



## CORPORATE INFORMATION

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

### FAST FACTS

ASX Code	BSR
Issued capital	234,097,128
Listed options	19,508,101
Unlisted options	4,500,000
No of shareholders	1628
Top 20	35%

### INVESTMENT HIGHLIGHTS

- Exploration Permits cover approx. 1,000 km<sup>2</sup> over prospective Birimian Gold Belt, Senegal, West Africa.
- Quality ground holding in a region which hosts a number of world class deposits.
- Nine prospects identified along 75km strike length on Kenieba Inlier.
- Resource drilling in progress at Makabingui Project.
- Exceptional green field exploration opportunities.
- 30km<sup>2</sup> exploitation permit – Douta.
- Fully underwritten rights issue, January 2011 raised \$7M.

### BOARD AND MANAGEMENT

Dr David S Tyrwhitt

*Non Executive Chairman*

Jozsef Patarica

*Managing Director/CEO*

Clive Wright

*Non Executive Director*

Ian Riley

*Company Secretary/Chief Financial Officer*

Alex Mackenzie

*Country Manager*

Fred van Dongen

*Chief Operations Manager*

Moussa Diba

*Exploration Manager*

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## ASX Release

2 May 2011

# 240,000 Ounces of Gold - Maiden Resource for Makabingui Project

Melbourne-based mineral exploration company Bassari Resources Limited (ASX:BSR) is pleased to announce its maiden gold Mineral Resource, reported in accordance with the JORC Code, for the Makabingui Project in Senegal, West Africa.

The Makabingui Project is focused around the 4 kilometre diameter Sambarabougou Granite. The maiden resource is situated around a 2 kilometre by 1 kilometre diorite-metagabbro intrusive located in the pressure shadow of the granite (Figure 1). Drilling to date has identified an extensive series of shallow east dipping zones of gold mineralisation which extend into the adjoining sedimentary rocks.

Given the large area of the mineralised system, resource drilling to date has been focused primarily on two of the high grade mineralised lodes within Zone 1 and Zone 3. There is strong potential to grow the gold resource within these, Zone 2 and additional zones.

Zones 1 and 2 remain open along strike to the south and Zone 3 remains open to the north and south.

## Highlights

- Indicated Mineral Resource of 1.45 million tonnes (Mt) at 3.4 g/t gold for a total contained metal of 157,000 ounces of gold at a 0.5 g/t cut-off.
- Inferred Mineral Resource of 1.26 (Mt) at 1.6 g/t gold for a total contained metal of 64,000 ounces of gold at a 0.5 g/t cut-off.
- Measured Mineral Resource of 0.56 (Mt) at 1.1 g/t gold for a total contained metal of 19,000 ounces of gold at a 0.5 g/t cut-off.

## Highlights (cont'd)

- **Mineral Resources are open along strike for each Zone:**
  - **Zone 1 Resource area 900 metres by 200 metres**
    - **Open to the South along strike**
  - **Zone 2 Resource area 700 metres by 100 metres**
    - **Open to the South along strike**
  - **Zone 3 Resource area 300 metres by 100 metres**
    - **Open to the North and South along strike**
- **Mineralisation has been defined from surface to a maximum depth of 130 metres vertical.**
- **Preliminary metallurgical test work indicates high metallurgical recoveries of 99% from both oxide and primary ore Zones. Low cost, straight forward processing method.**
- **Additional resource potential at Makabingui with further Reverse Circulation (RC)/Diamond Drilling (DD) at Zones 1, 2 and 3 and RAB drilling identifying additional prospects around the Sambarabougou Granite.**
- **The Makabingui Project is just one of thirteen prospects along a 75 km strike length within three contiguous permits in the highly prospective Birimian Gold Belt, Senegal, West Africa.**

Bassari Resources Managing Director, Jozsef Patarica, said, “the maiden resource was just the first step in unlocking the larger potential of the Makabingui Project around the Sambarabougou Granite.”

