



CORPORATE INFORMATION

30 April 2019

March 2019 Quarterly Activity Report

Gold developer Bassari Resources Limited (ASX: BSR) is pleased to report on activities at its gold projects in Senegal, West Africa.

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

FAST FACTS

ASX Code	BSR
Issued Capital	2,287,293,060
No of shareholders	2,354
Top 20	37%

INVESTMENT HIGHLIGHTS

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

- Makabingui Gold Project Feasibility Study – Initial high grade open pit project of 1Mt at 5.7g/t for 171,000 oz production inventory, \$680/oz cash cost, US\$88m after tax 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 60km 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

- **The Makabingui project funding approved and signed by Coris Bank International (Coris), 31 December 2018 with first drawdown of FCFA 1 billion (A\$2.41 million) in January 2019.**
- **Makabingui project manager, Andrew Goode appointed.**
- **Development works continued during the quarter with equipment orders placed with suppliers for a value in excess of US\$1.5 million.**
- **Hydrological and geotechnical review completed by external consultants.**
- **Mining Plus of the UK appointed to review the Makabingui mining plan and carry out block modelling.**
- **Other contractors engaged to provide security services, mine and plant site security fencing and camp food and catering services.**

• Corporate

- **Bassari Annual General Meeting to be held 31 May 2019.**

MAKABINGUI GOLD PROJECT

Appointment of Makabingui Project Manager

Andrew Goode, an experienced international project manager was appointed to lead the Makabingui Gold Operation construction and development team from 5 March 2019.

Andrew has 38 years experience in project development and operational management of large and small projects in open pit and underground mining/processing, tunnelling and solution mining.

He has managed mining operations in Australia, Ghana, Guyana, Botswana, Canada, Peru, Kazakhstan and Zambia.

His experience includes the development and construction of open pits and gold plants, feasibility studies, pit optimisation, planning and scheduling of mines. He has broad expertise in contract compilation, tendering, management, maintenance, modification and repair of mobile earthmoving equipment, major fixed plant and infrastructure.

He was educated at the West Australian School of Mines as a Bachelor of Applied Science (Mining Engineering). He is a member of the Australasian Institute of Mining and Metallurgy and is also a member of the Society for Mining, Metallurgy and Exploration (SME) of the American Institute of Mining, Metallurgical and Petroleum Engineers.

Makabingui Project Progress

Important contracts have been negotiated and signed including:

- Mining Plus of the UK have been appointed to carry out block modelling, a review of the revised mining plan to mine the two high grade pits (1 and 2) in preference to mining all four pits and to prepare the detailed schedules for the mining contract.
- Fencing of the mining permit area has commenced (see photos).
- Site security has been expanded and a contract issued with the security company which also provides security to the large neighbouring Sabodala gold mine. The security company has already established a base of 30 security personnel at Makabingui.
- Additional contracts have been completed for fuel supply, a food and camp catering service provider and a communication company.
- The company is presently expanding its camp by upgrading accommodation, kitchens, water tanks and mobile equipment.



Clearing works for mine perimeter fencing

CORPORATE

Subsequent to the end of the quarter, Bassari despatched the Notice of Meeting for the company Annual General Meeting which is to be held on 31 May 2019 at 10:30am at The Institute of Chartered Accountants Australia and New Zealand, level 18, 600 Bourke Street Melbourne.

About Bassari

Melbourne - based West African gold developer Bassari Resources Limited (ASX:BSR) has a strategic portfolio of exploitation and exploration permits focused on the Birimian Gold Belt in Senegal. The permits cover an area of 590 km² with 80km of strike along the 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.

For Further Information Contact:

Executive Chairman

Mr Alex Mackenzie
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Company Secretary

Mr Ian Riley
Ph: +61 3 9614 0600

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

BASSARI RESOURCES LIMITED

ABN

123 939 042

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (32,4 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development	(2,340)	(2,340)
(c) production		
(d) staff costs	(478)	(478)
(e) administration and corporate costs	(177)	(177)
1.3 Dividends received (see note 3)		
1.4 Interest received	0	0
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(2,995)	(2,995)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(833)	(833)
(b) tenements (see item 10)		
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (32,4 months) \$A'000
(d) other non-current assets		
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(833)	(833)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings	2,435	2,435
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	2,435	2,435

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	86	86
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,995)	(2,995)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(833)	(833)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	2,435	2,435

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (32,4 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(12)	(12)
4.6	Cash and cash equivalents at end of period	(1,319)	(1,319)

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	9	86
5.2	Call deposits		
5.3	Bank overdrafts	(1,328)	
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	(1,319)	86

Note: On 31 December 2018 Bassari's subsidiary company, Makabingui Gold Operation SA signed a loan agreement for the development of the Makabingui Gold Project in the amount of FCFA7 billion (approximately AUD 17 million). See ASX announcement 3 January 2019. Approximately \$2.41 million of that loan was drawn down in the quarter with the balance of \$14.46 million yet to be drawn.

6. Payments to directors of the entity and their associates

- | | Current quarter
\$A'000 |
|-----|------------------------------------|
| 6.1 | 68 |
| 6.2 | |
| 6.3 | |
- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Director fees and payments made to directors for consulting services to director and director related entities
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7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	68
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Amount paid to director related entities included in amount shown at item 6.1

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	16,867	2,410
8.2 Credit standby arrangements	N/A	N/A
8.3 Other (please specify)	N/A	N/A
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 31 December 2018, the company signed a project funding loan agreement with Coris Bank International, for a loan to fund the Makabingui Gold project. The funding package is for the amount requested by Makabingui Gold Operation SA to fund the CAPEX for the development and production of the Makabingui Gold project. The loan amount is FCFA 7 billion which approximates AU\$16.87 million. FCFA 1 billion (AU\$2.41 million) was drawn down in the quarter with a loan balance of FCFA 6 billion (AU\$14.46 million) available to be drawn down for project funding.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	2,000
9.2 Development	
9.3 Production	
9.4 Staff costs	500
9.5 Administration and corporate costs	200
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	2,700

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		NO CHANGE		
10.2	Interests in mining tenements and petroleum tenements acquired or increased		NO CHANGE		

In accordance with ASX Listing Rule 5.3.3, Bassari Resources Limited provides its list of exploration and exploitation permits with its March 2019 quarterly activities report.

Project	Country	Area (sq km)	Licence type	Granted/renewed	BSR Group % interest
Moura	Senegal	184	Exploration Permit	28-02-2015	70% (a)
Makabingui	Senegal	128	Exploitation Permit	28-11-2016	63% (b)

- (a) Bassari's wholly owned Senegal subsidiary is in joint venture with a third party which holds the permit titles.
- (b) Bassari's 63% owned subsidiary, Makabingui Gold Operation SA holds the permit.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 30 April 2019

Print name: Ian Riley.
(Company secretary)

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.