current tax expense	-	-
Deferred tax expense relating to the origination and Reversal of temporary differences	-	-
Income tax expense	-	-

The prima facie income tax expense on pre-tax accounting losses from operations reconciles to the income tax expense in the financial statements as follows:

	2016 $'000	2015 $'000
Loss from operations	**(3,859)**	**(1,337)**
Income tax calculated at 30% (2015 – 30%) Income tax of other members of the tax consolidated group (net of inter-Company transactions	(1,158)	(401)
Add tax effect of:		
Non-deductible expenses/(non-assessable items)	840	95
Less tax effect of:		
Unused tax losses not recognised as deferred tax assets	318	306
Income tax expense	-	-

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out below occur:

	2016 $'000	2015 $'000
Tax losses (revenue or operating losses) – Australia	3,959	3,641
Tax losses (capital)	-	-
	3,959	3,641

Tax losses have been adjusted for prior income tax returns lodged. Tax losses, Australia, are calculated at 30%.

The benefit of these losses has not been brought to account at 31 December 2016 because the directors do not believe it is appropriate to regard realisation of the deferred tax asset as being probable at this point in time. These tax losses are also subject to final determination by the Taxation authorities when the Group derives taxable income. The benefits will only be realised if:

(a) The Company and its subsidiaries derive future assessable income of a nature and of an amount sufficient to enable the benefit of the deduction for the losses to be realised;

(b) The Company and its subsidiaries continue to comply with the conditions for the deductibility imposed by law; and

(c) No changes in the tax legislation adversely affect the Company and its subsidiaries in realising the benefit of the losses.

Australian tax losses are subject to further review by the consolidated entity to determine if they satisfy the necessary legislative requirements under the Income Tax legislation for the carry forward and recoupment of tax losses.

8. CASH AND CASH EQUIVALENTS

	2016 $'000	2015 $'000
Cash at bank and cash on hand	1,044	253

Cash at banks bear floating interest rates between 1.1% and 0% (2015: 1.3% and 0%).

9. TRADE AND OTHER RECEIVABLES

CURRENT

	2016 $'000	2015 $'000
Sundry receivables	60	97

10. PROPERTY, PLANT AND EQUIPMENT

	Plant and Equipment	Office Furniture	Motor Vehicles	Total
	$'000	$'000	$'000	$'000
Gross carrying amount **Balance at 1 January 2015**	**3,729**	**185**	**1,155**	**5,069**
Additions	-	2	-	2
Disposals	-	-	-	-
Foreign currency translation difference	10	-	2	12
Balance at 31 December 2015	**3,739**	**187**	**1,157**	**5,083**
Additions	-	-	-	-
Disposals	-	-	-	-
Foreign currency translation difference	(59)	(1)	(13)	(73)
Balance at 31 December 2016	**3,680**	**186**	**1,144**	**5,010**

	Plant and Equipment $'000	Office Furniture $'000	Motor Vehicles $'000	Total $'000
Accumulated depreciation **Balance at 1 January 2015**	**3,706**	**184**	**1,131**	**5,021**
Depreciation	19	2	24	45
Disposals	-	-	-	-
Foreign currency translation difference	10	-	2	12
Balance at 31 December 2015	**3,735**	**186**	**1,157**	**5,076**
Depreciation	4	2	-	6
Disposals/assets written off/adjustment	-	(1)	-	(1)
Foreign currency translation difference	(59)	(1)	(13)	(73)
Balance at 31 December 2016	**3,680**	**186**	**1,144**	**5,010**
Net book value				
As at 31 December 2015	4	1	-	5
As at 31 December 2016	**-**	**-**	**-**	**-**

11. EXPLORATION AND EVALUATION ASSETS

	2016 $'000	2015 $'000
Costs carried forward in respect of areas of interest at cost	49,202	46,857
Expenditure incurred during the year	2,910	2,131
Depreciation capitalised	4	43
Assets impaired	(2,623)	-
Exchange translation difference	(1,109)	171
Total exploration and evaluation expenditure	48,384	49,202

The ultimate recoupment of capitalised expenditure in relation to each area of interest is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas the results of which are still uncertain.

