



Bassari Resources Ltd
ACN 123 939 042

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Australia

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24 April 2024

**BASSARI RESOURCES LIMITED (“BASSARI” or THE “COMPANY”) –
SHAREHOLDER UPDATE – APRIL 2024**

Your directors advise that the audited half-year financial report of the Company for the six months ended 30 June 2023 (copy attached) was finalised on 23 April 2024 and has been lodged with ASIC.

Directors expect the financial report of Bassari for the year ended 31 December 2023 will be finalised in May 2024 and anticipate that outstanding Annual General Meetings of shareholders of the Company can be called.

A further update to shareholders will be made at that time.

John Traicos – Director

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Ian Riley – Company Secretary

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Bassari Resources Limited
ACN 123 939 042

Half Year Report - 30 June 2023

BASSARI RESOURCES LIMITED
ACN 123 939 042
DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2023

Your Directors submit the consolidated financial statements for the half year ended 30 June 2023 and the independent auditor's review report thereon and report as follows:

DIRECTORS

The names of the Directors of Bassari Resources Limited ("Bassari") in office at any time during or since the end of the period are as follows:

John Traicos (Executive Chairman)	
Andrew Goode (Executive Director/Chief Executive Officer)	
Malik Easah (Non-Executive Director)	(Resigned 19 May 2023)
Modou Guene (Executive Director)	(Resigned 27 June 2023)
David Swan (Non-Executive Director)	(Appointed 17 February 2023)

PRINCIPAL ACTIVITIES

During the period, the principal activities of the Group has been to maintain the good standing of the Senegal mining tenement whilst maintaining funding for the Group and completing agreements resulting in the Senegal tenement being acquired by the funding party. Refer to subsequent events disclosure for an update on events after the reporting period.

RESULT AND REVIEW OF OPERATIONS

The loss for the Group after providing for income tax for the period amounted to \$6,844,000 (30 June 2022: \$4,640,000). Focus during the half year was on maintaining funding for the Group and completing agreements resulting in the Senegal tenements being acquired by the funding party. An impairment of \$2,863,000 was recorded against the mining and development asset, as a result of the Board's assessment of the subsequent sale of assets which completed in July 2023. Refer to the subsequent events disclosure for an update on events after the reporting period.

FINANCIAL POSITION

The net assets of the Consolidated Entity have decreased by \$5.066 million to \$1.420 million on 30 June 2023 (31 December 2022: \$6.486 million). There was no investment made in the half year, and borrowings increased by \$1.854 million to service working capital and current liabilities.

The Consolidated Entity had a working capital deficit, being current assets less current liabilities, of \$51.813 million as of 30 June 2023 compared to \$47.344 million on 31 December 2022.

CORPORATE

During the half year, the Company's Board of Directors changed - Mr Malik Easah resigned on 19 May 2023 and Mr Modou Guene resigned on 27 June 2023. Mr David Swann was appointed to the Board on 17 February 2023. At the date of this report, the Company has three directors.

SUBSEQUENT EVENTS

The Company has fundamentally changed its focus following the disposal of its entire shareholding interest in MGO to Bishop Resources NL. This was announced to shareholders on our website (www.bassariresources.com) on 1 August 2022. The disposal of this interest was via completion of a share sale agreement entered into by the Company with Bishop Resources NL on 23 February 2023 ("MGO Share Sale Agreement"), with completion achieved on 31 July 2023.

The following subsequent events disclosure provides information on the completed MGO Share Sale Agreement with Bishop Resources NL and the objectives of the Company post this transaction.

Term Sheet (subsequently superseded, see next heading, "Completed Share Sale Agreement")

On 31 August 2022 the Company entered into a binding term sheet with Bishop Resources NL ("Bishop") and its subsidiary Bishop Resources (UK) Ltd. The term sheet set out an agreement for Bishop to acquire a 100% interest in Bassari Mauritius Holding No 2 Ltd ("Bassari Mauritius")

BASSARI RESOURCES LIMITED
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DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2023

and Bassari Resources Senegal Ltd ("Bassari Senegal"). Bassari Mauritius and Bassari Senegal are the holders of Bassari's projects, including its 63% shareholding in Makabingui Gold Operation SA ("MGO").

