



CORPORATE INFORMATION

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

FAST FACTS

ASX Code	BSR
Issued Capital	572,654,403
Unlisted options	5,800,000
No of shareholders	1,803
Top 20	39%

INVESTMENT HIGHLIGHTS

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

- Makabingui Gold Project, Mineral Resource (December 2012) **1.0 million ounces in 11.9 Mt at 2.6 g/t gold at a 0.5 g/t cut-off**, comprising:
 - **Indicated: 336,000 ozs in 2.6Mt at 4.0g/t**
 - **Inferred: 669,000 ozs in 9.3Mt at 2.2g/t**
- Senegal, stable democracy since 1960.
- Quality ground holding in a 50M ounce gold region which hosts a number of world class deposits.
- 13 prospects identified along 80km strike length within Kedougou-Kenieba Inlier.
- Strategic and dominant exploration package.
- Gold intersected over a wide interval at Konkouto Prospect.

BOARD AND MANAGEMENT

John Ballard

Chairman

Jozsef Patarica

Managing Director/CEO

Chris Young

Non Executive Director

Ian Riley

Company Secretary/Chief Financial Officer

CONTACT US

Bassari Resources Limited (ACN 123939042)

Level 17, 500 Collins Street,
Melbourne, Victoria, 3000, Australia.

T: +61 3 9614 0600

F: +61 3 9614 0550

Email: admin@bassari.com.au

www.bassari.com.au

ASX Release

4 December 2012

1 MILLION OUNCES AT 2.6 g/t GOLD MAKABINGUI GOLD PROJECT, SENEGAL

Bassari Resources Limited (ASX:BSR) is pleased to announce an Indicated and Inferred Mineral Resource estimate of **1 million ounces, in 11.9 million tonnes at 2.6 g/t gold**, at a cut-off grade of 0.5 g/t gold, from its flagship Makabingui Gold Project, in Senegal, West Africa.

This achieves our principal objective for 2012 and represents a **100% increase** to the previously reported Mineral Resource estimate (December 2011).

The Mineral Resource has been independently estimated by AMC Consultants Pty Ltd (AMC) and is reported in accordance with the JORC Code (2004).

Highlights

- **Indicated and Inferred Mineral Resource estimate of 1 million ounces of gold in 11.9 million tonnes at 2.6 g/t gold, with a 0.5 g/t gold cut-off**
 - **Indicated: 336,000 ozs in 2.6Mt at 4.0 g/t**
 - **Inferred: 669,000 ozs in 9.3Mt at 2.2 g/t**
- **Resource increase based on 28,700 metres drilled, 34% reverse circulation and 66% diamond drilling**
- **80% of the total Mineral Resource is above 200 metres depth**
- **Makabingui Project continues to show strong growth potential as part of a larger mineralised system**
- **Work planned for 2013 will focus on further resource growth and development of the Makabingui Project**

“Increasing the gold resource at Makabingui to one million ounces marks a significant milestone for Bassari. We’ve delivered our 2012 objective and importantly, established foundations for further resource growth and development of the Makabingui Project through 2013 and beyond.” Bassari Resource Managing Director, Jozsef Patarica said.

“The step out drilling program has improved the geological model for Makabingui and importantly delivered an increase in gold grades for both the Indicated and Inferred Resource categories. The increase in grade on the previous model reinforces our confidence in the growth potential of the project.”

“We will continue building our gold inventory by targeting extensions of mineralisation within the Makabingui project area as well as advancing our high-priority prospects across our other permits to develop a multi-million ounce gold district.”

Mineral Resource

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

The Mineral Resource has been independently estimated by AMC and is reported in accordance with the JORC Code¹. The Mineral Resource is presented in Table 1.

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

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

Notes to accompany Table 1

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

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 interpretation is on cross-sections perpendicular to strike, at approximately 125 degrees east of north. The cross sections are located on each drill section line. The section spacing varies from 25 metres to 200 metres. A gold mineralisation shell at a minimum gold cut-off of 0.2 g/t gold has been generated for each drill section. The surface projection of the Makabingui deposit interpretation is show in Figure 1.