Capitalised mining concession costs comprise costs incurred to secure the mining concessions for permits in Senegal.

Whilst the projects are not currently generating cash flow, the Company is of the view that the permits will contribute significant value in the future and that this value will be in excess of the current value of the capitalised costs.

Impairment of exploration assets

The status of all permits was reviewed at 31 December 2016, and impairment considered. The Group's expenditure plans are focussed upon developing the Makabingui Gold project within the Sambarabougou mining permit and the development of the Moura prospect. Accordingly, there are no current plans to develop the Bounsanakoba permit further, however the extension of the tenement is under review. As a consequence, the expenditure incurred on this permit to date has been impaired at 31 December 2016. The Group may revisit the plans for this permit in the future.

12. TRADE AND OTHER PAYABLES

	2016 $'000	2015 $'000
CURRENT		
Trade and other payables	1,789	1,935

13. FINANCIAL LIABILITIES

	2016 $'000	2015 $'000
CURRENT		
Convertible notes	675	675
	675	675

During the year $62,000 (2015: $67,000) was charged to profit or loss in relation to interest on the convertible note facility. Interest has been accrued.

The convertible notes have been issued in a number of tranches. All the Notes were issued with a face value of $0.016 (1.6 cents) and an interest rate of 8%, payable quarterly. The details and the terms are as follows:

Issue date	Number issued	Total face value of notes issued	Debt portion of Note (i)	Redemption date of Note (ii)
	$'000	$'000	$'000	
21/11/2014	21,875	350	337	21/11/2015
13/01/2015	3,125	50	48	13/01/2016
09/02/2015	6,250	100	96	09/02/2016
02/04/2015	6,250	100	97	02/04/2016
11/06/2015	6,250	100	97	11/06/2016
	43,750	700	675	

(i) A market rate of 12% has been used in calculating the Net Present Value of future cash flows to determine the debt portion of the Notes.

(ii) The maturity of the notes is 12 months from the date of issue. The noteholder can convert at any date before maturity upon providing written notice to the Company. The Company has agreed with the noteholder to extend the redemption dates of the Notes.

14. PROVISIONS

	2016 $'000	2015 $'000
CURRENT		
Employee entitlements	38	39

15. CONTRIBUTED EQUITY

	2016 $'000	2015 $'000
Ordinary shares		
Paid-up capital		
1,798,725,582 (2015: 1,479,839,774) fully paid ordinary shares	68,571	63,520

At 1 January 2015	1,181,136,981	60,678
Share placement at 1.0 cent	10,000,000	100
Share purchase plan at 0.91 cents	105,384,693	959
Share placement at 1.0 cent	16,000,000	160
Share placement at 1.0 cent	15,870,000	159
Share placement at 1.0 cent	5,100,000	51
Share placement at 1.0 cent	29,000,000	290
Share placement at 1.0 cent	5,200,000	52
Share placement at 1.0 cent	33,309,300	333
Share placement at 1.0 cent	11,000,000	110
Share placement at 1.0 cent	5,000,000	50
Share placement at 1.0 cent	13,838,800	138
Share placement at 1.0 cent	7,500,000	75
Share placement at 1.0 cent	10,000,000	100
Share placement at 1.0 cent	16,000,000	160
Share placement at 1.0 cent	10,500,000	105
Share placement at 1.0 cent	5,000,000	50
Costs of issue	-	(50)
Total for the financial period	298,702,793	2,842
At 31 December 2015	**1,479,839,774**	**63,520**