Completed Share Sale Agreement

This Term Sheet was replaced with a Share Sale Agreement signed by Bassari and Bishop on 23 February 2023 which adopted the terms and conditions, with minor changes, of the Term Sheet. The MGO Share Sale Agreement conditions precedent have been met and completion of the transaction was achieved on 31 July 2023, including the issue to Bassari of \$2 million of Bishop consideration shares.

Other terms of the Share Sale Agreement include:

- Provide cash contribution to the costs and expenses of Bassari on an incurred basis of up to a maximum \$500,000, expiring 31 January 2027;
- Provide an effective cash payment of \$1 to cancel all debt and any accrued interest provided under the deed of loan between Bassari and Bishop (refer to note 5), which has been discharged post balance date and no longer owing by Bassari.
- Cancel the existing Bishop debt at Completion, approximating \$37.893 million, including interest accrued.
- Issue of further consideration shares with a notional value of \$3 million upon the receipt of a JORC 2012 report on the Makabingui Gold Project containing a minimum of 1 million ounces (at a minimum grade 2.6g/t) within 3 years of the completion date of 31 July 2023, at an issue price being the IPO price, with pro rata adjustment to the number of Shares to be issued should the JORC 2012 report identify less than 1 million ounces in the Makabingui Gold Project resource and should a JORC 2012 report not be issued within 3 years of Completion date, shares with a notional value of \$3 million will be issued; and
- Assume other Bassari debts approximating \$1.75 million, through the execution of debt assumption agreements between Bishop, Bassari and each creditor for the satisfaction of such debts via the issue of Shares at the IPO price or on such terms as may be agreed by the applicable parties.

The Directors intend to undertake the following now that the Share Sale Agreement with Bishop has been completed:

- The Board will call a shareholder meeting for approval to make an in-specie distribution of the Bishop consideration shares received which have a notional value of \$2 million.

ASIC Action

ASIC took action against Bassari Resources Limited for failing to lodge half-year and annual financial reports within the required time for lodging reports. ASIC also took action for failing to hold annual general meetings for 2020 and 2021 within the required time frame. The audited financial reports for the year ended 31 December 2021 and the half years ended 30 June 2021 and 30 June 2022 were lodged with ASIC on 11 September 2023 and the financial report for the year ended 31 December 2022 was lodged with ASIC on 19 January 2024. The charges were heard in Perth on 15 September 2023, and on 6 October 2023 the Company was placed on a good behaviour bond for a period of 2 years.

Other than the matters referred to in the above paragraphs, there have been no significant events that have occurred subsequent to 30 June 2023 that require disclosure in the financial report.

ROUNDING OF AMOUNTS

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Report) Legislative Instrument 2016/191. The

BASSARI RESOURCES LIMITED
ACN 123 939 042
DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2023

Company is an entity to which the Legislative Instrument applies. Amounts in the directors' report have been rounded off in accordance with the Legislative Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration in relation to the review for the half-year ended 30 June 2023 is provided with this report.

This report is made in accordance with a resolution of the directors, pursuant to section 307(c) of the Corporations Act 2001.



John Traicos
Executive Chairman
Perth, 23 April 2024

DECLARATION OF INDEPENDENCE BY DAVID GARVEY TO THE DIRECTORS OF BASSARI RESOURCES LIMITED

As lead auditor for the review of Bassari Resources Limited for the half-year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect Bassari Resources Limited and the entities it controlled during the period.



