
BASSARI RESOURCES LIMITED

ACN 123 939 042

NOTICE OF GENERAL MEETING

TIME: 10.00am (Australian Eastern Standard Time)

DATE: **Wednesday, 4 May 2011**

PLACE: RACV City Club
The Theatrette
501 Bourke Street
Melbourne VIC 3000

This Notice of Meeting and the accompanying Explanatory Statement should be read in their entirety.

If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 3) 9629 9925.

CONTENTS PAGE

Notice of General Meeting (setting out the proposed Resolutions)	3
Explanatory Statement (explaining the proposed Resolutions)	7
Glossary	39

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of Shareholders to which this Notice of Meeting relates will be held at 10.00am (AEST) on **Wednesday, 4 May 2011** at:

RACV City Club
The Theatrette
501 Bourke Street
Melbourne VIC 3000

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects the Company and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the time and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return it by:

- (a) post to Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235, or
- (b) facsimile on facsimile number (+61 2) 9287 0309

so that it is received no later than 10:00 am (AEST) on **Monday, 2 May 2011**.

Proxy Forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders will be held at 10.00am (AEST) on Wednesday, 4 May 2011 at RACV City Club, The Theatrette, 501 Bourke Street, Melbourne, Victoria.

Shareholders should review carefully the Explanatory Statement accompanying this Notice of Meeting as it contains important information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 7pm on 2 May 2011.

Terms and abbreviations used in this Notice of Meeting and the accompanying Explanatory Statement and Proxy Form are defined in the Glossary section at the back of this Notice of Meeting.

AGENDA

SPECIAL BUSINESS

1 RESOLUTION 1 – ADOPTION OF NEW CONSTITUTION

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That the constitution tabled by the Chairman at the commencement of the General Meeting and signed by a Director of the Company for identification purposes is approved and adopted as the Constitution of the Company in substitution for and to the exclusion of the existing Constitution of the Company, with effect from the day immediately following the day on which this resolution is passed.”

2 RESOLUTION 2 – ISSUE OF OPTIONS TO EMPLOYEES AND CONSULTANTS

To consider and, if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, approval is given for the issue of 1,000,000 Options on 3 March 2011 to the persons and in the proportions described in Schedule 1 to the Notice of Meeting, and on the terms and conditions as described in the Explanatory Statement accompanying the Notice of Meeting.”

Voting Exclusion Statement

In accordance with the Listing Rules, the Company will disregard any votes cast on this Resolution by any person and any associate or nominee of that person who participated in the issue.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3 RESOLUTION 3 – ISSUE OF OPTIONS TO DR DAVID TYRWHITT, DIRECTOR

To consider and, if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the issue of 500,000 Options to or for the benefit of Dr David Tyrwhitt, a Director of the Company, on the terms and conditions set out in Schedule 2 to this Notice of Meeting and as described in the Explanatory Statement which accompanies and forms part of the Notice of Meeting."

Voting Exclusion Statement

In accordance with the Listing Rules, the Company will disregard any votes cast on this Resolution by the Director named in the Resolution and any associate or nominee of that Director.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4 RESOLUTION 4 – ISSUE OF OPTIONS TO MR CLIVE WRIGHT, DIRECTOR

To consider and, if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the issue of 500,000 Options to or for the benefit of Mr Clive Wright, a Director of the Company, on the terms and conditions set out in Schedule 2 to this Notice of Meeting and as described in the Explanatory Statement which accompanies and forms part of the Notice of Meeting."

Voting Exclusion Statement

In accordance with the Listing Rules, the Company will disregard any votes cast on this Resolution by the Director named in the Resolution and any associate or nominee of that Director.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

5 RESOLUTION 5 – ISSUE OF OPTIONS TO MR JOZSEF PATARICA, DIRECTOR

To consider and, if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the issue of 500,000 Options to or for the benefit of Mr Jozsef Patarica, a Director of the Company, on the terms and conditions set out in Schedule 2 to the Notice of Meeting and as described in the Explanatory Statement which accompanies and forms part of the Notice of Meeting."

Voting Exclusion Statement

In accordance with the Listing Rules, the Company will disregard any votes cast on this Resolution by the Director named in the Resolution and any associate or nominee of that Director.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

6 RESOLUTION 6 – INCREASE IN LEVEL OF NON-EXECUTIVE DIRECTORS' FEES

To consider and, if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.17 and Clause 11.6 of the Company's Constitution and for all other purposes, the maximum aggregate remuneration payable to all Non-Executive Directors of the Company for their services by way of directors' fees be increased from \$150,000 to \$250,000 for each financial year commencing 1 July 2011."

Voting Exclusion Statement

In accordance with the Listing Rules, the Company will disregard any votes cast on this Resolution by any Director and any associate of that Director.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
- accordance with a direction on the proxy form to vote as the proxy decides.

EXPLANATORY STATEMENT

The Explanatory Statement accompanying this Notice of General Meeting is incorporated in and comprises part of this Notice of General Meeting.

Shareholders are specifically referred to the Glossary section at the back of this Notice of General Meeting which contains definitions of capitalised terms used both in this Notice of General Meeting and the Explanatory Statement.

PROXIES

Please note that:

- a) a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- b) a proxy need not be a member of the Company; and
- c) a member of the Company entitled to cast two or more votes at the General Meeting may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes of the member.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

"SNAP-SHOT" TIME

The Board has determined that all Shares that are quoted on ASX at 7.00 pm (AEST) on (Monday, 2 May 2011 shall, for the purposes of determining voting entitlements at the General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

CORPORATE REPRESENTATIVE

A body corporate may appoint an individual as its representative to attend and vote at the General Meeting and exercise any other powers the body corporate can exercise at the General Meeting.

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative.

An appointment of Corporate Representative form is enclosed if required.

ENQUIRIES

Shareholders are required to contact Mr Ian Riley on (+ 61 3) 9629 9925 if they have any queries in respect of the matters set out in these documents.

Dated 28 March 2011

BY ORDER OF THE BOARD



JOZSEF PATARICA
MANAGING DIRECTOR/CEO

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10.00am (AEST) on Wednesday, 4 May 2011 at RACV City Club, The Theatre, 501 Bourke Street, Melbourne, Victoria.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions as set out in the Notice of Meeting.

SPECIAL BUSINESS

RESOLUTION 1 – ADOPT A NEW CONSTITUTION

It is proposed that the Shareholders adopt a new Constitution for the Company. The Directors believe that it is an appropriate time for Shareholders to adopt a new Constitution that reflects the current position of the Directors and Shareholders, as well as the current legal and regulatory framework.

Under section 136(1) of the Corporations Act, an alteration or adoption of a new Constitution requires a special Resolution to be passed.

Adoption of a new Constitution requires approval of at least 75% of the votes cast by members of the Company present in person or by proxy and entitled to vote.

A full copy of the *proposed* new constitution will be provided free of charge to a Shareholder who requests a copy prior to the Annual General Meeting. The current Constitution and proposed new Constitution are also available on the Bassari website www.bassari.com.au.

An outline of some material provisions in the current and proposed new Constitutions and key differences are contained in Schedule 3.

RESOLUTION 2 – ISSUE OF OPTIONS TO EMPLOYEES AND CONSULTANTS

Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue or agree to issue during any 12 month period any equity securities (including ordinary shares and options over unissued ordinary shares) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. Listing Rule 7.4 provides for subsequent approval of issues of securities in certain circumstances.

1,000,000 Options were issued on 3 March 2011 to the persons and in the proportions described in Schedule 1 to the Notice of Meeting, and on the terms set out in Schedule 2 to the Notice of Meeting. The Company now seeks subsequent shareholder approval under this Resolution 2 for the issue of such Options on the terms and conditions set out in this Explanatory Statement for the purpose of Listing Rule 7.4 and in accordance with Listing Rule 7.5 (and for all other purposes).