Share placement at 1.0 cent	3,275,000	33
Share placement at 1.0 cent	2,500,000	25
Share placement at 1.0 cent	14,000,000	140
Share placement at 1.0 cent	15,000,000	150
Share placement at 1.0 cent	42,804,700	428
Share placement at 1.0 cent	20,500,000	205
Share placement at 1.0 cent	10,000,000	100
Share placement at 1.0 cent	51,500,000	515
Share placement at 2.2 cent	35,257,349	776
Share placement at 2.2 cent	50,454,546	1,110
Share purchase plan at 2.2 cent	70,000,122	1,540
Share placement at 2.2 cent	3,594,091	79
Costs of issue	-	(50)
Total for the financial period	318,885,808	5,051
At 31 December 2016	**1,798,725,582**	**68,571**

(a) Ordinary Shares

Fully paid ordinary shares carry one vote per share and carry rights to dividends.

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. This is subject to the prior entitlements of the cumulative redeemable preference shares which are classified as liabilities. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll.

At 31 December 2016 there were no partly paid shares outstanding.

(b) Options

The Company had no options outstanding at the end of the financial year or the previous financial year and no options were exercised or lapsed during the financial year or the previous financial year.

(c) Capital Risk Management

The Group considers its capital to comprise its ordinary share capital, and reserves net of losses.

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through capital growth. In order to achieve this objective, the Group seeks to maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs.

16. RESERVES

	2016 $'000	2015 $'000
Convertible note reserve (a)	26	26
Foreign currency translation reserve (b)	1,385	2,499
	1,411	2,525

(a) Convertible Note Reserve

(i) **Nature and purpose of reserve**

This reserve records the value of the equity portion of convertible notes issued by the Company, in accordance with the measurement requirements of AAS 139. During previous financial years 21,875,000 convertible notes were issued with a face value of 1.6 cents, and an interest rate of 8%. The notes can be converted at any time before maturity, which is 12 months from the date of issue. The equity portion of the convertible notes has been calculated using a notional interest rate of 12%.

(ii) **Movements in Reserve**

	2016 $'000	2015 $'000
Balance at the beginning of the year	26	13
Equity portion of convertible notes issued during the year	-	13
Converted during the year	-	-
Balance at end of year	26	26

(b) Foreign Currency Translation Reserve

(i) **Nature and purpose of reserve**

This reserve is used to record the exchange differences arising on translation of foreign operations where the foreign operation's functional currency is different from the Group's presentation currency.

(ii) **Movements in Reserve**

	2016 $'000	2015 $'000
Balance at the beginning of the year	2,499	2,343
Movement during the year	(1,114)	156
Balance at end of year	1,385	2,499

17. EARNINGS PER SHARE

	2016 $'000	2015 $'000
• Earnings used in the calculation of basic and diluted EPS	(3,859)	(1,377)
• Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted EPS	1,660,953,220	1,325,439,050
• Basic earnings per share	**Cents per share**	**Cents per share**
From continuing operations	(0.23)	(0.10)
Total basic earnings per share attributable to owners of Bassari Resources Limited	**(0.23)**	**(0.10)**
• Diluted earnings per share		
From continuing operations	(0.23)	(0.10)
Total diluted earnings per share attributable to owners of Bassari Resources Limited	**(0.23)**	**(0.10)**

There were no options on issue throughout the financial periods and accordingly there is no dilutive in effect.

18. DIVIDENDS

During the financial year, no dividends were paid. The directors have not recommended the payment of a dividend.

19. COMMITMENTS FOR EXPENDITURE

- **Capital Expenditure Commitments**

  The Company has no capital expenditure commitments.

- **Exploration Commitments**

  In order to maintain current rights of tenure to exploration tenements, the Company and economic entity are required to meet the minimum expenditure requirements of the Department of Mining. Minimum expenditure commitments may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts. The Company has committed to spend a total of US$9.64 million over the periods of the granted permit areas in respect of these exploration programs. Expenditure commitment is for the term of the permit renewal. The commitment for each permit is as follows:

Name on Permit	Joint Venture Partner and Permit Holder	Remaining Expenditure Commitment	3-Year Expenditure Commitment	Permit last renewed
Moura [1]	Sengold Mining NL	-	US$2.0 million	28.02.2015[1]
Sambarabougou [2]	W.A.T.I.C	-	US$6.5 million	13.09.2013

[1] Moura permit was granted a special 2 year renewal, other permits are for 3 years.

