

22 December 2023

BASSARI RESOURCES LIMITED (“BASSARI” or THE “COMPANY”) – SHAREHOLDER UPDATE – DECEMBER 2023

Your directors provide this update of activities since of the Share Sale Agreement with Bishop Resources NL (**Bishop**) finalised on 31 July 2023.

CORPORATE

Financial statements

We previously reported (12 September 2023) the audited financial statements for the year ended 31 December 2021 and the audit reviewed financial reports of the half years ended 30 June 2021 and 30 June 2022 were finalised on 11 September 2023 and lodged on that date.

The audit of the financial statements for the year ended 31 December 2022 and the audit reviewed financial report of the half year ended 30 June 2023 are near completion and expected to be finalised by mid-January 2024. A further update to shareholders will be made on completion.

Annual General Meetings

Shareholders were previously advised (12 September 2023) of the likely timing for the holding of Annual General Meetings being held before the end of 2023. However, delays in completing the audit for 31 December 2022 will result in the required meetings being called in early 2024. A further update to shareholders will be made at that time.

SHARE SALE AGREEMENT (“SSA”) PROGRESS

Consideration Shares

Following completion of the SSA in July 2023, the first tranche consideration shares in Bishop Bishop, being 10 million shares at an issue price of 20 cents per share, representing \$2 million worth were issued to Bassari. Pursuant to the terms of the SSA, up to a further \$3 million worth of shares in Bishop will be issued to Bassari upon Bishop proving up the Makabingui gold resource of 1 million ounces (at a minimum grade of 2.6g/t Au) under JORC 2012 guidelines within 3 years from completion. The shares will be issued to Bassari in full should Bishop fail to receive a JORC 2012 complaint resource report within such period.

Debt Settlement Agreements

Various creditors of Bassari have entered into agreements to address the settlement of amounts owed by Bassari to those creditors for previous services provided prior to completion of the SSA with Bishop. Agreements were entered into pursuant to the terms of the SSA and implemented upon completion of the SSA.

Bassari understands that most debt settlements agreements have been satisfied by Bishop in accordance with their terms (including settlement via cash payments and/or issues of shares in Bishop), however some debt settlement agreements remain to be satisfied in full, which your directors are working with Bishop to finalise.

Further payments are also due to settled creditors by dates nominated in the debt settlements agreements or upon the completion of an IPO by Bishop, which we are advised by Bishop is likely by the end of the second quarter of 2024. More detailed information on this process has not been made available by Bishop to your directors at this time.

Bassari expenses to be met by Bishop up to \$500,000

The SSA provides for Bishop to meet reasonable expenses incurred by Bassari to a maximum of \$500,000 in total for a period of up to 3 years from completion of the SSA. To date, almost half of this amount has been expended, principally on insurance cover for directors and ongoing audit fees.

Bassari is incurring minimal ongoing expenditure however future costs will be incurred to make arrangements for the holding of company Annual General Meetings, future audits, maintenance of the share register and insurances. Directors do not receive a remuneration for their services and all other essential service providers are being kept to a minimum. Delays in settlement of a number of expenses submitted to Bishop for payment, including the wind-up of dormant overseas subsidiaries, has resulted in avoidable ongoing expenditure for Bassari, which your directors are presently addressing with Bishop.

Further updates will be provided to shareholders in due course.

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