“We are very pleased with the outcome from this first phase of resource drilling, particularly given that the majority of the resource is classified in an indicated status.” Mr Patarica said.

“The resources from Zones 1 and 2 are open to the south and to the north and south in Zone 3. We will continue to expand into these areas.”

“This resource is part of a much larger system with additional resource potential in other Zones.”

“We are further encouraged by recent metallurgical test work indicating a simple processing plant incorporating a gravity circuit which we already have at Douta.”

“A further twelve prospects including extensive geochemical anomalies, surface outcropping mineralisation and geophysical targets remain to be tested within the three contiguous permits along 75 kilometre strike length.”

“Bassari remains one of the largest exploration licence holders in Senegal”. Mr Patarica said.

**Table 1 - Makabingui Mineral Resource Statement (Refer to Appendix 1 – Resource Parametres)**

Location	Status	Cut-Off Grade (g/t)	Tonnes	Grade (g/t)	Total Gold (Au)
Zone 3	Indicated	0.5	350,000	6.1	69,000
Zone 1 South	Indicated	0.5	150,000	5.5	27,000
	Inferred	0.5	100,000	5	16,000
Zone 1 North	Measured	0.5	560,000	1.1	19,000
	Indicated	0.5	950,000	2	61,000
	Inferred	0.5	190,000	1.8	11,000
Zone 2	Inferred	0.5	970,000	1.1	37,000
Total	Measured	0.5	560,000	1.2	19,000
	Indicated	0.5	1,450,000	3.4	157,000
	Inferred	0.5	1,260,000	1.6	64,000
<b>Total</b>			<b>3,270,000</b>	<b>2.3</b>	<b>240,000</b>

**Note:**

- All resources have been rounded to the nearest 10,000 tonnes.
- Total ounces have been rounded to the nearest 1,000 ounces.
- Reported in accordance with JORC Code<sup>1</sup>.
- A top cut of 20g/t gold has been used for all Zones.
- A cut-off grade of 0.5 g/t gold has been used for all Zones.
- A bulk density of 2.70  $t/m^3$  has been used for quartz/sulphide lodes within diorite-metagabbro host and metasedimentary rocks to the south of the Sambarabougou granite intrusive.

With the strong potential for an increase in resource ounces at Makabingui the project remains a key to Bassari's growth strategy with combined RC/DD drilling continuing.

Makabingui is one of thirteen prospects identified along 75 kilometres of strike within the Company's exploration land package in Senegal and is located in the Birimian Greenstone Belt, West Africa.

The Mineral Resources being reported were estimated by Dr. David S. Tyrwhitt through manual calculation. A 0.5 g/t gold lower cut-off was used and a top-cut of 20 g/t gold. Dr Tyrwhitt visited site to review drilling, sampling protocols, geological interpretation and review the exploration process with the site geology team.

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

The manual mineral resource estimate has been independently reviewed by AMC Consultants Pty Ltd (AMC). For the purpose of its review, AMC prepared a three-dimensional interpretation of the mineralisation based on a lower cut-off of 0.5 g/t gold and a top-cut of 20 g/t gold (Figure 2) and then constructed a block model for that interpretation. AMC interpolated grade estimates into the block model using Ordinary Kriging and compared the resulting block model estimate with the manual estimate. From that comparison, AMC's opinion is that the tonnage and grade of the manual estimate are reasonable.

It is anticipated that further resource updates will be presented during the remainder of the year.

Resource drilling at Makabingui has been a key focus for the company over the past 6 months with a number of strong gold intercepts returned (ASX announcements 24 January, 8 February, 15 March, 5 April 2011) Figure 3.