Outlined below is the information required to be provided to Shareholders pursuant to Listing Rule 7.5 for the purpose of obtaining Shareholder approval under Listing Rule 7.4:

- (a) the number of Options the Company issued is 1,000,000 Options;
- (b) the Options were issued for no consideration;

- (c) the terms of the Options are set out in Schedule 2. The Shares issued on exercise of the Options will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Shares on issue that are quoted on ASX;
- (d) the Options were issued to the persons described in Schedule 1, all of whom are employees or consultants of the Company, and are not Related Parties or deemed to be Related Parties under the Listing Rules;
- (e) no funds were raised on the issue of the Options. If the Options are exercised, the funds received will be applied toward the working capital requirements of the Company at the time.

If this resolution is passed, the Company will, pursuant to Listing Rule 7.1, be able to issue up to 15% of its issued Share capital as described above without the requirement to seek further approval of Shareholders. The Directors believe this will be beneficial to the Company as it will allow it to raise further funds to continue its exploration activities as may be required.

RESOLUTION 3 – ISSUE OF OPTIONS TO DR DAVID TYRWHITT, DIRECTOR

Corporations Act requirements

Chapter 2E, and in particular, Section 208 of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) shareholder approval is obtained and the benefit is given within 15 months after the approval; or
- (b) the giving of the benefit falls within one of the exceptions to Section 208.

For the purposes of Chapter 2E, directors are considered to be related parties of a company, and the issue of options is considered to be the giving of a financial benefit.

Consequently, approval by Shareholders under Chapter 2E of the Corporations Act is required for the issue of Options to any Director, being the giving of a financial benefit to a related party of the Company.

Listing Rules requirements

Under Listing Rule 10.11, shareholder approval is required for the issue of equity securities (including options) to a related party of a listed company such as a director.

Consequently, approval by Shareholders is required for the issue of Options to any Director of the Company.

Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue or agree to issue during any 12 month period any equity securities (including ordinary shares and options over unissued ordinary shares) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. Exception 14 under Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to an issue of securities made with shareholder approval under Listing Rule 10.11. Therefore, if approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Purpose of Resolution

In accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11, the Board seeks approval by Shareholders for the issue of 500,000 Options to or for the benefit of Dr David Tyrwhitt, a Director and therefore a related party of the Company, on the terms and conditions set out in Schedule 2 to this Notice of Meeting.

Disclosure required under Chapter 2E of Corporations Act

In accordance with Section 219 of the Corporations Act, the following information is provided:

	Requirement	Information/Explanation
1	The related parties to whom the proposed resolution would permit financial benefits to be given.	Dr David Tyrwhitt or his nominee.
2	The nature of the financial benefits.	The issue of 500,000 Options for no consideration. The terms of the Options are set out in Schedule 2 to the Notice of Meeting. The Board has obtained an independent expert valuation from DMR Corporate on 3 March 2011 who has valued the 500,000 Options at \$21,250. The valuation by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting.
3	In relation to each company director, their reasons for making or not making a recommendation to members about the proposed resolution, or if they were not available to consider the proposed resolution - why not.	Each Director other than Dr Tyrwhitt recommends that Shareholders vote in favour of Resolution 3. Having considered the circumstances of the Company and Dr Tyrwhitt (including the responsibilities of his office), they consider that the issue of the Options to Dr Tyrwhitt is reasonable and in the best interests of the Company to assist Dr Tyrwhitt's retention as an incentive during the further advancement of the Company's prospects. Dr Tyrwhitt does not make any recommendation to Shareholders about Resolution 3 as he has an interest in the outcome of the Resolution as described in item 4 below.
4	In relation to each company director, whether the director has an interest in the outcome of the proposed resolution, and if so, what it is.	Dr Tyrwhitt has an interest in the outcome of Resolution 3, being the receipt of 500,000 Options having a value of \$21,250 as determined by DMR Corporate on 3 March 2011. The valuation by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting. None of the Directors other than Dr Tyrwhitt has any interest in the outcome of Resolution 3.
5	All other information known to the company or any of its directors which members would reasonably require to determine whether or not the proposed resolution is in the company's interests.	The terms of issue of the Options are set out in Schedule 2 to the Notice of Meeting. Shareholders are otherwise advised to carefully review the Notice of Meeting (including the Explanatory Statement) in its entirety. Additional information is also provided after this table.

The following additional information is also provided:

(a) the Options to be granted will not be listed on ASX;

(b) the Options will not vest until 30 June 2011, with vesting conditional upon Dr Tyrwhitt remaining a Director of the Company at that time and, thereafter, may be exercised on or before 31 December, 2013;

(c) At the date of preparation of this notice, Dr Tyrwhitt had a relevant interest in the following securities of the Company;

- Fully Paid Ordinary Shares: Nil
- Options: Nil

(d) Dr Tyrwhitt was appointed a Director of the company on 12 October 2010 and received no remuneration from the Company in the 2010 financial year.

The total remuneration package for the year ending 30 June 2011 before the issue of Options will be director fees of \$37,500. If Resolution 3 is passed and the Options are issued to Dr Tyrwhitt, the total remuneration package for the year ending 30 June 2011 will increase by \$21,250 (being the value of the Options as determined by DMR Corporate) to \$58,750.

(e) Ownership of shares pursuant to the exercise of the options will entitle the holders of shares to receive benefits of ownership/membership, on the same basis as existing shareholders of the Company;

(f) DMR Corporate has valued the Options at \$21,250 using the Binomial Model of valuation incorporating the Hull-White adjustment. DMR Corporate has also cross-checked their valuation using the Black-Scholes valuation model which values the Options at \$24,250. The Report by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting;

(g) if the Options issued to Dr Tyrwhitt are exercised, it would have an effect of diluting the shareholdings of existing Shareholders. As at the date of this Notice of Meeting, the Company has 234,097,128 Shares on issue. On a fully diluted basis, the issue of the Options represents approximately 0.21% of the Company's issued capital;

(h) the market price of the Company's Shares during the term of the Options will normally determine whether or not the holder exercises the Options. At the time any Options are exercised and Shares issued pursuant to the exercise of the Options, the Company's Shares may be trading on ASX at a price which is higher than the exercise price of the Options;

(i) the Options will not be quoted on ASX and as such have no actual market value. The Shares of the Company have been traded on ASX since January 2008. In the previous 12 months the Shares have traded in the range of \$0.105 on 15 March 2011 to \$0.37 on 19 March 2010. The most recent closing price before the date of this Notice of Meeting was \$0.12 cents. The Options are capable of being converted to Shares by payment of the exercise price and on the terms set out in Schedule 2;

(j) The most recent closing price before the date of this Notice of Meeting was \$0.12 cents. If the Share price is above that level when the Options are exercised, there will be a cost to the Company being the difference between the Share price and the exercise price. On the other hand, if the Share price is below that level when the Options are exercised, there will be benefit to the Company being the difference between the exercise price and the Share price.

Disclosure required under Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is provided:

- (a) The person to whom the Options are proposed to be issued is Dr David Tyrwhitt or his nominee.
- (b) The maximum number of Options to be issued is 500,000.
- (c) The Options will be issued within one month after the date of the Meeting if the Resolution is passed.
- (d) The Options will be issued for no consideration and the terms of their issue are set out in Schedule 2 to the Notice of Meeting.
- (e) No funds will be raised by the issue of Options. If the Options are exercised, the funds received will be applied toward the working capital requirements of the Company at the time.

RESOLUTION 4 – ISSUE OF OPTIONS TO MR CLIVE WRIGHT, DIRECTOR

Corporations Act requirements

Chapter 2E, and in particular, Section 208 of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) shareholder approval is obtained and the benefit is given within 15 months after the approval; or
- (b) the giving of the benefit falls within one of the exceptions to Section 208.

For the purposes of Chapter 2E, directors are considered to be related parties of a company, and the issue of options is considered to be the giving of a financial benefit.

Consequently, approval by Shareholders under Chapter 2E of the Corporations Act is required for the issue of Options to any Director, being the giving of a financial benefit to a related party of the Company.

Listing Rules requirements

Under Listing Rule 10.11, shareholder approval is required for the issue of equity securities (including options) to a related party of a listed company such as a director.

