



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	352,648,689
Listed options	78,783,940
Unlisted options	5,800,000
No of shareholders	1,758
Top 20	32%

INVESTMENT HIGHLIGHTS

- Exploration permits cover approx. 850 km² over prospective Birimian Gold Belt, Senegal, West Africa.
- Senegal, stable democracy since 1960.
- Quality ground holding in a 50M ounce gold region which hosts a number of world class deposits.
- Thirteen prospects identified along 80km strike length within Kenieba Inlier.
- Strategic and dominant exploration package.
- 543,000 ounce Gold Resource at the Makabingui Project with substantial resource growth potential.
- Gold intersected over a wide interval at Konkouto Prospect.

BOARD AND MANAGEMENT

Jozsef Patarica

Managing Director/CEO

John Ballard

Non Executive Director

Chris Young

Non Executive Director

Ian Riley

Company Secretary/Chief Financial Officer

CONTACT US

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ASX Release

19 December 2011

126% INCREASE TO MAKABINGUI GOLD RESOURCE

Melbourne based gold explorer Bassari Resources Limited (ASX:BSR) is pleased to announce a substantial increase to the Mineral Resource, reported in accordance with the JORC Code¹, for its Makabingui Gold Project in Senegal, West Africa. The new Mineral Resource has been independently estimated by AMC Consultants Pty Ltd (AMC).

Highlights

- **543,000 ounces** at a 0.2 g/t gold cut-off in a combined Indicated and Inferred Global Mineral Resource of **10.8 million tonnes at 1.6g/t gold**
- Updated Global Resource is an increase of **126%** on the maiden Makabingui resource estimate announced May 2011 (240,000 ounces at a cut-off grade of 0.5 g/t gold)
- **503,000 ounces** at a 0.5 g/t gold cut-off in a combined Indicated and Inferred Mineral Resource of **6.1 million tonnes at 2.6 g/t gold** included in the Global Mineral Resource
- Makabingui is a new West African gold discovery by Bassari with substantial resource growth potential
 - Comprises a stacked vein system with more than 30 individual lodes over an area of 1 km by 1.3 km
 - Shallow depth, Mineral Resource defined to an average depth of 115m
 - Limited deeper drilling confirms the large mineralised system extends at depth
 - Open along strike and at depth with significant potential for repeat mineralised zones across strike
- Preliminary metallurgical test work indicates high recoveries of 99% from oxide and primary zones utilising a low cost, straight forward processing method
- Resource upgrades in 2012 will target Makabingui and a number of quality prospects within Bassari's three contiguous exploration permits
- Strategic review of options underway aimed at unlocking the larger resource potential at Makabingui

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

“The increased resource and the upside potential at Makabingui reinforce our view that the current gold resource is part of a much larger mineralised system. Substantial increases to the resource are anticipated when drilling, both at depth and along strike, is undertaken.” Bassari Resources Managing Director, Jozsef Patarica said.

“Makabingui is a new West African gold discovery made by the highly skilled and experienced team at Bassari. Our track record and highly prospective land package position us well to make further significant new gold discoveries.”

“Our strategy to maximise resource growth and to expand prospectivity is well underway with this significant upgrade to the Makabingui resource and with drilling advancing on our high quality prospects on the Moura permit.”

Makabingui Gold Project

The Makabingui Project is located in the Kenieba Inlier, Eastern Senegal, where multi million ounce gold discoveries are being mined and developed (Figure 1).