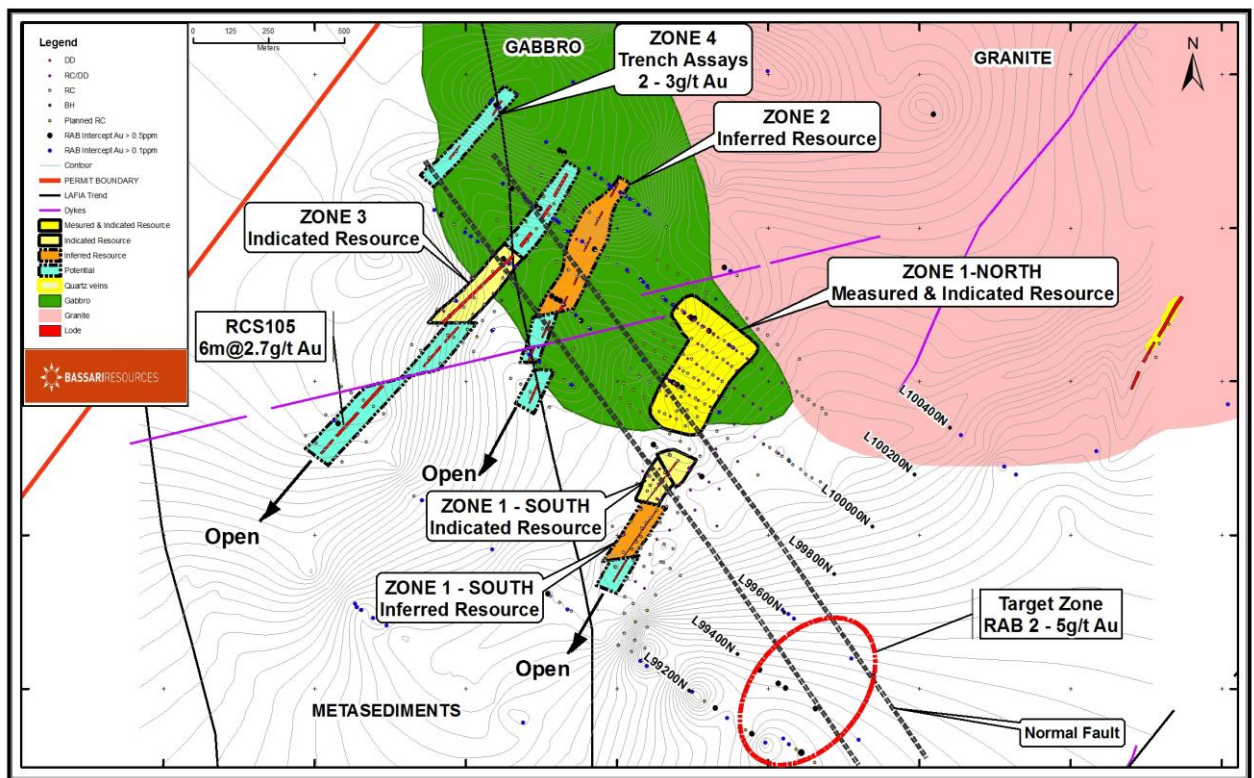
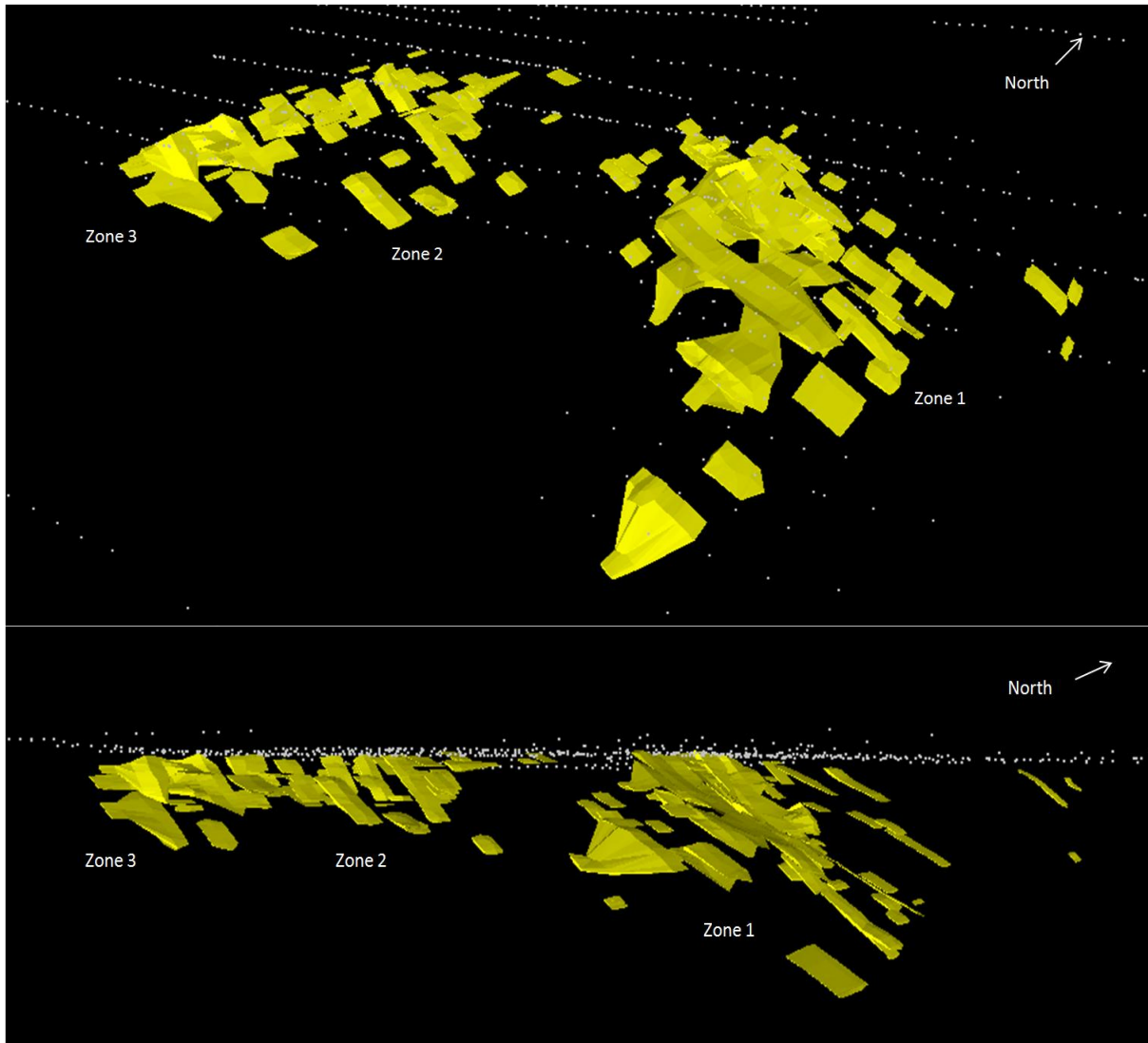


