



CORPORATE INFORMATION

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	1,362,491,674
No of shareholders	1,781
Top 20	37%

INVESTMENT HIGHLIGHTS

Mineral tenements over approximately 790km² 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 80km of partially drilled mineralised strike.

BOARD AND MANAGEMENT

Alex Mackenzie

Executive Chairman

Philip Bruce

Non-Executive Director

Peter Spivey

Non-Executive Director

Ian Riley

Company Secretary/Chief Financial Officer

CONTACT US

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31 July 2015

June 2015 Quarterly Activity Report

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

Makabingui Gold Project

- **Final Public Meeting Clears Way for Production Permit**

Corporate

- **Board and management changes**
- **Share Purchase Plan closed 1 April 2015 raised \$959,000**
- **Placement 1 April 2015 raised \$100,000**
- **Convertible notes April and June raise additional \$200,000**
- **\$660,000 raised subsequent to end of quarter**

Bassari's Executive Chairman Alex Mackenzie said: "Key focus for the quarter was the preparations with government authorities ahead of the Public Meeting in the Missira village on 14 July 2015. The meeting was an overwhelming success with all in attendance giving their approval for the Project.

The Public Meeting approval was the final pre-requisite to convert the exploration permit to a production permit."

MAKABINGUI GOLD PROJECT – FINAL MEETING CLEARS WAY FOR PRODUCTION PERMIT

The successful completion of the Environmental Impact Study (“EIS”) process in relation to the Bassari-WATIC JV Makabingui Gold Project paves the way for the grant of a production permit.

The process involved the preparation of independent environmental studies on the development of the project and the mine rehabilitation program. These studies raised no major environmental problems and were validated at a Governmental environment technical meeting.

The final step in the process was to hold a public meeting to examine the impact of the project on the local people. This meeting was held in the Missira village on 14 July 2015. The meeting was attended by:

- Administrative authorities (Governor of Kedougou, the Saraya Prefect, the Sabodala Sous-Prefet);
- Local authorities (Maire of Missira, village chiefs, regional council representatives and many villagers from the surrounding areas.

All in attendance supported and approved the project.

As a result the public meeting notes will be prepared by the environmental department of Kedougou and will be sent to the Direction Environment in Dakar. The Direction will make the environmental attestation of conformity to complete the Sambarabougou Mining Concession application.

This public meeting approval was the final pre-requisite to convert the exploration permit to a production permit.

We acknowledge and are encouraged by the ongoing support provided by the community and the government departments involved throughout the assessment process.

CORPORATE

During the quarter the Board underwent a number of changes and welcomed Peter Spivey, a successful mine developer and operator with significant experience in the gold industry, to the Board. Peter is based in Dakar, Senegal and having overseen the development of the Sabodala Gold Mine in Senegal, he will be a major addition to the Board.

In addition to Peter, Bruce van Brunt a mining engineer/geologist has joined Bassari’s consulting team. Bruce also resides in Dakar and has played an important role in the development of the Sabodala Gold Mine.

The former Managing Director, Jozsef Patarica resigned, effective 14 June 2015 and Director and consulting geologist, Chris Young retired, effective at the conclusion of the Annual General Meeting of the company on 29 May 2015. Both of these gentlemen contributed so much to Bassari over many years and the great success of what has been achieved to date resulted from their technical expertise and dedicated work ethic.

A Share Purchase Plan (SPP) was completed closing 1 April 2015 which raised \$959,000. The SPP was announced on ASX on 17 March 2015 and was made available to eligible shareholders on the company share register on the record date, 16 March 2015. The issue price of the shares issued under the SPP was \$0.0091 (0.91 cents) per each ordinary share.

The funds raised by the SPP provide working capital and funds to further progress the development phase of the Makabingui Gold Project.

A placement of 10 million ordinary shares at \$0.01 (1 cent) per each ordinary share was made on 1 April 2015 raising \$100,000 before costs to provide working capital and funds to further progress the development phase of the Makabingui Gold Project.

In addition to the two fund raisings above, a further two tranches of the convertible note facility in place with BCM International Limited were completed, the first on 2 April 2015 issuing 6.25 million convertible notes at 1.6 cents each convertible note, raising \$100,000 and the second, completed on 15 June 2015 also issuing 6.25 million convertible notes at 1.6 cents each convertible note and raising \$100,000.

Since the end of the quarter the company has raised by placement, a further \$660,000 at \$0.01 (1 cent) each ordinary share.

The Company's Annual General Meeting was held on Friday 29 May at 3.30pm and all resolutions put to the meeting were passed.