David Garvey
Director

BDO Audit Pty Ltd

Melbourne

23 April 2024

BASSARI RESOURCES LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2023

	Notes	30 June 2023 \$'000	30 June 2022 \$'000
Revenue from operations		-	-
Project related costs		(740)	(2,192)
Corporate expenses		(190)	(350)
Employment and consultant costs		(774)	(599)
Occupancy costs		(27)	(24)
Travel and accommodation		(6)	(10)
Finance expenses		(2,064)	(1,303)
Asset costs		(80)	(87)
Other expenses		(100)	(75)
Impairment expense	4	(2,863)	
Loss from operations before income tax		(6,844)	(4,640)
Income tax expense relating to operations		-	-
Net loss for the period		(6,844)	(4,640)
Other Comprehensive Income			
<i>Items that may be reclassified to profit or loss in the future</i>			
Exchange difference on translation of foreign operation		1,778	(1,630)
Total other comprehensive income for the period net of income tax		1,778	(1,630)
Total comprehensive loss		(5,066)	(6,270)
Net loss for the period is attributable to:			
Owners of Bassari Resources Limited		(5,537)	(3,234)
Non-controlling interest		(1,307)	(1,406)
		(6,844)	(4,640)
Total comprehensive loss for the period is attributable to:			
Owners of Bassari Resources Limited		(4,374)	(4,572)
Non-controlling interest		(692)	(1,698)
		(5,066)	(6,270)

The above consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

BASSARI RESOURCES LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Notes	30 June 2023 \$'000	31 December 2022 \$'000
CURRENT ASSETS			
Cash and cash equivalents	3	192	127
Trade and other receivables		114	86
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		306	213
NON-CURRENT ASSETS			
Mining and development assets	4	53,181	53,702
Property, plant and equipment		52	128
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		53,233	53,830
TOTAL ASSETS		53,539	54,043
CURRENT LIABILITIES			
Trade and other payables		17,088	14,422
Financial liabilities	5	34,032	32,178
Provisions		999	957
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		52,119	47,557
TOTAL LIABILITIES		52,119	47,557
NET ASSETS		1,420	6,486
EQUITY			
Contributed equity	7	79,037	79,037
Reserves	8	7,565	6,402
Accumulated losses		(69,030)	(63,493)
Equity attributable to the owners of Bassari Resources Limited		<hr/>	<hr/>
Non-controlling interest	9	17,572	21,496
		(16,152)	(15,460)
		<hr/>	<hr/>
TOTAL EQUITY		1,420	6,486

The above consolidated statement of financial position is to be read in conjunction with the attached notes.

BASSARI RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2023

	Contributed Equity	Reserves	Accumulated Losses	Non- controlling interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2022	79,037	6,660	(56,731)	(12,926)	16,040
Loss for the period	-	-	(3,234)	(1,406)	(4,640)
Other comprehensive income	-	(1,338)	-	(292)	(1,630)
Total comprehensive income for the period	-	(1,338)	(3,234)	(1,698)	(6,270)
Performance rights expense	-	-	-	-	-
Performance rights adjustment	-	(319)	319	-	-
Transactions with owners as owners	-	(319)	319	-	-
Balance at 30 June 2022	79,037	5,003	(59,646)	(14,624)	9,770
Balance at 1 January 2023	79,037	6,402	(63,493)	(15,460)	6,486
Loss for the period	-	-	(5,537)	(1,307)	(6,844)
Other comprehensive income	-	1,163	-	615	1,778
Total comprehensive income for the period	-	1,163	(5,537)	(692)	(5,066)
Balance at 30 June 2023	79,037	7,565	(69,030)	(16,152)	1,420

The above consolidated statement of changes in equity is to be read in conjunction with the attached notes.

BASSARI RESOURCES LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2023

	Note	30 June 2023 \$'000	30 June 2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,666)	(5,220)
Finance costs		-	(709)
		<hr/>	<hr/>
Net cash used in operating activities		(1,666)	(5,929)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of mining and development assets		-	(128)
		<hr/>	<hr/>
Net cash used in investing activities		-	(128)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		1,764	17,016
Repayment of borrowings		(29)	(11,346)
		<hr/>	<hr/>
Net cash provided by financing activities		1,735	5,670
Net Increase / (decrease) in cash and cash equivalents held		69	(387)
Cash and cash equivalents at beginning of financial period		127	618
Effects of changes in foreign exchange rates on cash held		(4)	(90)
		<hr/>	<hr/>
Cash and cash equivalents at end of financial period	3	192	141
		<hr/>	<hr/>

The above consolidated statement of cash flows is to be read in conjunction with the attached notes.