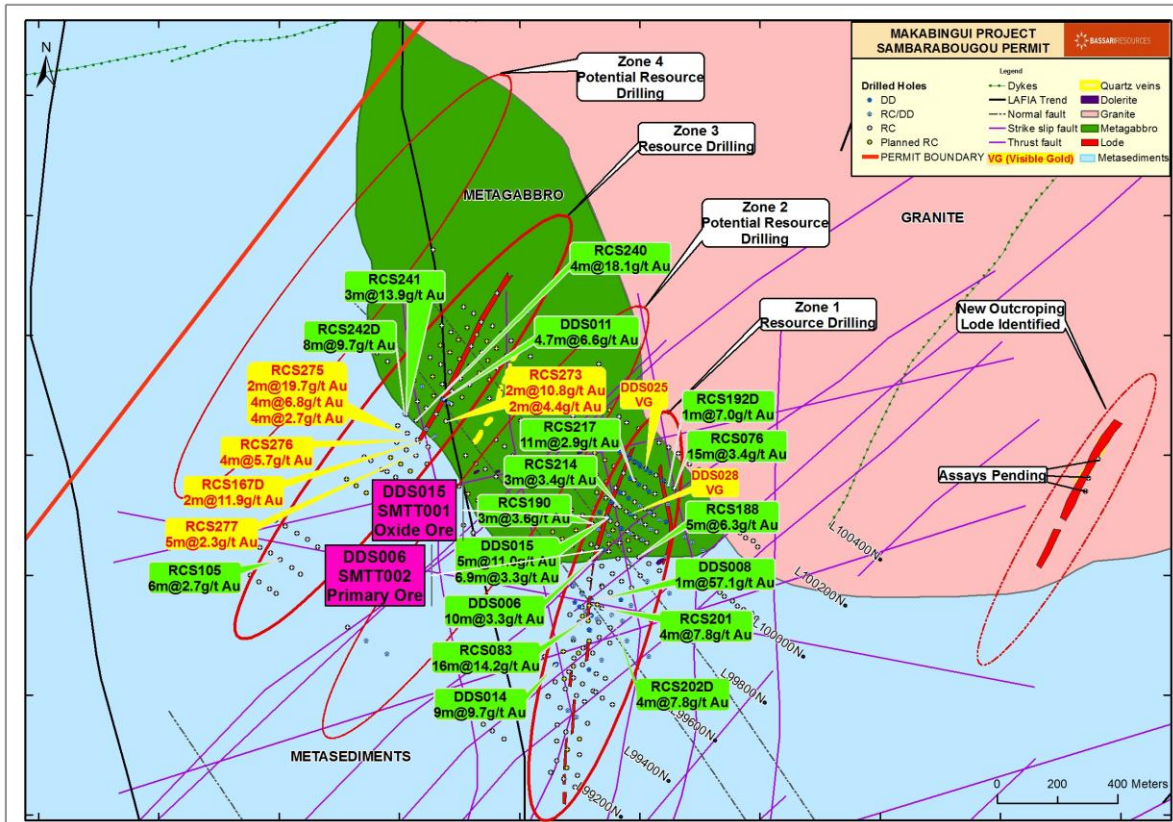
Figure 1 – Makabingui Project – Mineralised Resource Zones