[2] A 5 year mining exploitation permit was granted on 28 November 2016.

20. CONTINGENT LIABILITIES

Senegal tax assessment
Bassari Resources Senegal SARL, a subsidiary of Bassari Resources Limited, has been subject to a review in Senegal in relation to taxes payable in that country. A notification of tax adjustment was received in September 2014, followed by confirmation of tax adjustment received in November 2014, claiming an amount equivalent to $A16.4 million. Bassari is of the opinion that tax claimed by the administration is not valid as it fails to take into account tax exemptions applicable to the company. The Company has received legal advice that as an exploration company, and according to joint venture agreements signed and approved by the Senegalese Minister of Mines, Bassari benefits from a total tax exemption under Senegalese mining legislation.

The Directors are of the belief that the company's tax exemption is valid. The company is currently negotiating with the tax administration to resolve the matter.

There has been no change in the year.

Employee wrongful dismissal claim
Judgement has been made against Bassari Resources Senegal SARL in a matter brought by seven former employees of the company for incorrect dismissal procedure following the closure of the alluvial gold operations. The judgement approximates $54,000.

Other than these matters, the Directors are not aware of any other contingent liabilities at 31 December 2016.

21. SUBSIDIARIES

Subsidiary entities consolidated	Country of Incorporation	Class of shares	Percentage owned 2016	Percentage owned 2015
Bassari Resources Senegal SARL	Senegal	Ordinary	100%*	100%*
Bassari Equipment Pty Ltd	Australia	Ordinary	100%*	100%*
Bassari Mauritius Holdings Ltd	Mauritius	Ordinary	100%*#	100%*#
Bassari Mauritius Holdings No 2 Ltd	Mauritius	Ordinary	100%*#	100%*#
Bassari Mauritius Equipment Ltd	Mauritius	Ordinary	100%*#	100%*#
Douta Mining SA	Senegal	Ordinary	63% ^	63% ^

* The proportion of ownership interest is equal to the proportion of voting power held.

\# Companies incorporated in February 2010 have been dormant from incorporation to 31 December 2016.

^ Douta Mining SA was incorporated in Senegal in 2011.

22. PARENT ENTITY INFORMATION

	Parent Entity	
	2016 $'000	**2015 $'000**
Information relating to Bassari Resources Limited		
Financial Position		
Current assets	1,038	310
Non-current assets	47,274	48,359
Total assets	48,312	48,669
Current liabilities	(1,326)	(1,607)
Non-current liabilities	-	-
Total Liabilities	(1,326)	(1,607)
Net assets	46,986	47,062
Contributed equity	74,902	69,851
Reserves	26	26
Accumulated losses	(27,942)	(22,815)
Total equity	46,986	47,062
Financial performance		
Total revenue	8	2
Loss for the year	(5,127)	(1,027)
Comprehensive loss for the year	(5,127)	(1,027)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (cont'd)

The parent company has not entered into any guarantees with its controlled entities or associates.

Capital Commitments

There are no commitments for the acquisition of plant and equipment contracted for at the reporting date.

Operating rental lease

There are no commitments in relation to operating leases at the reporting date.

Finance Leases

There are no commitments in relation to finance leases.

Contingent Liabilities

The parent entity is not subject to any liabilities that are considered contingent upon events known at balance date.