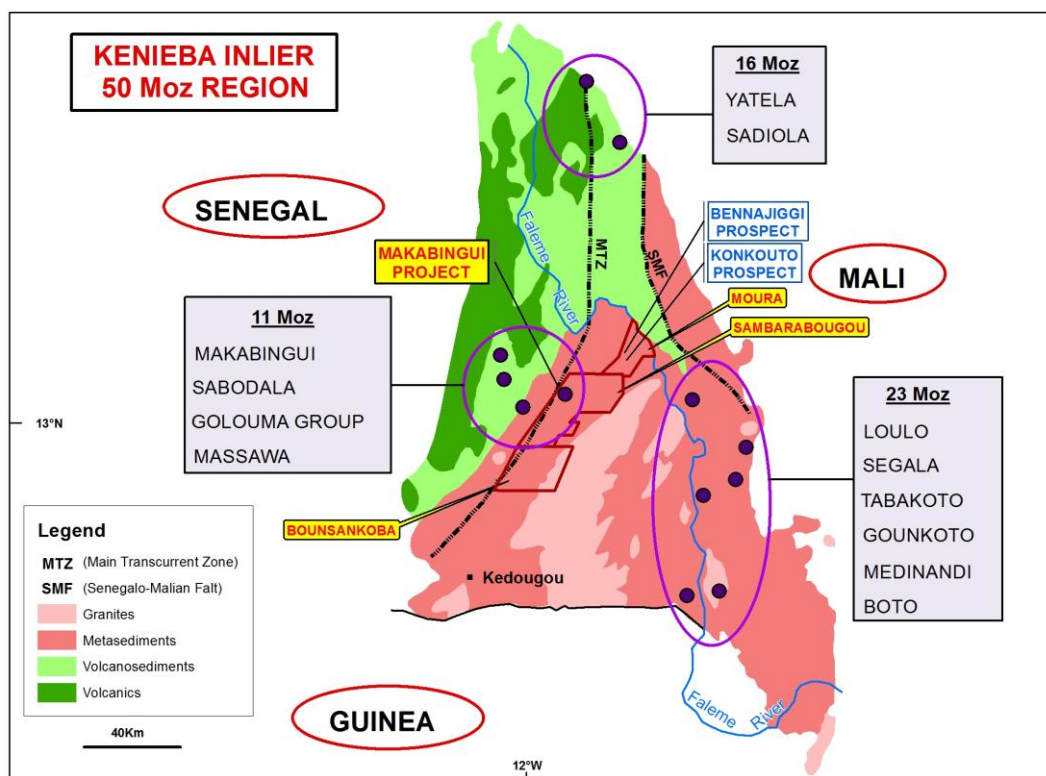


Figure 1 – Bassari Permits – Kenieba Inlier, Senegal - West Africa

The Makabingui Gold Project is located on the 4 kilometre diameter Sambarabougou Granite. The gold resource is focused within a diorite-metagabbro intrusive located in the south west pressure shadow of the granite and surrounding metasediments (Figure 2).

Drilling to date has identified multiple easterly dipping zones of gold mineralisation associated with a large system of stacked lodes.

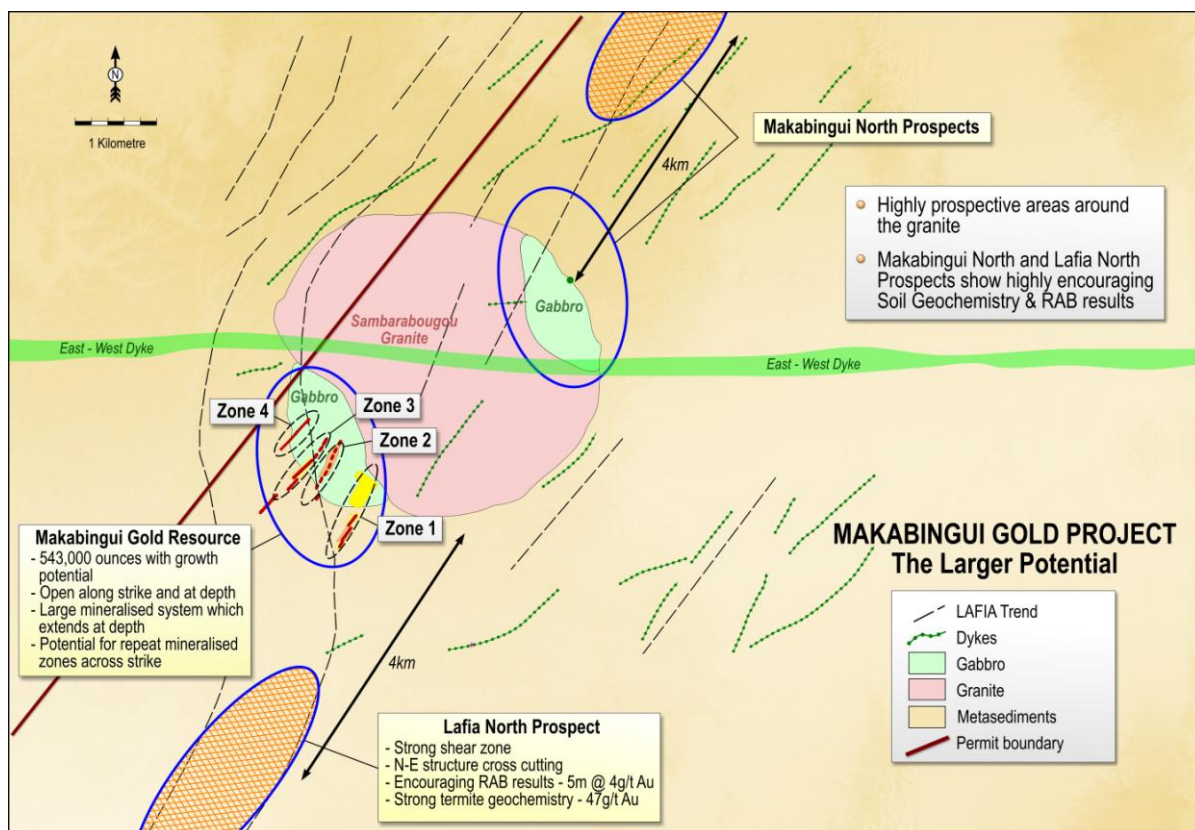


Figure 2 – Makabingui Gold Project – The Larger Potential

There is an opportunity to substantially grow the Makabingui resource at depth. The easterly dipping stacked lode system also remains open along strike and across strike, where there is potential for additional lodes (Figure 3).