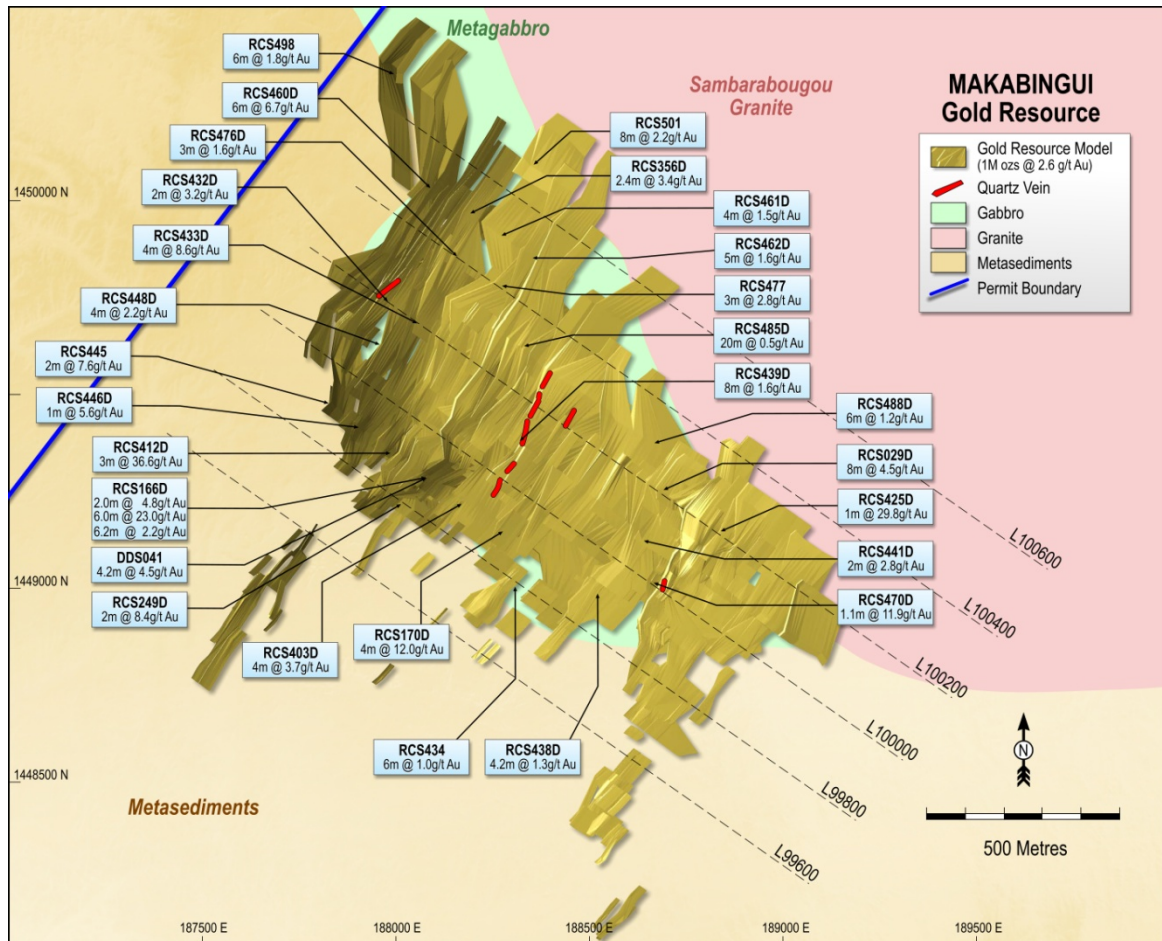


Figure 1 – Makabingui Gold Project Plan

Digital strings representing the interpretation for each section were constructed. The strings defining the mineralised shell have been snapped to the drillholes. The strings were then linked along strike to form three dimensional solids defining the zones of mineralisation (Figure 2 – Makabingui Gold Project - 3D model).

Drilling Program

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

Metallurgy

A metallurgical test program was carried out in April 2011 to aid in the forward planning of processing material from Makabingui. The program characterised the nature of the gold present from typical samples of both the oxide and primary ore types (Refer ASX Announcement 18 April 2011).

Overall gold recovery for both oxide and primary material was 99% from combining the gravity and cyanidation gold extraction results. The rapid gold dissolution, complete within 15 hours, and the low to moderate cyanide consumption are very encouraging.