MAKABINGUI GOLD PROJECT

The Makabingui Gold Project currently hosts a Mineral Resource (*Note 1*), which comprises 11.9 million tonnes averaging 2.6 g/t gold for a contained 1 million ounces of gold classified into the Indicated and Inferred Resource categories. The initial open pit mining phase focuses on the Indicated Resource based on a conventional gravity and Carbon in Leach (CIL) processing circuit. The Open Pit Feasibility Study for the initial mining phase delivered outstanding results:

Makabingui initial stage high grade Open Pit Project Feasibility Study summary at US\$1200/oz gold price:

○ <i>Mined ounces</i>	180,000 ounces
○ <i>Production (recovered gold)</i>	171,000 ounces
○ <i>Average annual gold production</i>	50,000 ounces
○ <i>Average gold grade to the mill</i>	>5.6 g/t gold
○ <i>High processing recovery</i>	95%
○ <i>Processing rate</i>	300ktpa
○ <i>Initial project mine life</i>	3.4 years
○ <i>Cash Cost (C1)</i>	US\$683/oz
○ <i>Low additional capital</i>	US\$12M
○ <i>NPV (8% discount rate)</i>	US\$63M
○ <i>IRR</i>	404%
○ <i>Pre-capex free cash flow (after tax)</i>	US\$88M
○ <i>Payback from production start</i>	<12 months

An Underground Scoping Study has been undertaken providing an assessment of the potential for an underground development phase for the Makabingui Gold Project within the one million ounce gold resource. Underground development would commence on

Completion of Pit 1 mining operations and utilise existing infrastructure and 300ktpa processing plant factored into the Open Pit Feasibility Study for the development of four high grade open pits.

Note 1 :- Prepared and disclosed under the JORC Code 2004 and remains unchanged

PROJECT LOCATION

Bassari holds a 70% interest in each of three contiguous exploration permits; Sambarabougou, Moura and Bounsankoba, covering approximately 790km² in a central location of the highly prospective Birimian Kenieba Inlier (refer Figure 1). The permits are located approximately 750km east of Senegal's capital city of Dakar and about 70km north-east of the town of Kedougou, and span 80km strike length of parts of a major crustal shear zone, the Main Transcurrent Shear Zone (MTZ), a well-defined gold mineralised structural corridor. The Kenieba Inlier hosts several multi-million ounce gold deposits and extends into the bordering countries of Mali and Guinea (refer Figure 2).