Consequently, approval by Shareholders is required for the issue of Options to any Director of the Company.

Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue or agree to issue during any 12 month period any equity securities (including ordinary shares and options over unissued ordinary shares) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. Exception 14 under Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to an issue of securities made with shareholder approval under Listing Rule 10.11. Therefore, if approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Purpose of Resolution

In accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11, the Board seeks approval by Shareholders for the issue of 500,000 Options to or for the benefit of Mr Clive Wright, a Director and therefore a related party of the Company, on the terms and conditions set out in Schedule 2 to this Notice of Meeting.

Disclosure required under Chapter 2E of Corporations Act

In accordance with Section 219 of the Corporations Act, the following information is provided:

	Requirement	Information/Explanation
1	The related parties to whom the proposed resolution would permit financial benefits to be given.	Mr Clive Wright or his nominee.
2	The nature of the financial benefits.	The issue of 500,000 Options for no consideration. The terms of the Options are set out in Schedule 2 to the Notice of Meeting. The Board has obtained an independent expert valuation from DMR Corporate on 3 March 2011 who has valued the 500,000 Options at \$21,250. The valuation by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting.
3	In relation to each company director, their reasons for making or not making a recommendation to members about the proposed resolution, or if they were not available to consider the proposed resolution - why not.	Each Director other than Mr Wright recommends that Shareholders vote in favour of Resolution 4. Having considered the circumstances of the Company and Mr Wright (including the responsibilities of his office), they consider that the issue of the Options to Mr Wright is reasonable and in the best interests of the Company to assist Mr Wright's retention as an incentive during the further advancement of the Company's prospects. Mr Wright does not make any recommendation to Shareholders about Resolution 4 as he has an interest in the outcome of the Resolution as described in item 4 below.
4	In relation to each company director, whether the director has an interest in the outcome of the proposed resolution, and if so, what it is.	Mr Wright has an interest in the outcome of Resolution 4, being the receipt of 500,000 Options having a value of \$21,250 as determined by DMR Corporate on 3 March 2011. The valuation by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting. None of the Directors other than Mr Wright has any interest in the outcome of Resolution 4.
5	All other information known to the company or any of its directors which members would reasonably require to determine whether or not the proposed resolution is in the company's interests.	The terms of issue of the Options are set out in Schedule 2 to the Notice of Meeting. Shareholders are otherwise advised to carefully review the Notice of Meeting (including the Explanatory Statement) in its entirety. Additional information is also provided after this table.

The following additional information is also provided:

(a) the Options to be granted will not be listed on ASX;

(b) the Options will not vest until 30 June 2011, with vesting conditional upon Mr Wright remaining a Director of the Company at that time and, thereafter, may be exercised on or before 31 December, 2013;

(c) At the date of preparation of this notice, Mr Wright had a relevant interest in the following securities of the Company:

- Fully Paid Ordinary Shares: 1,235,800
- Listed Options: 102,983

(d) The total remuneration package for Mr Wright for the year ended 30 June 2010, as disclosed in the 2010 annual report, is as follows:

- Salary & Fees \$26,261
- Superannuation \$2,364

The total remuneration package for the year ending 30 June 2011 before the issue of the Options will be \$46,250 plus statutory superannuation at the rate of 9% being a total of \$50,412. If Resolution 3 is passed and the Options are issued to Mr Wright, the total remuneration package for the year ending 30 June 2011 will increase by \$21,250 (being the value of the Options as determined by DMR Corporate) to \$71,662.

(e) Ownership of shares pursuant to the exercise of the options will entitle the holders of shares to receive benefits of ownership/membership, on the same basis as existing shareholders of the Company;

(f) DMR Corporate has valued the Options at \$21,250 using the Binomial Model of valuation incorporating the Hull-White adjustment. DMR Corporate has also cross-checked their valuation using the Black-Scholes valuation model which values the Options at \$24,250. The valuation by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting;

(g) if the Options issued to Mr Wright are exercised, it would have an effect of diluting the shareholdings of existing Shareholders. As at the date of this Notice of Meeting, the Company has 234,097,128 Shares on issue. On a fully diluted basis, the issue of the Options represents approximately 0.21% of the Company's issued capital;

(h) the market price of the Company's Shares during the term of the Options will normally determine whether or not the holder exercises the Options. At the time any Options are exercised and Shares issued pursuant to the exercise of the Options, the Company's Shares may be trading on ASX at a price which is higher than the exercise price of the Options;

(i) the Options will not be quoted on ASX and as such have no actual market value. The Shares of the Company have been traded on ASX since January 2008. In the previous 12 months the Shares have traded in the range of \$0.105 on 15 March 2011 to \$0.37 on 19 March 2010. The most recent closing price before the date of this Notice of Meeting was \$0.12 cents. The Options are capable of being converted to Shares by payment of the exercise price and on the terms set out in Schedule 2;

(j) The most recent closing price before the date of this Notice of Meeting was \$0.12 cents. If the Share price is above that level when the Options are exercised, there will be a cost to the Company being the difference between the Share price and the exercise price. On the other hand, if the Share price is below that level when the

Options are exercised, there will be benefit to the Company being the difference between the exercise price and the Share price.

Disclosure required under Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is provided:

- (a) The person to whom the Options are proposed to be issued is Mr Clive Wright or his nominee.
- (b) The maximum number of Options to be issued is 500,000.
- (c) The Options will be issued within one month after the date of the Meeting if the Resolution is passed.
- (d) The Options will be issued for no consideration and the terms of their issue are set out in Schedule 2 to the Notice of Meeting.
- (e) No funds will be raised by the issue of Options. If the Options are exercised, the funds received will be applied toward the working capital requirements of the Company at the time.

RESOLUTION 5 – ISSUE OF OPTIONS TO MR JOZSEF PATARICA, DIRECTOR

Corporations Act requirements

Chapter 2E, and in particular, Section 208 of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) shareholder approval is obtained and the benefit is given within 15 months after the approval; or
- (b) the giving of the benefit falls within one of the exceptions to Section 208.

For the purposes of Chapter 2E, directors are considered to be related parties of a company, and the issue of options is considered to be the giving of a financial benefit.

Consequently, approval by Shareholders under Chapter 2E of the Corporations Act is required for the issue of Options to any Director, being the giving of a financial benefit to a related party of the Company.

Listing Rules requirements

Under Listing Rule 10.11, shareholder approval is required for the issue of equity securities (including options) to a related party of a listed company such as a director.

Consequently, approval by Shareholders is required for the issue of Options to any Director of the Company.

Listing Rule 7.1 provides that a company must not, without shareholder approval (but subject to certain exceptions), issue or agree to issue during any 12 month period any equity securities (including ordinary shares and options over unissued ordinary shares) if the number of those securities exceeds 15% of the number of fully paid securities on issue at the commencement of that 12 month period. Exception 14 under Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to an issue of securities made with shareholder approval under Listing Rule 10.11. Therefore, if approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Purpose of Resolution

In accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11, the Board seeks approval by Shareholders for the issue of 500,000 Options to or for the benefit of Mr Jozsef Patarica, a Director and therefore a related party of the Company, on the terms and conditions set out in Schedule 2 to this Notice of Meeting.