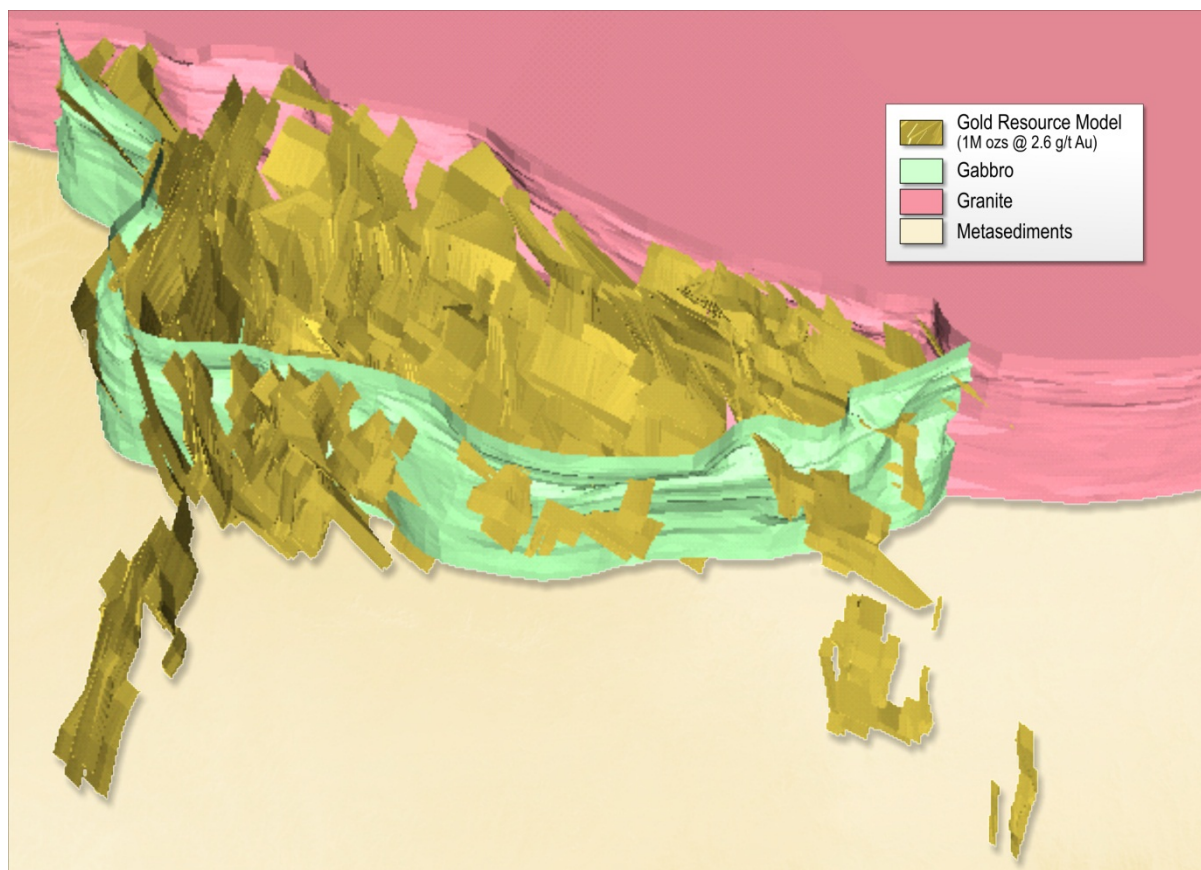


Figure 2 – Makabingui Gold Project – 3D Model

Makabingui Gold Project – Location & Geology

Makabingui is located within the Kedougou-Kenieba Inlier, Eastern Senegal, where multi-million ounce gold deposits are being mined and developed (Figure 3).