**Figure 2 – Makabingui Project – Three dimensional view – 0.5g/t grade shell**

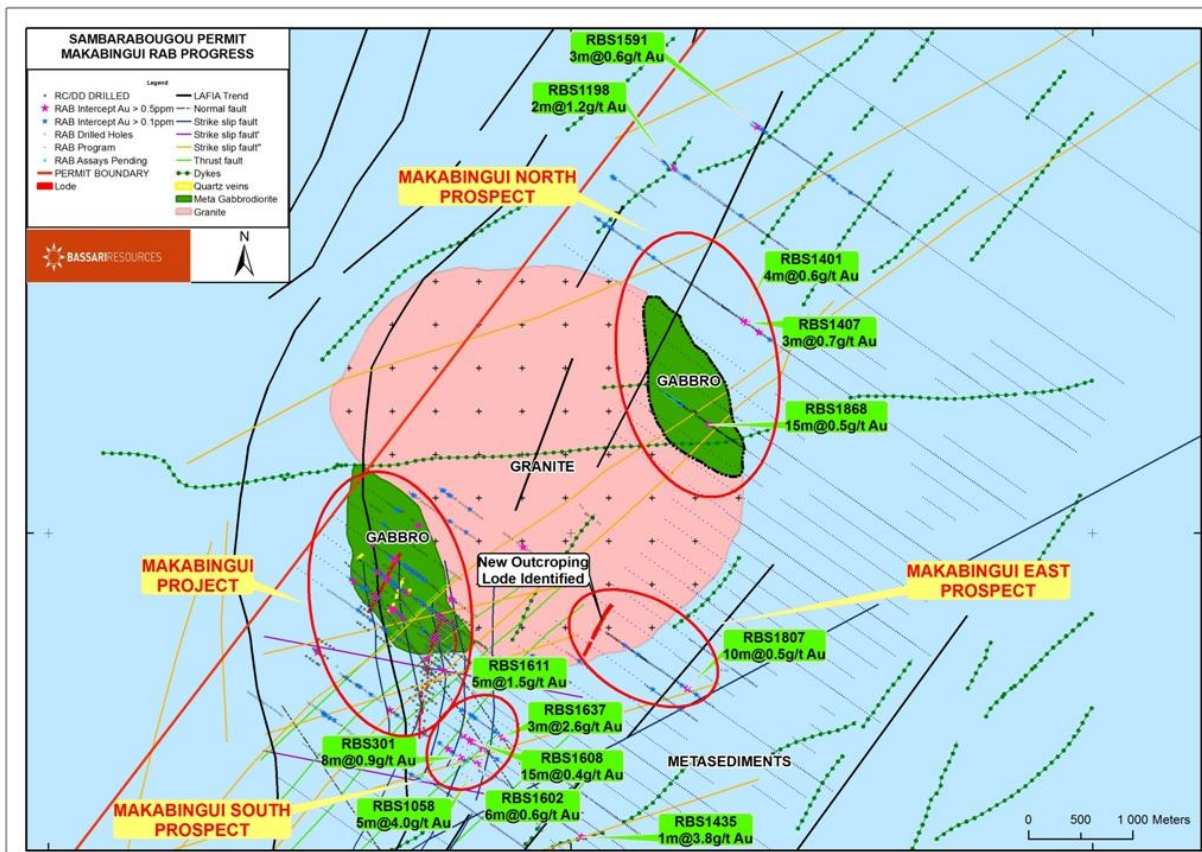
**Key points to the Makabingui Project maiden resource estimate:**