BASSARI RESOURCES LIMITED
NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2023

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation and accounting policies

This general purpose financial report for the half-year ended 30 June 2023 has been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standard AASB 134 '*Interim Financial Reporting*'.

The half-year financial report does not include notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 31 December 2022 and considered together with any public announcements made by Bassari Resources Limited during the half year ended 30 June 2023.

The accounting policies and methods of computation are consistent with those adopted in the most recent annual financial report.

(a) Adoption of New and Revised Accounting Standards

The Group has adopted all applicable new and amended Australian Accounting Standards and AASB Interpretations as of 1 January 2023 that are mandatory to the current reporting period. There has been no material impact on the financial statements or performance of the Group resulting from these new and amended Australian Accounting Standards.

The Group has not elected to early adopt any other new Standards or amendments that are issued but not yet effective.

(b) Rounding Amounts

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Legislative Instrument 2016/191 and in accordance with that Legislative Instrument, amounts in the financial statements have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(c) Going Concern

For the period ended 30 June 2023, the Group made a loss after taxation of \$6,844,000 and had net cash outflows from operating activities of \$1,666,000. On 30 June 2023, the Group had net current liabilities of \$51,813,000, including current financial liabilities of \$34,032,000, and reported cash and cash equivalents of \$192,000.

For the period ended 30 June 2023 and at the date of this report the Group's sole source of funding to both fund its activities and to settle its outstanding liabilities is from Bishop Resources (UK) Ltd ("Bishop"). Details of the funding are contained in note 5 and further details of ongoing funds are detailed below.

Funding from Bishop referred to above allowed the Group during the period ended 30 June 2023 to maintain activities in Senegal on a care and maintenance basis and to meet expenditures to service providers and suppliers and to settle several material liabilities, including significant payments to suppliers in settlement of amounts due, either paid in full or partial settlement to recommence trading relationships and commence supply of plant and equipment for mining and production operations.

Bassari (and its subsidiary Bassari Mauritius Holding Ltd) signed a Share Sale Agreement with Bishop Resources NL (Bishop) (and its subsidiary Bishop Resources UK Ltd) on 23 February 2023 which allowed Bishop to acquire a 100% interest in Bassari Mauritius Holding No 2 Ltd (Bassari Mauritius) and Bassari Resources Senegal SARL (Bassari Senegal) (Agreement). Bassari Mauritius is the holder of Bassari's 63% interest in the Makabingui Gold Project in Senegal. The Agreement was completed on 31 July 2023.

Following the above disposal, the Company has fundamentally changed its focus and at the date of issuing this financial report has no operating activities. The Company is reliant on consideration

BASSARI RESOURCES LIMITED
NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2023

received from Bishop (refer note 5) from the above transaction to fund liabilities owing and future expenditure.

The existence of these conditions indicates a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The directors have prepared the financial statements on a going concern basis for the following reasons:

- Under the Share Sale Agreement (SSA), as consideration for the acquisition of Bassari Mauritius and Bassari Senegal, Bishop has forgiven all debts and interest owing by Bassari under the existing Bishop debt facilities and will provide Bassari with a cash contribution of up to \$500,000 as a contribution to the costs and expenses of Bassari (on an as incurred basis) and had issued Bassari \$2 million worth of shares in Bishop. Up to a further \$3 million worth of shares in Bishop will be issued upon receipt by Bishop of a JORC 2012 resource at the Makabingui Gold Project containing 1Moz gold at a minimum grade of 2.6g/t within 3 years of completion of Bishop's acquisition of Bassari Mauritius and Bassari Senegal, adjusted pro-rata should the resource yield less than 1Moz gold. Should a JORC 2012 report not be issued within 3 years of Completion Date, \$3 million worth of shares will be issued.
- The SSA provides for Bishop to assume accounts payable of Bassari Resources Limited at the date of completion of an amount approximating A\$1.75 million and with the creditors of MGO, approximating US\$5.9 million (A\$8.9 million).
- On completion of the transaction and assumption of Bassari Resources Limited debts by Bishop, the \$500,000 to be made available as a contribution to the costs and expenses of Bassari will provide funding to allow the Directors to review the ongoing future of Bassari as a non-trading entity.
- Bishop Resources NL have provided a letter confirming financial support to Bassari Resources Limited to meet payments to certain creditors and its commitment pursuant to clause 6(a) of the SSA to contribute to Bassari costs post completion of the SSA, up to an amount of \$500,000.
- Based on the \$500,000 of funding available to Bassari Resources Limited from Bishop Resources NL, which is its sole source of funding at the date of issuing this financial report, the directors have prepared a budget that indicates this funding will be sufficient to enable the Company to finalise the collection and distribution of the proceeds from disposal of Bassari Mauritius and Bassari Senegal. The Company is totally dependent upon this funding and should expenses be greater than budgeted the Company would be required to raise additional funds from shareholders or other sources.

Notwithstanding the above, the directors have prepared the financial statements on a going concern basis, which contemplates the continuity of normal business activity, the realisation of assets and the settlement of liabilities through the normal course of business and are confident that the Group will achieve the necessary funding to meet the Group's financial requirements over the next 12 months.

On the basis that sufficient funding is expected to be available to meet the Group's expenditure forecasts, the directors consider that the Group remains a going concern and these financial statements have been prepared on this basis.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might be necessarily incurred should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

BASSARI RESOURCES LIMITED
NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2023

NOTE 2 CONTROLLED ENTITIES

Subsidiary entities consolidated	Country of Incorporation	Class of shares	Percentage owned 2023	Percentage owned 2022
Bassari Resources Senegal SARL	Senegal	Ordinary	100%*	100%*
Bassari Equipment Pty Ltd	Australia	Ordinary	100%*	100%*
Bassari Mauritius Holding Ltd	Mauritius	Ordinary	100%*#	100%*#
Bassari Mauritius Holding No 2 Ltd	Mauritius	Ordinary	100%*	100%*
Bassari Mauritius Equipment Ltd	Mauritius	Ordinary	100%*#	100%*#
Douta Mining SA	Senegal	Ordinary	63% ^	63% ^
Makabingui Gold Operation SA	Senegal	Ordinary	63% ~	63%

* The proportion of ownership interest is equal to the proportion of voting power held.

Companies incorporated in February 2010 have been dormant from incorporation to 30 June 2023

^ Douta Mining SA was incorporated in Senegal in 2011.

~ Makabingui Gold Operation SA was incorporated in Senegal in 2018.

NOTE 3 CASH AND CASH EQUIVALENTS

	30 June 2023 \$'000	31 December 2022 \$'000
Reconciliation of cash and cash equivalents in Statement of Cash Flow to cash and cash equivalents in Statement of Financial Position		
Cash at bank and in hand	192	127

NOTE 4 MINING AND DEVELOPMENT ASSETS

	30 June 2023 \$'000	31 December 2022 \$'000
Costs carried forward in respect of areas of interest at cost	53,702	53,078
Expenditure incurred during the period	-	133
Assets written off	-	-
Impairment expense	(2,863)	-
Exchange translation difference	2,342	491
Total mining and development assets	53,181	53,702

Permit

The Sambarabougou exploitation permit in Senegal (Permit) was initially granted in July 2017 with expiration in July 2023.

The Company and MGO entered into a Memorandum of Understanding with the Department of Mines and Geology and the Government of Senegal to secure confirmation of the standing of the Sambarabougou Exploitation Permit, granted in July 2017 and its renewal following its expiry after 5 years in July 2023.