Disclosure required under Chapter 2E of Corporations Act

In accordance with Section 219 of the Corporations Act, the following information is provided:

	Requirement	Information/Explanation
1	The related parties to whom the proposed resolution would permit financial benefits to be given.	Mr Jozsef Patarica or his nominee.
2	The nature of the financial benefits.	The issue of 500,000 Options for no consideration. The terms of the Options are set out in Schedule 2 to the Notice of Meeting. The Board has obtained an independent expert valuation from DMR Corporate on 3 March 2011 who has valued the 500,000 Options at \$21,250. The valuation by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting.
3	In relation to each company director, their reasons for making or not making a recommendation to members about the proposed resolution, or if they were not available to consider the proposed resolution - why not.	Each Director other than Mr Patarica recommends that Shareholders vote in favour of Resolution 5. Having considered the circumstances of the Company and Mr Patarica (including the responsibilities of his office), they consider that the issue of the Options to Mr Patarica is reasonable and in the best interests of the Company to assist Mr Patarica's retention as an incentive during the further advancement of the Company's prospects. Mr Patarica does not make any recommendation to Shareholders about Resolution 5 as he has an interest in the outcome of the Resolution as described in item 4 below.
4	In relation to each company director, whether the director has an interest in the outcome of the proposed resolution, and if so, what it is.	Mr Patarica has an interest in the outcome of Resolution 5, being the receipt of 500,000 Options having a value of \$21,250 as determined by DMR Corporate on 3 March 2011. The valuation by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting. None of the Directors other than Mr Patarica has any interest in the outcome of Resolution 5.

	Requirement	Information/Explanation
5	All other information known to the company or any of its directors which members would reasonably require to determine whether or not the proposed resolution is in the company's interests.	The terms of issue of the Options are set out in Schedule 2 to the Notice of Meeting. Shareholders are otherwise advised to carefully review the Notice of Meeting (including the Explanatory Statement) in its entirety. Additional information is also provided after this table.

The following additional information is also provided:

(a) the Options to be granted will not be listed on ASX;

(b) the Options will not vest until 30 June 2011, with vesting conditional upon Mr Patarica remaining a Director of the Company at that time and, thereafter, may be exercised on or before 31 December, 2013;

(c) At the date of preparation of this notice, Mr Patarica had a relevant interest in the following securities of the Company;

- Fully Paid Ordinary Shares: 213,650
- Listed Options: 17,804
- Unlisted Options: 700,000

(d) The total remuneration package for Mr Patarica for the year ended 30 June 2010, as disclosed in the 2010 annual report, is as follows:

- Salary & Fees \$122,639
- Superannuation \$11,053
- Share based payments (options) \$84,070

The total remuneration package for the year ending 30 June 2011 before the issue of the Options will be \$320,000 plus statutory superannuation at the rate of 9% being a total of \$348,800. If Resolution 3 is passed and the Options are issued to Mr Patarica, the total remuneration package for the year ending 30 June 2011 will increase by \$21,250 (being the value of the Options as determined by DMR Corporate to \$370,050).

(e) Ownership of shares pursuant to the exercise of the options will entitle the holders of shares to receive benefits of ownership/membership, on the same basis as existing shareholders of the Company;

(f) DMR Corporate has valued the Options at \$21,250 using the Binomial Model of valuation incorporating the Hull-White adjustment. DMR Corporate has also cross-checked their valuation using the Black-Scholes valuation model which values the Options at \$24,250. The valuation by DMR Corporate is set out in full in Schedule 4 to the Notice of Meeting;

(g) if the Options issued to Mr Patarica are exercised, it would have an effect of diluting the shareholdings of existing Shareholders. As at the date of this Notice, the Company has 234,097,128 Shares on issue. On a fully diluted basis, the issue of the Options represents approximately 0.21% of the Company's issued capital;

(h) the market price of the Company's Shares during the term of the Options will normally determine whether or not the holder exercises the Options. At the time any Options are exercised and Shares issued pursuant to the exercise of the Options, the Company's Shares may be trading on ASX at a price which is higher than the exercise price of the Options;

(i) the Options will not be quoted on ASX and as such have no actual market value. The Shares of the Company have been traded on ASX since January 2008. In the previous 12 months the Shares have traded in the range of \$0.105 on 15 March 2011 to \$0.37 on 19 March 2010. The most recent closing price before the date of this Notice of Meeting was \$0.12 cents. The Options are capable of being converted to Shares by payment of the exercise price and on the terms set out in Schedule 2;

(j) The most recent closing price before the date of this Notice of Meeting was \$0.12 cents. If the Share price is above that level when the Options are exercised, there will be a cost to the Company being the difference between the Share price and the exercise price. On the other hand, if the Share price is below that level when the Options are exercised, there will be benefit to the Company being the difference between the exercise price and the Share price.

Disclosure required under Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is provided:

- (a) The person to whom the Options are proposed to be issued is Mr Jozsef Patarica or his nominee.
- (b) The maximum number of Options to be issued is 500,000.
- (c) The Options will be issued within one month after the date of the Meeting if the Resolution is passed.
- (d) The Options will be issued for no consideration and the terms of their issue are set out in Schedule 2 to the Notice of Meeting.
- (e) No funds will be raised by the issue of Options. If the Options are exercised, the funds received will be applied toward the working capital requirements of the Company at the time.

RESOLUTION 6 – APPROVAL OF INCREASE TO THE LEVEL OF NON-EXECUTIVE DIRECTORS' FEES

Listing Rule 10.17 and Clause 11.6 of the Company's Constitution require that Shareholder approval is obtained in a general meeting by ordinary resolution to establish the maximum aggregate amount of remuneration payable as Directors fees to non-executive Directors.

Executive Directors receive salary and other remuneration in accordance with the terms of their employment agreements, but do not receive Directors fees. The remuneration paid by the Company to the executive Directors is not included in the maximum aggregate amount of Directors fees for the purpose of this resolution.

Resolution 6 seeks Shareholder approval to increase the maximum amount of Directors fees payable to non-executive Director in each financial year commencing 1 July 2011 by \$150,000 to \$250,000 in aggregate to provide the Board with flexibility to appoint further non-executive independent Director to enhance the capability of the Board and deal with the various interests of the Company now and in the future.

The last determination of maximum Directors fees was in the year the Company was incorporated, 2007, when the maximum was set at \$150,000. It is highly unlikely that the Board would fully utilise the maximum amount permitted, \$250,000, at this stage however, the increased maximum amount will provide the Directors with more flexibility to also seek new independent non-executive Directors for the Board to appoint and remunerate appropriately qualified persons to the Board as and when required.

The Directors recommend that the Shareholders vote in favour of Resolution 6. All Directors and their associates are excluded from voting on the resolution.

SCHEDULE 1 to Notice of General Meeting

List of employees and consultants of the Company to whom Options were issued on 3 March 2011 (Resolution 2)

Employee/consultant	Number of Options issued
Mr Frederik van Dongen (Chief Operations Manager – Senegal)	500,000
Mr Ian Riley (Chief Financial Officer and Company Secretary)	500,000
	Total number issued: <u>1,000,000</u>

Options – Terms and Conditions

Bassari Resources Ltd

Option Terms

December 2013 Series Options -

1. Definitions & Interpretations

In these terms the following words and expressions have the meanings indicated unless the contrary intention appears:

ASX means ASX Limited (ABN 98 008 624 691).

Board means the board of directors of the Company.

Company means Bassari Resources Limited (ACN 123 939 042).

Consultant means a person or entity that provides consulting services to the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Employee means a full-time or part-time employee of the Company.

Listing Rules means the official listing rules of the ASX.

Option or **December 2013 Series Option** means an option to acquire one Share in the Company at an exercise price of \$0.30 per Share, exercisable on or before 31 December 2013 and subject to these terms (including terms relating to vesting of the Options).

Share is a fully paid ordinary share in the capital of the Company.

Words imparting the singular include the plural and vice-versa and words denoting a gender include all other genders.

2. Entitlement

Each Option entitles the holder to subscribe for one ordinary share in the capital of the Company.

3. Exercise Price

The Option exercise price of the Options is \$0.30 per Option.

4. Exercise Period

The Options are exercisable on or before 5.00pm Melbourne time on 31 December, 2013 (**Expiry Date**) (but subject to terms relating to vesting of the Options) by completing an Option exercise form (in a form acceptable to the Company in its sole discretion and, at a minimum, containing the information in the Notice of Exercise of Options set out below) and delivering it together with the payment for the number of Shares in respect of which the Options are exercised, to the registered office of the Company.

5. Exercise of part

The holder of Options may exercise part of the Options only without prejudice to the holder's ability to subsequently exercise any remaining options.