- To date the total resource estimate is based on only three of multiple open zones. There is significant resource potential within additional zones.
- The majority of the holes drilled are to a depth of 100 metres indicating the resource is relatively shallow.
- Mineralisation remains open to the south within Zones 1 and 2 and to the north and south in Zone 3.
- This maiden resource is part of a much larger system with additional resource potential around the Sambarabougou Granite.
- High metallurgical recoveries with overall gold recovery from both oxide and primary ore of 99% were obtained from diamond drill core in the centre of Zone 1 North resource block.
- Metallurgical test work indicates a simple processing path with gravity concentration followed by cyanide leaching.



**Figure 3 – Makabingui Project - Mineralised Zones & Drill Hole Location Plan**

The Makabingui Project is largely hosted to date in a metagabbro-diorite intrusive with quartz-carbonate-sulphide-gold zones extending south into the metasediments. The metagabbro-diorite intrusive is within a low pressure area associated with shearing around the Sambarabougou Granite. The maiden resource is based only on the area to the south west of the granite – Makabingui Project. RAB drilling around the granite has identified other prospects – Makabingui North, East and South (Figure 4).



**Figure 4 – Makabingui Project – RAB drilling results**

## About the Makabingui Project

The Makabingui Project is located in the Kenieba Inlier, Eastern Senegal, where multi million ounce gold discoveries are being mined or developed (Figure 5).

Bassari permits are located adjacent to the Mako greenstone belt, and are located on the contact between the Eburnean Saraya Granite and the Diale Group meta-volcanosediments. Both the Mako Belt Series and the Diale-Dalema Series are part of the Palaeoproterozoic Birimian Supergroup of the Kedougou-Kenieba Inlier. The inlier is the north-westernmost exposure of Birimian rocks that occur throughout West Africa and are host to major gold deposits.