23. CASH FLOW INFORMATION

	2016 $'000	2015 $'000
Reconciliation of cash and cash equivalents		
Cash at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to items in the consolidated statement of financial position as follows:		
Cash and cash equivalents	1,044	253
Other financial liabilities	-	-
	1,044	253
Reconciliation of loss for the year to net cash flows from operating activities:		
Loss for the year	(3,859)	(1,337)
Non cash flows in loss		
Depreciation	2	2
Impairment of non-current assets	2,671	-
Changes in assets and liabilities		
Decrease/(Increase) in receivables	36	28
(Decrease)/Increase in trade payables	(146)	732
(Decrease)/Increase in provisions	(1)	(150)
Cash flows from operations	**(1,297)**	**(725)**

24. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The consolidated entity's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to finance the consolidated entity's operations in Senegal and Australia. The consolidated entity has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations. It is, and has been through the entire period, the consolidated entity's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the consolidated entity's financial instruments are cash flow interest rate risk. The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Groups' risk management policies and objectives are therefore designed to minimize the potential impacts of these risks on the results of the group where such impacts may be material.

	2016 $'000	2015 $'000
Financial Assets		
Cash and cash equivalents	1,044	253
Other receivables	60	97
Total Financial Assets	**1,104**	**350**

Financial Liabilities		
Loans and payables	2,464	2,610
Total Financial Liabilities	**2,464**	**2,610**

(b) Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is that a financial instrument's value will fluctuate as a result of changes in market interest rates, relates primarily to cash as disclosed in note 8. At balance date the consolidated entity had the following mix of financial assets and liabilities that were subject to interest:

	2016 $'000	2015 $'000
Cash and cash equivalents	1,044	253
Financial liabilities	(675)	(675)
Net Financial (Liabilities)/Assets	**369**	**(422)**

The consolidated entity's exposure to interest rate risk, as well as potential opportunities, are constantly reviewed, and consideration given to available products and the relative benefits of available fixed and variable instruments. The following sensitivity analysis is based on the interest rate risk/opportunity in existence at balance date.

At the period end date, if interest rates had moved as illustrated in the table below, with all other variables held constant, post-tax profit and equity would have been affected as follows:

	2016 $'000	2015 $'000
Judgments of possible movements: +1% (100 basis points)	4	(4)
-1% (100 basis points)	(4)	4

(c) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors or counterparties to derivative contracts fail to settle their obligations owing to the Group. The Group's main credit risk is associated with bank default. However, the Group invests most of its cash with financially sound Australian banking institutions. The group's maximum credit risk is $1,044,000 (2015: $253,000)

(d) Fair Values

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

Cash, cash equivalents and financial liabilities: The carrying amount approximates fair value because of their short term to maturity.

Trade receivables and payables: The carrying amount approximates fair value because of their short term to settlement.

Borrowings – convertible notes: The carrying amount approximates fair value because of their short term nature. Fair value is calculated upon recognition and interest charged on fair value.

(e) Liquidity Risk Management

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments.

Ultimate responsibility for liquidity risk management rests with the Board of directors which has built an appropriate liquidity risk framework for the management of the group's short, medium and long-term funding and liquidity management requirements.

Trade and other payables are contractually due within 6 months.

Loans received are short term and are repayable within 12 months of receipt.

(f) Commodity Price Risk

The Group is exposed to Commodity Price Risk. The risk arises from is activities directed at exploration and development of mineral commodities. If commodity prices fall, the market for companies exploring for these commodities is affected. The consolidated entity does not hedge its exposures.

25. AUDITOR'S REMUNERATION

During the year the auditor of the Company and its related practices earned the following remuneration:

	2016 $	2015 $
BDO East Coast Partnership		
Audit or review of financial reports of the entity	45,519	52,714
Taxation services	1,000	1,500
Firms not related to the lead auditor Audit services	14,775	23,557
Total remuneration	**61,294**	**77,771**

The auditor did not receive any other benefits.

26. EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Since the end of the financial year the Directors are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial years, except for:

- On 19 January 2017 the Company issued 23,080,004 ordinary shares at $0.03 (3 cents), raising $692,400 before costs, for working capital purposes.

27. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties except in relation to the transactions stated below. Transactions with related parties:

- **Director Related Entities**

Consulting fees of $139,540 (2015: $142,500) were paid to MA Consulting a company in which Mr Alex Mackenzie holds a financial interest. The fees were paid on normal commercial terms, for in country (Senegal) consulting and advisory services provided, and are included as remuneration in the remuneration report.

