



CORPORATE INFORMATION

Bassari Resources Limited is an Australian ASX-listed company focused on discovering and developing multi-million-ounce gold deposits in the Birimian Gold Belt, Senegal, West Africa.

FAST FACTS

ASX Code	BSR
Issued Capital	1,925,352,436
No of shareholders	2,324
Top 20	38%

INVESTMENT HIGHLIGHTS

Mineral tenements over approximately 590km² of prospective Birimian Gold Belt, Senegal.

- Updated Makabingui Gold Project Bankable Feasibility Study – Initial high grade open pit project of 1Mt at 5.7g/t for 174,000 oz production inventory, \$678/oz cash cost, US\$77m after tax and Capex cash flow in first three years, and expansion anticipated from underground and infill drilling of 8km Makabingui South zone.
- Makabingui Gold Project Mineral Resource (Prepared and disclosed under JORC Code 2004 and remains unchanged) **1 Moz in 11.9 Mt at 2.6 g/t gold (0.5 g/t cut-off)** :
 - Indicated: 336,000 oz in 2.6 Mt at 4.0g/t
 - Inferred: 669,000 oz in 9.3 Mt at 2.2g/t
- Makabingui Gold Project open pit JORC 2012 Probable Ore Reserve:
 - **158,000 oz in 0.86 Mt at 5.7 g/t**
- Senegal, stable democracy since 1960.
- Well located tenements in a +60M ounce gold province hosting world class deposits.
- Multiple prospects identified along 80km of partially drilled mineralised strike.

BOARD AND MANAGEMENT

Alex Mackenzie

Executive Chairman

Philip Bruce

Non-Executive Director

Peter Spivey

Director

Ian Riley

Company Secretary/Chief Financial Officer

CONTACT US

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MAKABINGUI GOLD PROJECT

Completion of Updated Bankable Feasibility Study and Commencement of Pre-Construction Activities

Bassari Resources Limited (ASX: BSR, or 'the Company') is pleased to announce the release of the Updated Makabingui Gold Project Bankable Feasibility Study ("BFS") and the ramp up of pre-construction activities in Senegal, West Africa. These activities will focus on improvements to the accommodation camp and access / haul roads and the Company will commence tendering and awarding engineering and construction contracts.

These activities are a result of the completion in August 2017 by Australian engineering consultants, Mincore, of the BFS for the Project based on a 300,000 tonne per annum hard rock operation from JORC 2012 Ore Reserves (ASX announcement 16 September 2014) in four high-grade open pits, having an initial mine life of 3.4 years. This BFS prepared by Mincore included:

- An updated feasibility study including an update of operating costs
- A complete review of all equipment costs with preferred suppliers to estimate current capital cost
- A detailed production implementation plan including all staffing requirements

The updated estimate has confirmed the profitable high-grade production within the one-million-ounce gold resource.

Bassari released the original Feasibility Study results in June 2014.

Highlights

- The updated BFS demonstrates a technically and commercially feasible, low cost, highly profitable operation with significant free cash flows.
- A detailed review of the capital estimate is complete.
- The Bassari Board approved the commencement of Pre-Construction activities during the third quarter 2017, with a camp upgrade and improvements to the access and haul roads.

- In November 2016, the Company announced that the Exploitation Permit (Addendum No. 2 to the Mining Convention) for the Bassari/WATIC joint venture development of the Makabingui Gold Project has been approved and signed by the Minister of Mines. The permit incorporates the basis for proceeding to the operational phase of the Makabingui Gold Project. The Presidential Decree granted in late July 2017 (ASX Announcement 24 July 2017) validates all Exploitation Permit terms and conditions.
- Term sheet for a US\$12 million funding with the Senegal division of Coris Bank International agreed in July 2017 and formal loan documentation is presently being prepared.
- The Company will commence tendering and awarding engineering and construction contracts with immediate effect.
- Proposed development program to deliver first ore to the plant in first quarter 2018.
- Mincore concluded that the project has the potential to deliver excellent cash flow and operating margins for the life of the mine (see Table – Project Study summary).

Bassari Executive Chairman Alex Mackenzie said, “I am pleased to confirm the completion of a number of key milestone activities, most notably the finalisation of the Government Approvals, completion of funding terms and a successful updating of the BFS. All these combined allow the company to continue pre-construction activities with immediate effect which is a significant step in delivering shareholder value.”

Mincore’s Project Study summary

	Description	Unit	Result
LOM Results			
	Gold production	Ounces	174,375
	Revenue	USD M	\$209
	Operating cost	USD M	\$120
	Capital Cost (project capital only)	USD M	\$13
	Net cash	USD M	\$76.9
Financial Results			
	NPV @ 8% real	USD M	\$62.2
	IRR	%	188.5%
	Operating margin	%	43%
	Cash production cost	US\$/oz	\$678

Feasibility Study Parameters

- Processing rate 300,000 tonnes per annum
- Life of mine grade (1.3g/t cut off) - 5.66 g/t
- Metallurgical Recovery 97%
- LOM C1 cost of US\$678/ounce sold
 - Average Mining Cost US\$2.82/tonne (inclusive of haulage to plant)
 - Average Processing Cost US\$27.8/tonne
 - General & Administration US\$10.6/tonne
- Gold price US\$1,200 per ounce (current gold price US\$1,300+)

About Bassari

Melbourne - based West African gold developer 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 590 km² with 80km of strike along the combined three contiguous permits. The permits are located within the Kenieba Inlier which is a +60M ounce gold region. Bassari's vision is to discover and delineate gold resources which can be developed into profitable operations.

Forward-Looking Statements

This release may include forward-looking statements. Forward-looking statements include, are not necessarily limited to, statements concerning Bassari Resources Limited planned operation program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although BSR believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward looking statements. BSR confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.

Competent Person's Statement

The information in this announcement that relates to the Mineral Resources and Exploration Results has been reviewed and approved by Mr Moussa Diba who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Diba is the chief geologist of Bassari Resources Limited and has over 20 years' experience in the industry and has more than five years' experience which is relevant to the style of mineralisation being reported upon and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Diba consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Mineral Resource information referred to in the announcement was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not changed since it was last reported.

For Further Information Contact:

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