6. Quotation of Shares on Exercise

Application will be made by the Company to the ASX for official quotation of any Shares issued upon exercise of Options, subject to satisfaction of any applicable restriction agreements.

7. Transferability

Subject to the Corporations Act, the ASX Listing Rules and the Constitution of the Company, Options are not transferable without the prior written consent of the Board.

8. Quotation of Options

The Company will not seek quotation on ASX of the Options.

9. Shares issued on Exercise

All Shares issued upon exercise of Options will rank pari passu in all respects with the Company's then issued ordinary fully paid shares.

10. Participation in New Issues

There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 5 business days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

11. Adjustment for reconstructions

If at any time the capital of the Company is reconstructed (including consolidation, sub-division, reduction or return), all rights of an Option holder (including the number of Options and/or the exercise price of the Options) are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules applying to a reconstruction of capital at the time of the reconstruction.

12. Adjustments for bonus issue of Shares

If, before expiry of any Options, the Company makes an issue of Shares to the holders of Shares by way of capitalisation of profits or reserves (**bonus issue**) other than in lieu of a dividend payment, then upon exercise of an Option, the holder will be entitled to have issued to them (in addition to the Shares to which they are otherwise entitled to have issued to them upon such exercise) additional Shares in the Company. The number of additional Shares is the number that would have been issued to them under the bonus issue (**bonus shares**) if on the date in which entitlements were calculated they had been registered as the holder of the number of Shares that they would have been registered as holding if immediately before that date they had exercised their Options. The bonus shares will be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank pari-passu in all respects with the other Shares allotted upon exercise of an Option.

13. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than a bonus issue or an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the exercise price of any unexercised Option will be reduced according to the following formula:

$$\text{New exercise price} = O - (E \times [P - (S + D)] \div N + 1).$$

O = the old exercise price of the Option.

E = the number of underlying Shares into which one Unlisted Option is exercisable.

P = average market price per Share (weighted by reference to the volume) of the underlying Shares during the five trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

14. Issue to Directors and Vesting of Options

Notwithstanding any other provision of these Option terms:

- a. where the Employee or Consultant receiving an offer of grant of options is a director of the Company, any such offer or grant of Options is conditional upon the Company's shareholders approving the issue before the issue is made and should such approval not be forthcoming any such offer or grant will be null and void; and
- b. Options will not vest until 30 June 2011, with vesting conditional upon the person still being a Director, Employee or Consultant of the Company at that time, provided that early vesting may occur if the Chairman of the Company acting in their sole discretion determines otherwise or, in the case of Options issued to the Chairman, a majority of the remaining directors so determine.

NOTICE OF EXERCISE OF OPTIONS

To the Directors of Bassari Resources Ltd ACN 123 939 042 (the **Company**),

I, _____

of _____

being the registered holder of options in the capital of the Company hereby exercise _____ such options to subscribe for ordinary Shares and enclose application monies payable of \$_____ being 30 cents per Option exercised.

I authorise you to register me as the holder of the Shares to be allotted to me and agree to accept such shares subject to the Constitution of the Company.

Dated the _____ day of _____ in the year 20_____

SCHEDULE 3 to Notice of General Meeting

Some Key notes of Comparison of Old Constitution and New Constitution

	Area	Old	New	Summary of the effect of Changes
1	Voting	<p>Articles 10.8, 10.9, 10.17 and 10.19(c)</p> <p>The Constitution provides that, at a general meeting:</p> <ul style="list-style-type: none"> • on a show of hands, each Shareholder present has one vote; • where a member has appointed more than one person as Representative, proxy or attorney for that member, none of them may vote on a show of hands; and • on a poll, every Shareholder present has one vote for each fully paid share held and for each partly paid Ordinary Share, a fraction of a vote equivalent to the proportion which the amount paid up or agreed to be considered as paid represents to the total issue price of that share at the time the poll is taken. <p>Any objection to voting must be made at the meeting and referred to the Chairman whose decision is final.</p>	<p>Articles 41, 44, 47, 48, 49(5)</p> <p>The Constitution provides that, at a general meeting:</p> <ul style="list-style-type: none"> • on a show of hands, each Shareholder present has one vote; • if a person appointed one proxy they may vote on a show of hands. If they appointed more than one proxy, none of them may vote; and • on a poll, every Shareholder present has one vote for each fully paid share held and for each partly paid Ordinary Share, a fraction of a vote equivalent to the proportion which the amount paid up or agreed to be considered as paid represents to the total issue price of that share at the time the poll is taken. <p>During a breach of the Listing Rules relating to Shares which are Restricted Securities, or a breach of a restriction agreement, the holder of the relevant Restricted Securities is not entitled to any</p>	<p>There are no material changes in the new Constitution to voting rights at a general meeting other than under the new Constitution, the Chairman does not have a casting vote.</p> <p>The new Constitution clarifies that a vote which the Listing Rules require the Company to disregard is not valid and provides for circumstances in which the holder of Restricted Securities may not vote.</p>

	Area	Old	New	Summary of the effect of Changes
		<p>A proxy is not revoked by the appointing shareholder attending and taking part in the meeting unless the appointing shareholder votes at the meeting.</p> <p>On an equality of votes, the Chairman has a casting vote.</p>	<p>voting rights in respect of those Restricted Securities.</p> <p>The appointment of a proxy or attorney is not revoked by the appointor attending and taking part in the meeting but, if the appointor votes on any resolution, the person or persons acting as proxy or attorney for the appointer are not entitled to vote, and must not vote, as the appointer's proxy or attorney on the resolution.</p> <p>Any objection to voting must be made at the meeting and referred to the Chairman whose decision in good faith is final. A vote which the Listing Rules require the Company to disregard is not valid.</p> <p>On an equality of votes, the Chairman does not have a casting vote.</p>	
2	<p>General meetings and notices</p>	<p>Articles 9.1, 9.2 and 10.1</p> <p>Any one (1) Director may call a meeting of Members.</p> <p>A notice of a general meeting is to specify the time and place of the meeting, the general nature of the business to be transacted at the meeting and any other matters required by law. Such notice must be accompanied by a proxy form.</p>	<p>Articles 31(1), 32, 33 (2) and 35</p> <p>Any two (2) Directors may call a meeting of Members.</p> <p>A notice of a general meeting is to specify the time and place of the meeting, the general nature of the business to be transacted at the meeting and any other matters required by law. Such notice must be accompanied by a proxy form.</p>	<p>Under the new Constitution, two (2) directors are now required to call a meeting of members and also five shareholders now constitute a quorum.</p> <p>The rules affecting who received notices and how much notice is required have not changed in the new Constitution. Shareholders will</p>

	Area	Old	New	Summary of the effect of Changes
		Three Shareholders present constitute a quorum for a meeting. No business may be transacted at any meeting, except the adjournment of a meeting, unless a quorum is present at the commencement of a meeting.	Five Shareholders present constitute a quorum for a meeting. No business may be transacted at any meeting, except the election of a Chairman and the adjournment of a meeting, unless a quorum is present at the commencement of a meeting. Shareholders may ask questions or make comments about the management of the Company and ask questions of the Auditor relevant to the audit and the contents of the Audit Report at the AGM.	receive 28 days notice of a general meeting. The new Constitution specifies that at the AGM, shareholders may ask questions about and comment on the management of the Company also ask questions of the Auditor relevant to the audit and the contents of the Audit Report at the AGM .
3	Proxies	Article 10.18 Proxies may vote on behalf of shareholders at meetings. Note that a proxy may vote on a show of hands. Proxies must be filed with the Company 48 hours before the meeting. See our comments above regarding proxies voting when appointor's attend the meeting.	Articles 48, 51 Proxies may vote on behalf of shareholders at meetings. Note that a proxy may vote on a show of hands. Proxies must be filed with the Company 48 hours before the meeting. The proxy forms must be originals or certified copies of the originals. See our comments above regarding proxies voting when appointor's attend the meeting.	Under the new Constitution, there are no changes to proxies voting at a meeting, ie proxies may still vote on a show of hands. Proxy forms must now be originals or certified copies of the originals.
4	Dividends	Article 15 The Board may determine that a dividend is payable and fix the amount, time for payment and method	Articles 89-101 Payment of any dividend may be made in any manner and by any means as determined by the Board. Payment	The new Constitution specifies that Interest must not be paid on a dividend and makes provision for revocation or amendment of the resolution to pay dividends not less