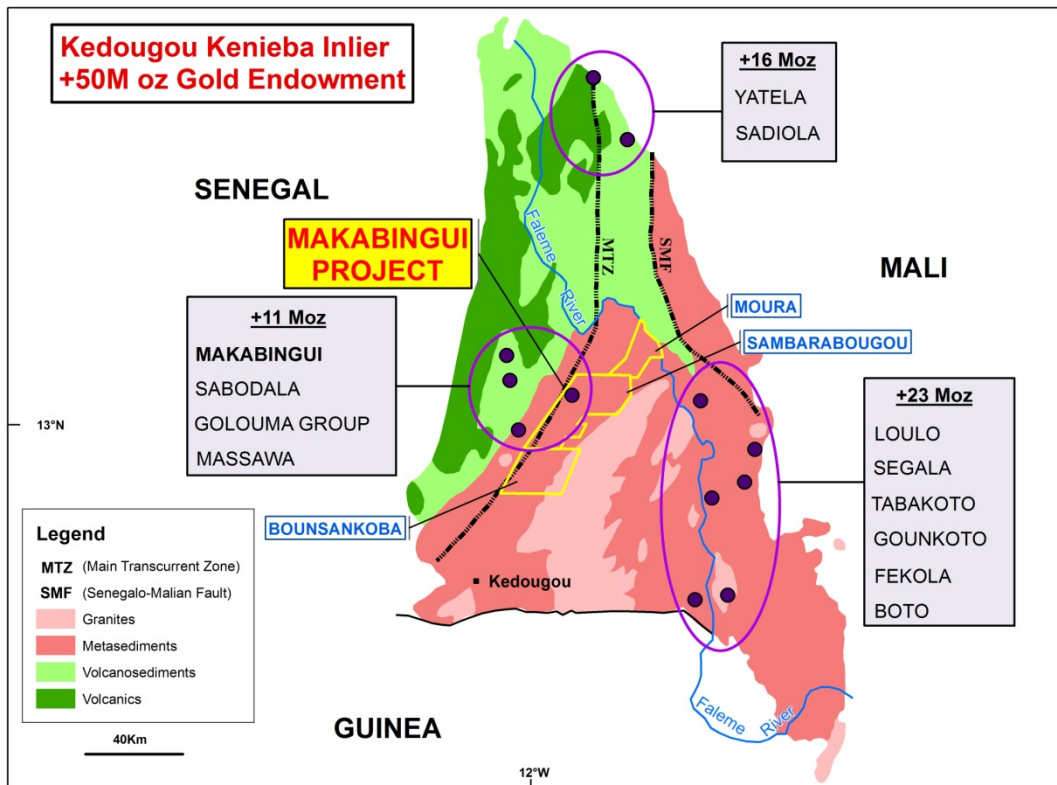


Figure 3 – Project Location Map

Regional Geology

The resource is located in the Palaeoproterozoic Birimian volcano-sedimentary sequence and the intrusives of the Diale Formation. The Diale Formation lithologies commonly comprise chlorite-sericite schists and phyllites derived from the metamorphism of greywackes and argillaceous sediments.

The Makabingui deposit is located near the southern margin of a syntectonic granite (Sambarabougou Granite). The deposit comprises a large number of generally shallow east dipping lodes and quartz veins ranging in thickness from 8 metres down to less than 1 metre width and hosted by a gabbroic intrusive and contact metasediments. Mineralised structures have been identified over an area of some 1.7 kilometres by 1.2 kilometres to date. The Sambarabougou Granite and host gabbro lie within the east-west trending crustal fracture zone identified by the presence of a major diorite dyke which extends from the Makana area to the west through to the Loulo-Gounkoto project area in nearby Mali, eastwards to Sitakil; a newly discovered “porphyry” gold deposit.

Local Geology

The project is focused on the contact zone between metasediments and an oval shaped metagabbroic intrusive. Mineralisation is associated with quartz veins and stockworks with silica, sericite, biotite and carbonate alteration together with variable amounts of pyrite, arsenopyrite and pyrrhotite.

The mineralising events typically involved hydrothermal fluids depositing gold, quartz and sulphides in structurally controlled features formed after the metamorphic belt had undergone some uplift into a brittle region of the crust.

Strategic Exploration Package

The Company's exploration permits cover an area of approximately 850 km² over the highly prospective Birimian Gold Belt. The Makabingui Gold Project area is centrally located within the three contiguous permits and is approximately 25 kilometres from the Sabodala Gold Operation (Figure 4).

Recent artisanal activity established south of the existing Makabingui resource (refer ASX announcement 11 October 2012) has identified potential for new lodes in two locations within a significant NE trending shear zone, and further highlights the prospectivity of Makabingui.

Interpretation of the high-resolution aeromagnetic survey across the Company's permits, completed in June 2012, has identified several highly prospective targets which will be the subject of further work through 2013 to identify high grade resources.