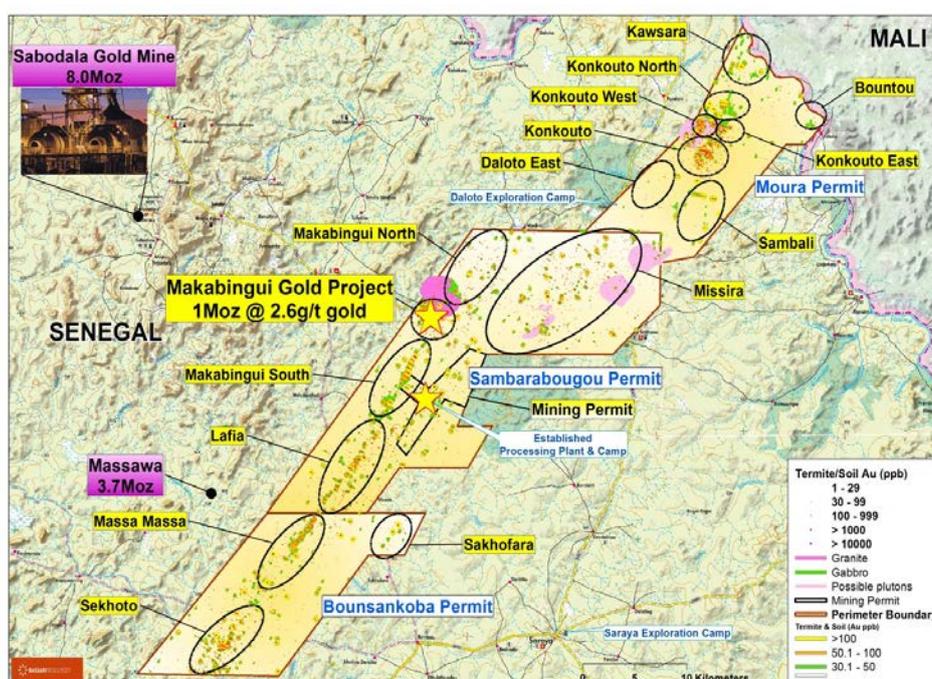


Figure 1 – Bassari’s Permits with Project & Prospect Locations

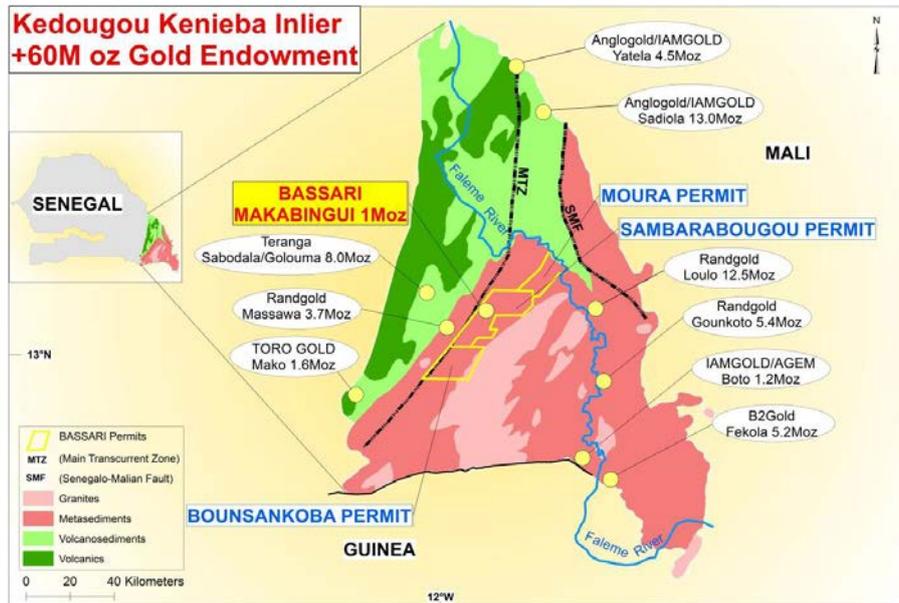


Figure 2 – Kedougou-Kenieba Inlier

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 790 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 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 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:

Executive Chairman
 Mr Alex Mackenzie
 Ph: +61 3 9614 0600

Company Secretary
 Mr Ian Riley
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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, 01/05/2013

Name of entity

BASSARI RESOURCES LIMITED

ABN

84 123 939 042

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(690)	(811)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	0	2
Net Operating Cash Flows	(1,041)	(1,252)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	0	6
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	0	6
1.13 Total operating and investing cash flows (carried forward)	(1,041)	(1,246)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,041)	(1,246)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	940	1,320
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	0	43
1.17	Repayment of borrowings	(28)	(28)
1.18	Dividends paid		
1.19	Other (provide details if material) Costs of capital raising		
	Net financing cash flows	912	1,335
	Net increase (decrease) in cash held	(129)	89
1.20	Cash at beginning of quarter/year to date	164	(59)
1.21	Exchange rate adjustments to item 1.20	(4)	1
1.22	Cash at end of quarter	31	31

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	40
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Salaries and payments made for consulting services to directors and director related entities

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	
4.3 Production	
4.4 Administration	220
Total	720

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	(Australia) 92	(Australia) 136 (Senegal) 28
5.2 Deposits at call		
5.3 Bank overdraft	(Senegal) (61)	
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	31 (See note below)	164

NOTE:

Subsequent to the end of the quarter, the company raised a further \$660,000 before costs, by way of placement pursuant to Listing Rule 7.1 capacity for directors to place funds.

The company in previous discussion with BCM International Limited, re-scheduled the timing for receipt of the balance of convertible notes due, \$300,000, to monthly amounts of \$100,000 each.

The company also has the ability to place up to a further 245 million shares pursuant to Listing Rules 7.1 and 7.1A remaining capacity.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	1,296,521,674	1,296,521,674	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	115,384,693	115,384,693	

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.5	+Convertible debt securities <i>(description)</i>	43,750,000 Unlisted , convertible at 1.6 cents each within 12 months of completion, interest at 8% per annum payable quarterly	Not applicable		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	12,500,000	Not applicable		
7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company Secretary)

Date: 31 July 2015

Print name: Ian Riley

+ See chapter 19 for defined terms.

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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In accordance with ASX Listing Rule 5.3.3, Bassari Resources Limited provides its list of exploration and exploitation permits with its June 2015 quarterly activities report.

Project	Country	Area (sq km)	Licence type	Granted/renewed	BSR Group % interest
Sambarabougou	Senegal	400	Exploration Permit	13-09-2013	70% (a)
Moura	Senegal	184	Exploration Permit	28-02-2015	70% (a)
Bounsankoba	Senegal	208	Exploration Permit	13-06-2013	70% (a)
Douta (within Sambarabougou)	Senegal	30	Exploitation Permit	13-08-2010	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 subsidiary which holds the interest in this permit is owned 63% by the Bassari Group.