	Area	Old	New	Summary of the effect of Changes
		of payment.	<p>may be made to the Shareholder entitled to the dividend or, in the case of joint holders, to the Shareholder whose name stands first in the share register in respect of the joint holding.</p> <p>Interest must not be paid on a dividend.</p> <p>The Directors may amend or revoke a resolution to pay a dividend before 9 business days before the record date notified to ASX for determining entitlements to dividends.</p>	than 9 Business days before the record date as announced to ASX.
5	Issue of shares	<p>Article 2.1</p> <p>Subject to the Constitution and without affecting special rights conferred on the holders of shares, the Board may issue such number of shares and other securities with special rights obligations and restrictions as it determines. The Board may issue shares in the Company with different class rights on the terms and conditions and for the consideration it thinks fit.</p> <p>Article 2.5</p> <p>Before issuing shares of a particular class, the Board must offer them to existing holders of that class as close as possible, pro rata. The Board may issue any shares not taken up under the offer to existing members or non members as</p>	<p>Articles 5, 7 and 8</p> <p>Subject to the Act, the Listing Rules and this Constitution, and without affecting any special rights conferred on the holders of any shares, any shares or other securities may be issued with preferred, deferred or other special rights, obligations or restrictions, whether in regard to dividends, voting, return of share capital, payment of calls or otherwise, as the Board may determine and on any terms the Board considers appropriate.</p> <p>Subject to the Act, any preference shares may, with the sanction of a resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed.</p>	<p>Pursuant to the new Constitution, there is no requirement for the Board to offer shares to existing holders of a class before issuing them to others.</p> <p>The new Constitution makes express provision for the payment of brokerage and commission in connection with share issues.</p>

	Area	Old	New	Summary of the effect of Changes
		they see fit.	The Company may pay brokerage and commission to a person in respect of that person or another person agreeing to take up shares in the Company by payment of cash, issue of shares or options or debentures or a combination of the above.	
6	Transfer of Ordinary Shares	<p>Article 6</p> <p>A Shareholder may transfer shares by a proper instrument of transfer, in writing in the usual or common form or in any form the Board may from time to time prescribe.</p> <p>The Board may refuse to register transfers if permitted by the Corporations Act and the ASX Listing Rules.</p>	<p>Articles 25, 26, 27</p> <p>There are no pre-emptive rights.</p> <p>Subject to the Constitution, a Shareholder may transfer ordinary shares by:</p> <ul style="list-style-type: none"> • any computerized or electronic system recognized by the ASX Listing Rules or the Australian Corporations Act; or • an instrument in writing or in any other form that the Directors approve. <p>If permitted by the ASX Listing Rules or the ASTC Settlement Rules the Directors may:</p> <ul style="list-style-type: none"> • request the application of a holding lock to prevent a transfer of ordinary shares; or • decline to register a transfer of ordinary shares. <p>Provision is made for restrictions on</p>	<p>The new Constitution makes specific provision for Shareholders to transfer ordinary shares by:</p> <ul style="list-style-type: none"> • any computerized or electronic system recognized by the ASX Listing Rules or the Australian Corporations Act; or • an instrument in writing or in any other form that the Directors approve. <p>It also provides for restrictions on dealings with Restricted Securities and that Directors may now also request a holding lock and also decline to register a transfer of shares (subject to the ASX Listing Rules or the ASTC Settlement Rules).</p>

	Area	Old	New	Summary of the effect of Changes
			dealings with Restricted Securities.	
7	Joint Holders of Shares	<p>Articles 2.6, 10.14</p> <p>Where 2 or more persons are registered as holders of a share:</p> <ul style="list-style-type: none"> ➤ they and their respective legal personal representatives are liable jointly and severally for all payments, including calls; ➤ on the death of one of them, the survivor(s) are the only persons recognised by the Company as having title to the share; ➤ any one of them may give receipts for any dividend, interest or other payment; ➤ except as required by the SCH business rules, the Company is not bound to register more than 3 joint holders; ➤ the vote of the senior holder who tenders a vote in person or by representative, proxy or attorney must be accepted to the exclusion of others, and seniority is determined by the order in which the names stand in the register. 	<p>Article 10</p> <p>(2) or more persons are registered as the holders of any Shares, they are considered to hold the Shares as joint tenants with benefit of survivorship subject to the following provisions:–</p> <p>(1) the Company is not bound to register more than three (3) persons as the holders of the shares (except in the case of personal representatives of a deceased Member);</p> <p>(2) the joint holders of the shares are liable severally as well as jointly in respect of all payments which ought to be made in respect of the shares;</p> <p>(3) on the death of any one (1) of the joint holders, the survivor is the only person recognised by the Company as having any title to the shares but the Board may require evidence of death and the estate of the deceased joint holder is not released from any liability in respect of the shares;</p>	<p>Under the new Constitution, the person whose name appears first on the Register is the only joint holder entitled to receive notices from the Company and to delivery of any certificate relating to the shares from the Company.</p>

	Area	Old	New	Summary of the effect of Changes
			<p>(4) any one (1) of the joint holders may give a receipt for any dividend, bonus or return of capital payable to the joint holders;</p> <p>(5) the person whose name appears first on the Register is the only joint holder entitled to receive notices from the Company and any notice given to that person is considered to be notice to all the joint holders;</p> <p>(6) the person whose name appears first on the Register is the only joint holder entitled to delivery of any certificate relating to the shares from the Company; and</p> <p>(7) any one (1) of the joint holders may vote at any meeting of the Company either personally or by properly authorised representative, proxy or attorney, in respect of the shares as if that joint holder was solely entitled to the shares. If more than one (1) of the joint holders are present personally or by properly authorised representative, proxy or attorney, on the vote of the joint holder whose name appears first in the Register counts.</p>	

	Area	Old	New	Summary of the effect of Changes
8	Lien	<p>Article 4</p> <p>The Company has a lien over each Share registered in respect of unpaid monies in respect of that Share.</p>	<p>Articles 19, 19(3)(b)(i)</p> <p>The Company has a lien over each Share registered in respect of unpaid monies in respect of that Share. Note the interest rate is set to a maximum upper limit of 15%.</p>	<p>The new Constitution states that the Company will still have a lien over unpaid Shares. Interest (at the rate of 15%) is now also payable in respect of forfeiture.</p>
9	Unmarketable parcels of Ordinary Shares	<p>Article 8</p> <p>Subject to the ASX Listing Rules, the Company may sell ordinary shares of a Shareholder who holds less than a marketable parcel of ordinary shares by giving that Shareholder at least 42 days' notice.</p>	<p>Article 12</p> <p>Subject to the ASX Listing Rules, the Company may sell ordinary shares of a Shareholder who holds less than a marketable parcel of ordinary shares by giving that Shareholder at least 42 days' notice.</p>	<p>There are no substantial changes to provisions relating to unmarketable parcels of shares in the new Constitution.</p>
10	Winding-up rights	<p>Article 18</p> <p>If the Company is wound up, whether voluntarily or otherwise, the liquidator may divide among all or any of the Shareholders as the liquidator thinks fit the whole or any part of the assets of the Company, and may vest any part of the assets of the Company in trustees on any trusts for the benefit of all or any of the Shareholders as the liquidator thinks fit.</p>	<p>Article 105</p> <p>If the Company is wound up, whether voluntarily or otherwise, the liquidator may divide among all or any of the Shareholders as the liquidator thinks fit the whole or any part of the assets of the Company, and may vest any part of the assets of the Company in trustees on any trusts for the benefit of all or any of the Shareholders as the liquidator thinks fit.</p>	<p>There are no substantial changes in winding up rights in the new Constitution.</p>
11	Directors	<p>Articles 11, 12, 13 and 14</p> <p>Any one Director may call a meeting of</p>	<p>Articles 54, 56, 59, 60, 61, 62, 66, 67, 68, 69, 76</p> <p>The Chairman, the deputy Chairman, or</p>	<p>Under the new Constitution, the</p>