Consulting fees of $114,597 (2015: $70,144) were paid to Peter Spivey (Director appointed 18 May 2015). The fees were paid on normal commercial terms, for in country (Senegal) consulting services provided, and are included as remuneration in the remuneration report.

Consulting fees of $6,600 (2015: Nil) were paid to Philip Bruce. The fees were paid on normal commercial terms, for in country (Senegal) consulting services provided, and are included as remuneration in the remuneration report.

No loans were made to directors or director-related entities during the year.

- **Consolidated Entities**

Details of controlled entity companies are shown in Note 21.

Advances to/(from) controlled entities net of provisions at balance date by Bassari Resources Limited are as follows:

	2016 $	2015 $
Bassari Resources Senegal SARL	44,138,137	40,928,354
Bassari Equipment Pty Ltd	1,113,866	1,113,866

Repayment of amounts owing to the Company at 31 December 2016 and all future debts due to the Company, by the controlled entities are subordinated in favour of all other creditors. The Company has agreed to provide sufficient financial assistance to the controlled entities as and when it is needed to enable the controlled entities to continue operations.

28. KEY MANAGEMENT PERSONNEL DISCLOSURES

Directors

The following persons were directors of Bassari Resources Limited during the financial year:

Mr Alex Mackenzie
Mr Philip Bruce
Mr Peter Spivey

Other key management personnel

The following person also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Mr Ian Riley

Compensation

The aggregate compensation made to directors and other key management personnel of the consolidated entity is set out below:

	2016 $	2015 $
Short-term employee benefits	555,737	637,644
Post-employee benefits	-	12,367
	555,737	**650,011**

DIRECTORS' DECLARATION

- In the opinion of the directors of Bassari Resources Limited (the Company):

  (a) The financial report and the Remuneration Report included in the Directors' Report, designated as audited, of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2016 and of its performance for the year ended on that date; and

  (ii) complying with Accounting Standards and the Corporations Regulations 2001;

  (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

- The financial statements and notes comply with International Financial Reporting Standards, as discussed in Note 3; and

- This declaration has been made after receiving the declarations required by section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the financial year ended 31 December 2016.

Signed in accordance with a resolution of the Board of Directors made pursuant to section 295(5) of the *Corporations Act 2001*. This declaration is made in accordance with a resolution of the directors.

Alex Mackenzie
Executive Chairman

Melbourne, 30 March 2017

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INDEPENDENT AUDITOR'S REPORT

To the members of Bassari Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Bassari Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2016 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. These matters were 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 these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Exploration and Evaluation expenditures

Key audit matter	***How the matter was addressed in our audit***
The company has incurred significant exploration and evaluation expenditures which have been capitalised. As the carrying value of exploration and evaluation expenditures represents a significant asset of the company, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. *AASB 6: Exploration for and Evaluation of Mineral Resources* contains detailed requirements with respect to both the initial recognition of such assets and ongoing requirements to continue to carry forward the assets. Note 3(e) to the financial statements contains the accounting policy and note 11 contains the disclosures in relation to exploration and evaluation expenditures.	Our audit procedures included, amongst others: • Obtained evidence that the company has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditures by obtaining independent searches; • Reviewed budgets and assessed assumptions made by the entity to ensure that substantive expenditure on further exploration for and evaluation of the mineral resources in the areas of interest were planned; • Reviewed ASX announcements and reviewed minutes of directors' meetings to ensure that the company had not decided to discontinue activities in any of its areas of interest.