Updated Makabingui Resource Estimate

A new Global Mineral Resource estimate of 10.8 Mt at 1.6 g/t gold for a total of 543,000 ounces of gold at a 0.2 g/t gold cut-off grade (see Table 1) has been completed for the Makabingui Project. This has resulted in a 126% increase in contained ounces.

Contained within the Global Mineral Resource is 6.1 Mt at 2.6 g/t gold for a total of 503,000 ounces of gold at a 0.5 g/t gold cut-off grade (see Table 2). This is an increase of 110% on the maiden resource announced on 2 May 2011 (3.3 Mt at 2.3 g/t gold for a total of 240,000 ounces of gold). This represents a significant increase in grade at the 0.5 g/t gold cut-off.

The Mineral Resource estimate has been independently estimated by AMC Consultants Pty Ltd (AMC).

Table 1 – Makabingui Project – Indicated and Inferred Mineral Resources (>0.2g/t Au⁽¹⁾) as at 19 December 2011

Classification	COG	Tonnage	Au	Au
	Au (g/t)	(Mt)	(g/t)	(oz)
Indicated Zone 1	0.2	2.2	2.1	146,000
Indicated Zone 2	0.2			
Indicated Zone 3	0.2	1.3	4.5	189,000
Indicated Zone 4	0.2			
Sub Total Indicated	0.2	3.5	3.0	335,000
Inferred Zone 1	0.2	1.2	0.7	26,000
Inferred Zone 2	0.2	2.2	0.9	68,000
Inferred Zone 3	0.2	2.9	0.8	78,000
Inferred Zone 4	0.2	1.0	1.2	37,000
Sub Total Inferred	0.2	7.4	0.9	208,000
Total	0.2	10.8	1.6	543,000

Notes to accompany Table 1

1. Reported at 0.2g/t gold cut-off
2. The Mineral Resource is reported in accordance with the JORC Code
3. All ounces are rounded to the nearest 1,000. Rounding may affect totals
4. COG is defined as cut-off grade
5. Top cut / top cap of 70g/t gold has been applied
6. The base of Indicated Mineral Resource at a COG of 0.2g/t gold is to a depth of no more than 80m below surface
7. Refer Appendix A for Resource Parameters

Table 2 – Makabingui Project – Indicated and Inferred Mineral Resources (>0.5g/t Au⁽¹⁾) as at 19 December 2011

Classification	COG	Tonnage	Au	Au
	Au (g/t)	(Mt)	(g/t)	(oz)
Indicated Zone 1	0.5	1.7	2.6	142,000
Indicated Zone 2	0.5			
Indicated Zone 3	0.5	1.0	5.9	186,000
Indicated Zone 4	0.5			
Sub Total Indicated	0.5	2.7	3.8	328,000
Inferred Zone 1	0.5	0.4	1.4	18,000
Inferred Zone 2	0.5	1.2	1.5	60,000
Inferred Zone 3	0.5	1.2	1.6	63,000
Inferred Zone 4	0.5	0.6	1.8	34,000
Sub Total Inferred	0.5	3.4	1.6	175,000
Total	0.5	6.1	2.6	503,000

Notes to accompany Table 2

1. Reported at 0.5g/t gold cut-off
2. The Mineral Resource is reported in accordance with the JORC Code
3. All ounces are rounded to the nearest 1,000. Rounding may affect totals
4. COG is defined as cut-off grade
5. Top cut / top cap of 70g/t gold has been applied
6. Refer Appendix A for Resource Parameters