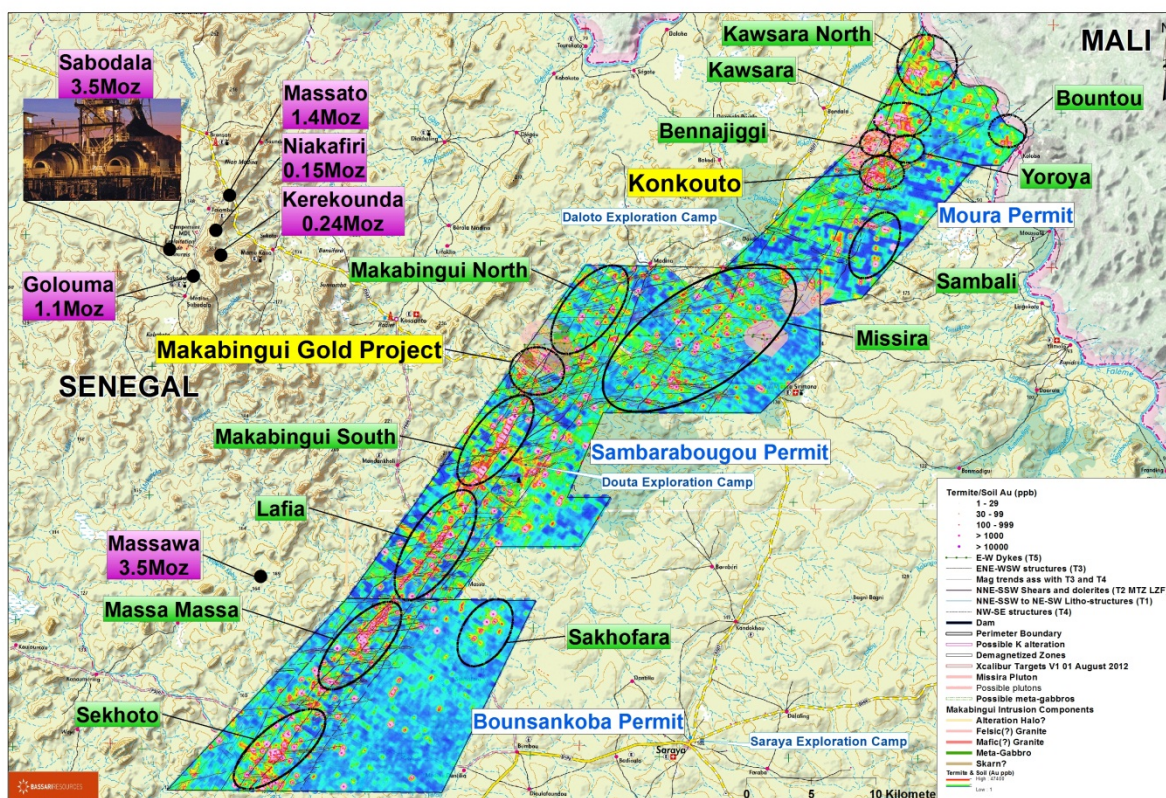


Figure 4 – Exploration Permits – Moura, Sambarabougou & Bounsankoba

About Bassari

Melbourne - based West African gold explorer Bassari Resources Limited (ASX:BSR) has a strategic portfolio of exploration permits focused on the Birimian Gold Belt in Senegal. The permits cover an area of 850 km² with 80 km of strike along the combined three contiguous permits. The permits are located within the Kenieba Inlier which is a 50M 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.

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.

For further information please contact:

Jozsef Patarica
Managing Director/CEO
Bassari Resources Ltd
Tel: +613 9614 0600
Email: jozsef@bassari.com.au

Appendix A - Resource Parameters

Makabingui comprises a large number of generally shallow east dipping zones of gold mineralisation and quartz veins hosted by a gabbroic intrusive and contact metasediments. This mineralisation is associated with quartz veins and stockworks with silica, sericite, biotite and carbonate alteration together with variable amounts of the sulphides pyrite and arsenopyrite. Mineralised structures occupy an area of some 1,700 m by 1,200 m, to a depth of 370 m below surface.

A Mineral Resource estimate for the Makabingui deposit was completed during November 2012 utilising a digital three-dimensional block model estimation incorporating the assay results of 384 drillholes. The drillholes 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 average drill spacing across the deposit is 100 m by 50 m to a depth of 130m, with 100 m by 100 m near the edges. There are two central areas where the drill spacing is 25 m by 25 m.

The interpretation was completed on 1074 drillholes 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 5 m by 25 m by 5 m in east, north and RL respectively. 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 flagging the length weighted average mineralised intervals down the hole by domain and then using the nearest neighbour (NN) estimation method to assign a domain code to the block model.

A statistical review of the drillhole data was completed. A top cut at 100 g/t gold (99.5 percentile), was used. The samples were composited to 1 m within each domain. The drill data was transformed using a normal score transformation to generate semi-variograms. The block model was estimated using parent cell estimation and ordinary Kriging (OK). NN was used to estimate the grades in the block model not informed by the OK estimation. The input sample file used in the NN estimation was the estimated block model output from the OK estimation. Length weighted density was calculated for the oxide material and for the primary material based on 19,762 measured for density using the Archimedes Principle. A density of 1.7 t/m³ was used for the oxide and 2.6 t/m³ was used for the primary 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 based on domain and drillhole spacing. A drill density of 25 m by 25 m to a depth of 170 m below surface for the >0.5 g/t gold 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 25m >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 drillhole spacing greater than 25 m by 25 m has been classified as Inferred.