Confirmation of the renewal of the permit for a further 5-year term was received from the Government of Senegal on 1 June 2023.

Impairment of mining and development assets

The Group undertook a review of the carrying value of its assets at 30 June 2023, referencing the subsequent disposal of the Group's assets in Senegal subsequent to the year end, as noted in notes 1(c) and 10. Based on the disposal value of the assets at the end of July 2023 the directors have

BASSARI RESOURCES LIMITED
NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2023

determined that the carrying value of the Makabingui mining and development asset is impaired and has written down the asset by \$2,863,000 based on the consideration received and liabilities forgiven.

After balance date the Company's interest in this development asset has been disposed.

NOTE 5 FINANCIAL LIABILITIES

	30 June 2023 \$'000	31 December 2022 \$'000
Current Financial Liabilities		
Private equity loan facilities (i)	32,706	30,893
Other loans (ii)	1,326	1,285
	<hr/>	<hr/>
Total Financial liabilities	34,032	32,178

Detail of financial liabilities

(i) ***Private equity loan facilities***

The Company secured a long-term substantial funding package of \$15,000,000, which was subsequently increased to \$25 million. This facility was used to settle a previous loan facility, and other significant creditors. At 30 June 2023 the amount drawn down was \$28.4 million plus the assumption of \$4.3 million of loan balances related to the Oceanic loan facility and the convertible notes liability. The details of the loan facility include:

- Lender Bishop Resources (UK) Ltd. (**"Bishop UK"**)
- Loan amount AUD25 million
- Interest rate 15% per annum
- Discount rate 12% per annum
- Loan period 36 months from settlement date
- Security Pledge by Bassari Mauritius Holding No 2 Ltd of its shareholding in MGO

Included within Accrued Expenses and other payables is interest on the loan of \$4.956 million (31 December 2022: \$2.937 million).

Following the securing of the two debt financing facilities described above, the directors entered into a suite of agreements with Bishop UK to amend the loan facility, increasing the amount to \$25 million, with Bishop continuing to provide funding beyond that amount. Drawdowns approximated \$32.9 million when the share sale agreement discussed in note 10 was complete. In addition, in prior financial years, agreements were entered into with Oceanic and BCM International Ltd for the Company's indebtedness to these parties to be assigned to Bishop UK. See note 10 for further details of settlement arrangements with Bishop.

(ii) ***Other loans***

Other Loans of \$1.326 million relate to advances received from Senegal Nominees, a company incorporated in Senegal, for the purpose of providing working capital, which includes a short-term working capital loan from ORABank amounting to \$371k, that was rolled into the Senegal Nominees loan balance. Alex Mackenzie, the former Chairman of Bassari Resources Limited, has a financial interest in Senegal Nominees. The loan is provided free of interest and is repayable upon demand of the provider.

NOTE 6 CONTINGENT LIABILITIES

There has been no change in contingent liabilities or exploration commitments since 31 December 2022.

BASSARI RESOURCES LIMITED
NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2023

NOTE 7 CONTRIBUTED EQUITY

	30 June	31 December
	2023	2022
	\$000	\$000
Ordinary shares		
Paid-up capital		
2,418,855,633 (2022: 2,418,855,633) fully paid ordinary shares	79,037	79,037

NOTE 8 RESERVES

	30 June	31 December
	2023	2022
	\$000	\$000
Foreign currency translation reserve (a)	7,565	6,402
	7,565	6,402

(a) Nature and purpose of reserve

This reserve is used to record the exchange differences arising on translation of foreign operations where the foreign operation's functional currency is different from the Group's presentation currency.

NOTE 9 NON-CONTROLLING INTEREST

The non-controlling interest in Makabingui Gold Operation SA is 37%. 27% is held by a Project partner WATIC and 10% is held by the government of Senegal.