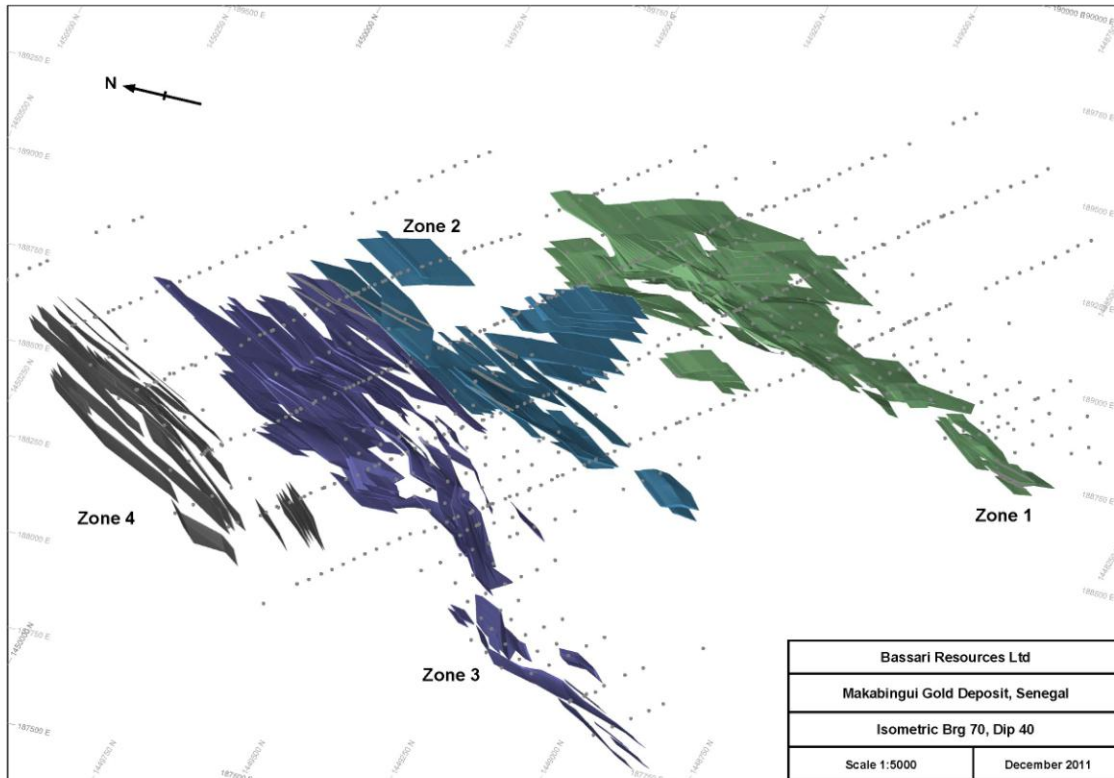


Figure 3 – Makabingui Gold Project – Isometric View

About Bassari

Melbourne based West African gold explorer Bassari Resources Limited (ASX:BSR) has a strategic portfolio of exploration permits focused on the Birimian Gold Belt in Senegal. The permits cover an area of approx. 850 km² with 80 km of strike along the combined three contiguous permits. The permits are located within the Kenieba Inlier which is a 50 M ounce gold region. Bassari's vision is to discover and delineate gold resources which can be developed into profitable operations.

Forward Looking Statement

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

Competent Persons Statement

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

Competent Persons Statement

Information in this documentation that relates to Mineral Resources is based on information compiled by Miss T L Burrows, who is a Member of the Australian Institute of Geoscientists and is a full-time employee of AMC Consultants Pty Ltd. Miss Burrows has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity, which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Miss Burrows consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

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Appendix A - Resource Parameters

A Mineral Resource estimate for the Makabingui deposit was completed during December 2011 utilising a digital three-dimensional block model estimation incorporating the assay results of 410 drill holes. The drill holes are a mixture of rotary air blast (RAB), reverse circulation (RC), RC with diamond drill core (DDH) tails and DDH. The RAB holes have been used in the geological interpretation but omitted from the block model estimation due to the possibility of sample contamination down hole.

The interpretation was completed using a sectional method and a cut-off grade 0.2 g/t gold. These sections were linked to form three dimensional shells which were then filled with parent block model cells of 5mE by 25mN by 5mRL in size. Grade domains representing either 0.2 g/t to 0.5 g/t gold, or >0.5 g/t gold were allocated to the block model. This was done by coding the length weighted average mineralised intervals down the hole by domain and then using the nearest neighbour estimation method to assign a domain code.

A statistical review of the drill hole data was completed. A top cut/top cap at 70g/t gold was used. The samples were composited to 1m within each grade domain. The drill data was transformed using a normal score transformation and semi-variograms generated. The block model was estimated using parent cell estimation and ordinary Kriging (OK). The length weighted density was calculated for the oxide material and for the fresh material from 10,320 samples which had been measured for density. A density of 1.7 g/m³ was used for the oxide and 2.6g/m³ was used for the fresh material.

The mineralisation exhibits geological and grade continuity at a 0.2 g/t gold cut-off grade and was classified according to the JORC Code on domain and drill spacing. A drill density of 25 m by 25 m for the >0.5 g/t domain was classified as Indicated. A drill density of 25 m by 25 m >0.2 g/t gold < 0.5 g/t gold above 80 m below surface was classified as Indicated. The 25 m by 25 m >0.2 g/t gold < 0.5 g/t gold below 80 m from surface was classified as Inferred due to the higher risk associated with such low grade material. All mineralisation which has been estimated on a larger than 25 m by 25 m drill spacing has been classified as an Inferred Mineral Resource.