

**CHAIRMAN'S ADDRESS TO ANNUAL GENERAL MEETING  
31 JULY 2020**

This financial year has thrown up many unforeseen challenges not only to mining companies, but all business and personal endeavours. The horrible Covid-19 pandemic has devastated health, travel and business activities throughout the world.

We had been aiming to commence full-scale gold production at our Makabingui Gold Project early in 2020 however restrictions implemented by the Government on international travel prevented air travel, shipping, transport and limiting large groups of workers assembling in confined areas. These restrictions prevented key consultants and our project manager, due to the closure of the Senegal airport and international travel, from returning to Senegal. In addition, the virus affected our technical team in Dakar. On the other hand, our mining contractors and I have not been able to leave Senegal for the last 5 months. Their continued presence has enabled us to plan a small-scale start-up mining plan whereby we need to house 60-70 staff at the camp instead of the planned 300. The reduced numbers will help with social distancing at the mining camp to ensure we keep the virus contained.

As announced in our ASX release dated 30 July 2020, we aim to commence mining on a reduced scale early in August 2020. A total initial mining target of 70,000 tonnes building up to 140,000 tonnes of ore and waste material is forecast to be mined from pit two over an initial three-month period.

Our detailed studies have shown we can produce some 2,200 ounces of gold over a 12 week period using Bassari's equipment and equipment hired in Senegal.

The waste material will be utilised in the preparation and construction of the, Mining Infrastructure Works, such as haul roads, waste dump and Mine ROM Pad, where suitable materials exist. This will be important construction work prior to the start-up of the full-scale mining plan. The extracted ore will be stockpiled on the newly constructed ROM Pad pending final crushing to <50 mm, ready for transport to the tertiary crushers and final processing.

As part of the mining and stockpiling requirements, we will undertake constant grade control to ensure that ore reserves are not diluted or impaired in any way. Mined ore will be stockpiled into several grade bound stockpiles, to ensure minimal dilution of the ore reserves is achieved.

We will ensure that all historical assays from the recent grade control drilling, as well as all other sampling methods and the tests are completed to ensure the mining operation maximises the gold resource.

To enable the mining start-up as planned, Bassari very early, implemented preventative virus methods at its mining camp, including hand washing, face masks, social distancing, daily temperature testing for all staff and setting up a quarantine area with an ambulance available at all times. In addition, our medical team at our clinic were provided with protective equipment. This has resulted in no cases of Covid-19 at our mining camp at Makabingui.

Whilst the virus has curtailed our full-scale start-up, one good piece of news for shareholders has been the significant up surge in the gold price, which has added significantly to the expected forecast net cash surplus from the mining of the 174,000 gold ounces contained in the 4 open cut pits.

Many international financiers and investors have become aware of not only our high-grade gold deposit but of the potential to significantly increase gold reserves. We have been approached by many of these groups regarding financing and investing in our company. Unfortunately, the closure of the Senegal airport has prevented their technical teams from coming to Senegal to carry out their planned due diligence investigations. With the airport slowly opening up to certain flights and the commencement of mining, we are confident that we are poised to have an outstanding next 12 months.

Your Directors, like all our shareholders, have been frustrated that the virus restrictions prevented our planned full-scale mining start-up, however our geologists in conjunction with our management and our mining consultants, have planned a smaller scale mining plan to circumvent the effect of the pandemic. I will be eternally grateful for their dedication to this task, fully supported by the loyalty of all our staff in Senegal and Melbourne.

Mr Spivey advised the Board that he is not able to continue on the Board as Peter has recently established his own consulting group, specialising in developing major mining projects in a number of other West African countries, which will not give him the necessary available time to contribute to the Bassari Group.

The Board is very appreciative of his contribution over the years and wish him well in his future endeavours.

I would also like to welcome Modou Guene, MGO's managing director and CEO to the Bassari Board to fill the casual vacancy arising from Peter Spivey's resignation.

Thank you.

Alex Mackenzie  
Executive Chairman