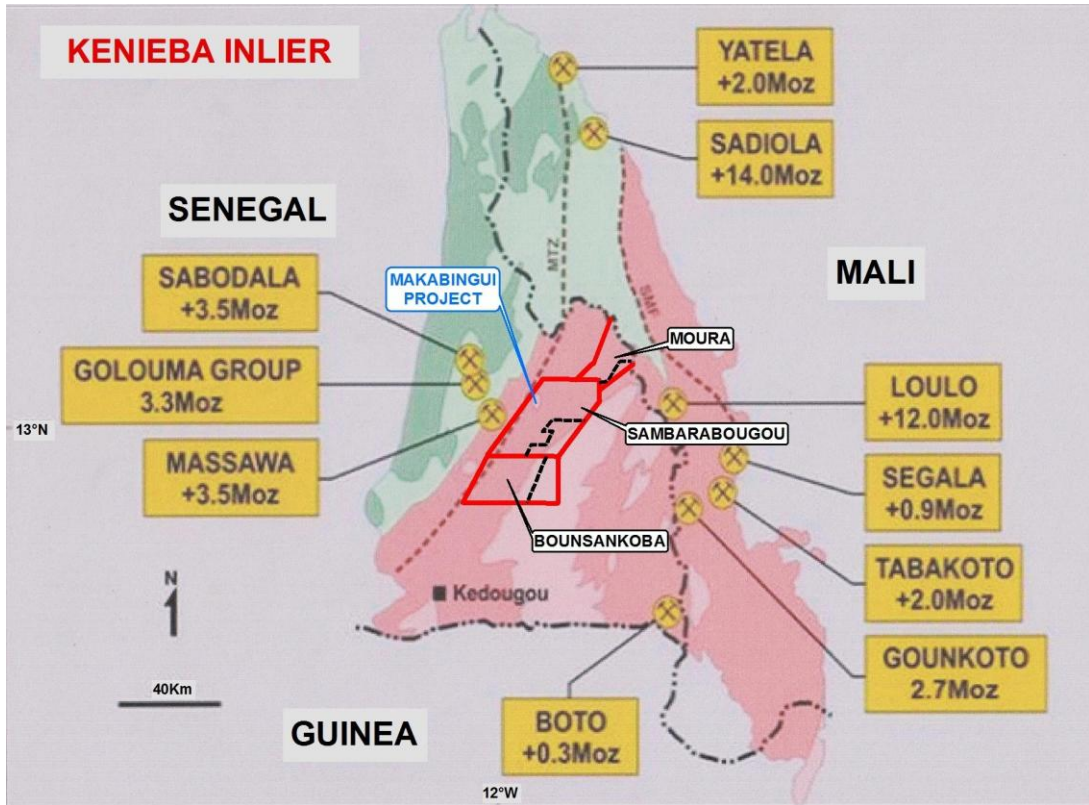


Figure 5 – Bassari Permits – Kenieba Inlier, Eastern Senegal



**Forward Looking Statement**

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

**Competent Persons Statement**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr D S Tyrwhitt who is a Fellow of the Australasian Institute of Mining and Metallurgy and has 50 years experience in the industry and has more than 5 years experience which is relevant to the style of mineralisation being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Tyrwhitt consents to the inclusion in the report of the matters based on the information in the form and context to which it appears.

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## Appendix 1 - Resource Parameters

- The drilling database for Makabingui contains 305 Reverse Circulation holes (59 have diamond tails), 29 diamond holes and 542 shallow Rotary Airblast Holes.
- Drilling has been completed on 40 metre by 50 metre grid, with holes drilled 60 degrees declination towards 305 degrees UTM grid.
- Relative position of drill holes was surveyed using Total Station with an accuracy of less than 0.05 metres. The elevation of the drill holes was determined using Total Station.
- Holes were surveyed with down-hole camera and inclinometer at an interval of approximately 30 metres.
- All holes were assayed at 1 metre composites of RC chips using Fire Assay methods and 50g charge prepared by Analabs Mali S.A.R.L (A subsidiary of SGS) and ALS Mali. Standards, blanks and duplicates were inserted into the sample stream to monitor laboratory performance.
- Diamond core was sawn in half with half core submitted for assay as 0.4 to 1.2 metre samples.
- Bulk density was estimated using 896 samples of diamond core at various down hole depths. There was no appreciable difference between oxide and primary fresh rock, with an average bulk density of 2.7  $t/m^3$  used.
- No assumptions have been made about mining or processing methods.
- Preliminary metallurgical tests by Metcon Laboratories, a division of ALS Ammtec Metallurgy indicate an overall recovery from both oxide and primary ore of 99% from core drill samples taken from Zone 1 North.