Area	Old	New	Summary of the effect of Changes
	<p>directors.</p> <p>The number of directors must not be less than three nor more than twelve.</p> <p>Each director will hold office until the director vacates the office or is removed under the Constitution. The Constitution provides that, at each annual general meeting, one-third of the directors (or if the number of directors is not a multiple of three, then the nearest one-third), any other director who has held office for three years or more and any director who has been appointed by the directors in the preceding year, must retire from office.</p> <p>A Managing Director (if appointed) is exempted from retirement by rotation. A retiring director is eligible for re-election.</p> <p>Refer to article 11.3 for nomination of directors.</p> <p>Questions arising at a meeting of directors will be decided by a majority vote. The chairman of the meeting has a casting vote in the event that there is an equality of votes.</p> <p>Note also that the office of a director becomes vacant if a director is absent from Director's meetings for more than</p>	<p>any one Director may call a meeting of directors.</p> <p>The number of directors must not be less than three nor more than twelve unless otherwise determined by general meeting.</p> <p>Each director will hold office until the director vacates the office or is removed under the Constitution. The Constitution provides that, at each annual general meeting, one-third of the directors (or if the number of directors is not a multiple of three, then the nearest one-third), any other director who has held office for three years or more and any director who has been appointed by the directors in the preceding year, must retire from office.</p> <p>A Managing Director (if appointed) is exempted from retirement by rotation. A retiring director is eligible for re-election.</p> <p>Refer to article 60 for nomination of directors.</p> <p>Questions arising at a meeting of directors will be decided by a majority vote. The chairman of the meeting has a casting vote in the event that there is an equality of votes.</p> <p>Note that a majority of Directors at a</p>	<p>Chairman, the deputy Chairman or any one Director may call a meeting of directors.</p> <p>There is no change to the required number of Directors, although under the new Constitution, the Company may resolve otherwise.</p> <p>Questions arising at a meeting of directors will also still be decided by a majority vote.</p> <p>The chairman of the meeting still has a casting vote as they did before.</p> <p>The new Constitution provides that the Directors (by majority) now have the right to suspend another director if their continuance as a director is prejudicial to the interests of the Company.</p> <p>The new Constitution reduces the time period for truancy of Director to 3 months (after which the office of that Director becomes vacant, unless excused by the Board).</p> <p>It is also still the case that if the Managing Director ceases to be a Director, their executive office terminates automatically.</p> <p>Under the new Constitution, the</p>

	Area	Old	New	Summary of the effect of Changes
		<p>6 months without permission of the Board.</p> <p>Remuneration for non-executive directors will be set at a general meeting of shareholders.</p> <p>A director may appoint any person as an alternate, and the appointor may terminate the appointment.</p> <p>If the Managing Director ceases to be a Director, their executive office terminates automatically.</p>	<p>directors meeting (convened for that purpose) may suspend another director if their continuance as a director is prejudicial to the interests of the Company.</p> <p>Note also that the office of a director becomes vacant if a director is absent from Director's meetings for a consecutive 3 months without permission of the Board, unless overseas on Company business.</p> <p>Remuneration for non-executive directors will be set at a general meeting of shareholders.</p> <p>A director may appoint any person as an alternate with the approval of the Directors and such appointment may be revoked by the appointor or the other Directors.</p> <p>If the Managing Director or Chairman (full time) ceases to be a Director, their executive office terminates automatically (unless otherwise determined by the Board).</p> <p>If an Executive Director is appointed for a fixed term, the term cannot exceed 5 years.</p>	<p>Alternate Director must be approved by the other Directors and his appointment may be revoked by the appointor or the other directors.</p> <p>The new Constitution provides that if an Executive Director is appointed for a fixed term, the term cannot exceed 5 years</p>

	Area	Old	New	Summary of the effect of Changes
12	Amending the Constitution	<p>Section 136(2) Corporations Act</p> <p>In accordance with the Australian Corporations Act, the Constitution may only be amended by a special resolution passed by at least 75 per cent of the Shareholders present and voting at a general meeting of the Company.</p>	<p>Section 136(2) Corporations Act</p> <p>In accordance with the Australian Corporations Act, the Constitution may only be amended by a special resolution passed by at least 75 per cent of the Shareholders present and voting at a general meeting of the Company.</p>	<p>There are no changes between the old Constitution and the new Constitution in this regard.</p>
13	Indemnities	<p>Article 19</p> <p>To the extent permitted by law, the Company is permitted to indemnify its officers and pay premiums for insurances including directors and officers insurance.</p>	<p>Articles 79 - 83</p> <p>To the extent permitted by law, the Company is permitted to indemnify its officers and pay premiums for insurances including directors and officers insurance.</p> <p>The Company may also give a loan or advance to applicable persons to assist with costs of defending proceedings where the Directors believe such costs and expenses are likely to be an amount for which the Company may become liable.</p>	<p>Under the new Constitution, express provision is made for making loans to Directors in connection with costs of defending proceedings where the Directors believe such costs and expenses are likely to be an amount for which the Company may become liable.</p>

SCHEDULE 4 to Notice of General Meeting

Valuation by DMR Corporate dated 3 March, 2011

3 March 2011

The Directors
Bassari Resources Limited
Level 17, 500 Collins Street
Melbourne
Vic 3000

Dear Sirs

Value of Options

1. Introduction

- 1.1 We have been requested by Mr. Ian Riley to provide Bassari Resources Limited (“Bassari”), with independent advice in respect of the fair value (as defined in Appendix A of AASB 2) of options to be granted to three directors and two executives of Bassari. The options have an assumed grant date of 15 April 2011, being the expected date of the Extraordinary General Meeting at which shareholder approval is being sought for the issue of the options.
- 1.2 We understand that the options are to be issued on the terms and conditions summarised below:

Option Holder	Number of Options	Grant Date	Vesting Date	Expiry Date	Exercise Price \$
Directors					
Dr D Tyrwhitt	500,000	15/04/2011	30/06/2011	31/12/2013	0.30
Mr C Wright	500,000	15/04/2011	30/06/2011	31/12/2013	0.30
Mr J Patarica	500,000	15/04/2011	30/06/2011	31/12/2013	0.30
Executives					
Mr F van Dongen	500,000	15/04/2011	30/06/2011	31/12/2013	0.30
Mr I Riley	500,000	15/04/2011	30/06/2011	31/12/2013	0.30

- 1.3 The Option Terms are:

- the options will not be transferable without the prior written consent of the board;
- the options will not be listed; and
- the options vest on the condition that the option holder is still an employee or consultant of the company at the time.

2. Valuation Methodology

- 2.1 Options are generally valued using one of a number of option pricing models and AASB 2 does not mandate the use of a particular model in valuing director and employee options.
- 2.2 We have reviewed the terms of the options and based on this review we have concluded that there is a reasonable probability that the options will be exercised before their expiry date. Our principal reason for this view is the fact that the options will be unlisted and therefore illiquid. Our view is supported by empirical evidence that director options are often exercised well before their expiry date. For this reason we have valued the options using the binomial model, which has been tailored specifically for use in valuing employee and director options.
- 2.3 The binomial model used incorporates the Hull-White adjustment. The Hull-White adjustment requires an assumption to be made that the options will be exercised when the share price reaches a selected multiple of the current share price.
- 2.4 The model used determines the value of an option as a function of the following variables:
- 1) the current share price of the underlying shares
 - 2) exercise price of the option
 - 3) volatility of the share price
 - 4) vesting conditions
 - 5) time to maturity
 - 6) risk free rate of interest
 - 7) expected dividend yield
 - 8) an exercise price multiple

3. Assumptions used

- 3.1 Set out below is a discussion of each of the variables and the assumptions that we have selected in valuing the options.