Contingent Liability - Senegalese Tax Claim

Key audit matter	*How the matter was addressed in our audit*
At 31 December 2016, the notes to the financial report include disclosures relating to a contingent liability arising from claims for back taxes being owed by the group to the Senegalese tax authorities. We focused on this area as a key audit matter due to the nature of the item and its potential material impact on the financial report of Bassari Resources Limited. Disclosures relating to the contingent liability are included in Note 20.	Our audit procedures included, amongst others: • Evaluation of the supporting documentation used by management to support the position of the item as a contingent liability rather than a liability in line with the requirements *of IAS 37: Provisions, Contingent Liabilities and contingent Assets;* • Consultation with the Groups' legal representatives and review of written representation in relation to tax claim; • We assessed the adequacy of the Groups' disclosures in respect of contingent liabilities.

Other information

The directors are responsible for the other information. The other information comprises the information contained in the Group's annual report for the year ended 31 December 2016, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, 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.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 this 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 (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_files/ar2.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 22 of the directors' report for the year ended 31 December 2016.

In our opinion, the Remuneration Report of Bassari Resources Limited, for the year ended 31 December 2016, complies with section 300A of the *Corporations Act 2001*.

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

BDO East Coast Partnership

James Mooney
Melbourne, 30 March 2017

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by Australian Securities Exchange Limited in respect of listed public companies only.

1. SHAREHOLDING

The issued capital of the company as at 27 March 2017 was 1,821,805,586 ordinary fully paid shares.

(a) Distribution of shareholder numbers at 27 March 2017:

Size of Holding	Number of Shareholders	%	Number of Shares Held	%
1 - 1000	88	3.74	6,739	0
1,001 – 5,000	64	2.72	215,283	0.01
5,001 – 10,000	109	4.63	866,183	0.05
10,001 – 100,000	891	37.87	43,556,477	2.39
100,001 and over	1,201	51.04	1,777,160,904	97.55

(b) There were 464 shareholders with a total shareholding of 4,480,624 ordinary shares who held less than a marketable parcel.

(c) The name of the substantial shareholder listed in the holding company's register as at 27 March 2017 is:

Name	Number of Shares Held	%
BCM International Limited	117,648,352	6.46

(d) 20 Largest Shareholders – Ordinary Shares at 27 March 2017

Rank	Name	Number of Shares Held	%
1	BCM International Limited	117,648,352	6.46
2	Ten Luxton Pty Ltd	71,826,613	3.94
3	UBS Nominees Pty Ltd	50,302,252	2.76
4	Neville Jeffery & Christine Grace Noble	43,254,546	2.37
5	Diazill Pty Limited	41,567,284	2.28
6	Melaid Holding Inc	35,498,620	1.95
7	Senegal Nominees SARL	34,079,879	1.87
8	Advanced Tactics SMSF Limited	33,800,000	1.86
9	Shipbark Pty Ltd (Lakeview Super Fund)	31,000,000	1.70

10	Navigator Australia Ltd (MLC Investment)	28,154,787	1.55
11	ACN 106289589 Pty Ltd	26,025,000	1.43
12	Mr David Kenneth Swan	18,081,227	0.99
13	Timothy Hooker & Associates	16,800,001	0.92
14	Rundal Holdings Pty Ltd	16,648,352	0.91
15	Garry Temple Pty Ltd	16,093,750	0.88
16	Mr Robert Barry Stuart	15,306,819	0.84
17	Mrs Tamila Kharchenko	15,000,000	0.82
18	Mr Brian Stuart Blythe	12,000,000	0.66
19	The Tiger Fund Pty Ltd	12,000,000	0.66
20	Swannell Pty Ltd	12,000,000	0.66

2. TENEMENT SCHEDULE

Moura	Sengold Mining NL	28.02.2015	70%
Sambarabougou	Douta Mining SA*[2]	13.08.2010	63%
Sambarabougou	W.A.T.I.C.*[1]	28.11.2016	70%

Note 1 The Bassari/WATIC joint venture exploitation permit was granted by the Senegal Government on 28 November 2016, for an initial term of 5 years, renewable for further terms. The permit exempts the company from corporate tax for 3 years and carries with it, additional tax exemptions.

Note 2 The Douta Mining SA mining permit is incorporated into the newly granted exploitation permit.