3.2 The share price of the underlying shares

Bassari is a limited liability company incorporated in Australia and its securities are listed on the Australian Securities Exchange.

The volume weighted average share price ("VWAP") (based on closing daily prices) for the 30 days to 2 March 2011 was \$0.158 on a volume of 23,284,677 shares, the 60 day VWAP to 2 March 2011 was \$0.153 on a volume of 34,525,717 shares and the closing price on 2 March 2011 was \$0.155.

Based on the above share prices, we consider that \$0.155 represents the current market value of shares in Bassari as at 2 March 2011.

3.3 The exercise price of the options

All of the options are exercisable at \$0.30 per share.

3.4 The volatility of the share price

The volatility of the share price is a measure of uncertainty about the returns provided by the shares. Generally it is possible to predict future volatility of a stock by reference to its historical volatility.

A share with a greater volatility has a greater time value component of the total option value.

The volatility estimate used in option pricing models is typically calculated with reference to the annualised standard deviation of daily share price returns on the underlying security over a specified period.

The historical volatility information for Australian listed companies can be sourced from the Australian Graduate School of Management – Centre for Research in Finance Risk (“CRIF”) Measurement Service statistics.

The September 2010 CRIF estimated the volatility of Bassari shares to be 87.3%. Based on our experience we consider this to be unusually high and we considered the historical volatility of share price returns for companies comparable to Bassari as set out below:

Listed Company	Market Capitalisation \$ millions	Volatility %
Mineral Deposits	633	51.6
Red 5 Limited	161	66.2
Gryphon Minerals Ltd	362	76.2
Dragon Mining Ltd	122	87.3
Azumah Resources	140	75.5
Bassari Resources	44	87.3
Goldminex Resources	14	66.9
Average		73.0

We have concluded that a share price volatility of 73% is appropriate when valuing the options.

3.5 Vesting conditions

The options vest on 30 June 2011.

3.6 Time to maturity

The options expire on 31 December 2013.

3.7 Risk free rate of interest

We have used a risk free rate of 5.055% in valuing the options. This rate is based on Treasury Bond yields on 3 March 2011 with a maturity approximating the expiry date of the options.

3.8 Expected dividend yield

Bassari is an exploration company that has no history of paying dividends and we have assumed that no dividends will be paid during the currency of the options.

3.9 An exercise price multiple

As stated in Section 2, options issued to directors are often exercised prior to their expiry date. This occurs due to the lack of liquidity of the options. Bassari does not have a history that we could use to predict the likely exercise date. Based on the available empirical evidence we consider that the options may not be exercised until the market price of Bassari shares reaches a multiple of 2.0 times the exercise price. This factor has been taken into account in the application of the Binomial Option Valuation Model we have used.

4. **Valuation**

4.1 Based on the assumptions set out in Section 3 above we have assessed the value of the options (using the Binomial Model) to be:

Option Holder	Number of Options	Value per Option \$	Total Value \$
Directors			
Dr D Tyrwhitt	500,000	0.0425	21,250
Mr C Wright	500,000	0.0425	21,250
Mr J Patarica	500,000	0.0425	21,250
Executives			
Mr F van Dongen	500,000	0.0425	21,250
Mr I Riley	500,000	0.0425	21,250
	<u>2,500,000</u>		<u>106,250</u>

4.2 It should be noted that the above values assume that all options will vest. Paragraph 19 of AASB 2 requires that the vesting conditions be taken into account by adjusting the number of options expected to vest. This assessment will need to be made by Bassari.

4.3 In order to provide a crosscheck of the values determined in paragraph 4.1, we have also valued the options using the Black-Scholes option valuation model. This model reveals the maximum value of the options by assuming that they will only be exercised immediately prior to their expiry. The Black-Scholes model values each option at \$0.0485, or \$24,250 for a tranche of 500,000 options. Alternatively the entire 2,500,000 options would be valued at \$121,250.

4.4 We are satisfied that the values set out in paragraph 4.1 appropriately value the director options.

4.5 This report has been prepared in accordance with the Accounting Professional and Ethical Standards Board professional standard APES 225 - Valuation Services.

Yours faithfully

DMR Corporate Pty Ltd



Derek Ryan
Director

GLOSSARY

\$ means Australian dollars.

AEST means Australian Eastern Standard Time as observed in Melbourne, Victoria between the first Sunday of April in a year and the first Sunday of October in that year.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context requires or permits, the financial market known as the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX, as amended or replaced from time to time except to the extent of any written waiver granted by ASX.

Board means the board of directors of the Company.

Business Day means any day other than a Saturday, Sunday or public holiday in the State of Victoria.

Chairman means the chairman of the General Meeting.

Company or **Bassari** means Bassari Resources Limited (ACN 123 939 042).

Constitution means the Company's constitution, as amended from time to time.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting or **Meeting** means the general meeting of the Company convened by this Notice of Meeting.

Non-Executive Directors means the Directors who do not perform an executive function in addition to their role as a director.

Notice of Meeting or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement.

Option means an option over any unissued Share or Shares.

Resolutions means the resolutions set out in the Notice of Meeting, and **Resolution** means any one of them.

Schedule means a Schedule to this Notice of Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share or Shares.


X99999999999

SHAREHOLDER VOTING FORM

I/We being a member(s) of Bassari Resources Limited and entitled to attend and vote hereby appoint:

STEP 1 APPOINT A PROXY

 the Chairman
 of the Meeting
 (mark box)


OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

 or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the General Meeting of the Company to be held at **10:00am on Wednesday, 4 May 2011, at The Theatre, RACV Club, 501 Bourke Street, Melbourne, Victoria 3000** and at any adjournment or postponement of the meeting.

 Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an **X**

STEP 2 VOTING DIRECTIONS

	For	Against	Abstain*		For	Against	Abstain*
Resolution 1 Adoption of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 4 Issue of Options to Mr Clive Wright, Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Issue of Options to Employees and Consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 5 Issue of Options to Mr Jozsef Patarica, Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Issue of Options to Dr David Tyrwhitt, Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 6 Increase in Level of Non-Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 IMPORTANT - VOTING EXCLUSIONS

 If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Item 3 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of that Item and that votes cast by him/her for that Item, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 3 and your votes will not be counted in calculating the required majority if a poll is called on this Item.
 The Chairman of the Meeting intends to vote undirected proxies in favour of Item 3.

STEP 4 SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

 This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).


HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Monday, 2 May 2011**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



by mail:

Bassari Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

If you would like to attend and vote at the General Meeting, please bring this form with you.
This will assist in registering your attendance.

**APPOINTMENT OF CORPORATE REPRESENTATIVE
PURSUANT TO SECTION 250D AND 253B OF THE
CORPORATIONS ACT 2001**

(This form may be used by a body corporate which is a security holder or which has been appointed as a proxy by a security holder)

(Insert the name of the body corporate making the appointment)

SRN / HIN

hereby appoints

(Insert name of appointee. Please note that multiple representatives can be appointed but only one representative may exercise the body corporate's powers at any one time)

to act as its representative at

(*) all meetings or (*) the meeting to be held on 4 May 2011
(*) delete as applicable

of

Bassari Resources Limited

Signed by _____ (name of the body corporate making the appointment) in accordance with the body corporate's constitution and the *Corporations Act 2001*, (if applicable).

Director

Sole Director & Sole Secretary

Common Seal
(if applicable)

Director/Secretary

Date

Information

The original of this form will be retained by the company.

A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at meetings of a company's members, creditors or debenture holders. The appointment may be by reference to a position held provided that the appointment identifies the position.

The appointment must be executed in accordance with the body corporate's constitution and (if applicable) section 127 of the *Corporations Act 2001*. An appointment may be a standing one, which will continue until revoked. A permanent register of such appointments is maintained and so it is not necessary to evidence the appointment at each meeting.

If more than one representative is appointed, only one representative may exercise the body corporate's powers at any one time.

Please fax this form to: +61 2 9287 0309 and bring the original with you to the relevant meeting