NOTE 10 SUBSEQUENT EVENTS

The Company has fundamentally changed its focus following the disposal of its entire shareholding interest in MGO to Bishop Resources NL. This was announced to shareholders on our website (www.bassariresources.com) on 1 August 2022. The disposal of this interest was via completion of a share sale agreement entered into by the Company with Bishop Resources NL on 23 February 2023 ("MGO Share Sale Agreement"), with completion achieved on 31 July 2023.

The following subsequent events disclosure provides information on completion of the MGO Share Sale Agreement with Bishop Resources NL and the objectives of the Company post this transaction.

Term Sheet (subsequently superseded, see next heading, "Completed Share Sale Agreement")

On 31 August 2022 the Company entered into a binding term sheet with Bishop Resources NL ("Bishop") and its subsidiary Bishop Resources (UK) Ltd. The term sheet set out an agreement for Bishop to acquire a 100% interest in Bassari Mauritius Holding No 2 Ltd ("Bassari Mauritius") and Bassari Resources Senegal Ltd ("Bassari Senegal"). Bassari Mauritius and Bassari Senegal are the holders of Bassari's projects, including its 63% shareholding in Makabingui Gold Operation SA ("MGO").

Completed Share Sale Agreement

This Term Sheet was replaced with a Share Sale Agreement signed by Bassari and Bishop on 23 February 2023 which adopted the terms and conditions, with minor changes, of the Term Sheet. The MGO Share Sale Agreement conditions precedent have been met and completion of the transaction was achieved on 31 July 2023, including the issue to Bassari of \$2 million of Bishop consideration shares.

Other terms of the Share Sale Agreement include:

- Provide cash contribution to the costs and expenses of Bassari on an incurred basis of up to a maximum \$500,000, expiring 31 January 2027;
- Provide an effective cash payment of \$1 to cancel all debt and any accrued interest provided under the deed of loan between Bassari and Bishop (refer to note 5), which has been discharged post balance date and no longer owing by Bassari.

BASSARI RESOURCES LIMITED
NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2023

- Cancel the existing Bishop debt at Completion, approximating \$37.893 million, including interest accrued.
- Issue of further consideration shares with a notional value of \$3 million upon the receipt of a JORC 2012 report on the Makabingui Gold Project containing a minimum of 1 million ounces (at a minimum grade 2.6g/t) within 3 years of the completion date of 31 July 2023, at an issue price being the IPO price, with pro rata adjustment to the number of Shares to be issued should the JORC 2012 report identify less than 1 million ounces in the Makabingui Gold Project resource and should a JORC 2012 report not be issued within 3 years of Completion date, shares with a notional value of \$3 million will be issued; and
- Assume other Bassari debts approximating \$1.75 million, through the execution of debt assumption agreements between Bishop, Bassari and each creditor for the satisfaction of such debts via the issue of Shares at the IPO price or on such terms as may be agreed by the applicable parties.

The Directors intend to undertake the following now that the Share Sale Agreement with Bishop has been completed:

- The Board will call a shareholder meeting for approval to make an in-specie distribution of the Bishop consideration shares received which have a notional value of \$2 million.

ASIC Action

ASIC took action against Bassari Resources Limited for failing to lodge half-year and annual financial reports within the required time for lodging reports. ASIC also took action for failing to hold annual general meetings for 2020 and 2021 within the required time frame. The audited financial reports for the year ended 31 December 2021 and the half years ended 30 June 2021 and 30 June 2022 were lodged with ASIC on 11 September 2023 and the financial report for the year ended 31 December 2022 was lodged with ASIC on 19 January 2024. The charges were heard in Perth on 15 September 2023, and on 6 October 2023 the Company was placed on a good behaviour bond for a period of 2 years.

Other than the matters referred to in the above paragraphs, there have been no significant events that have occurred subsequent to 30 June 2023 that require disclosure in the financial report.

BASSARI RESOURCES LIMITED
ACN 123 939 042
DIRECTORS' DECLARATION FOR THE HALF YEAR ENDED 30 JUNE 2023

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial half-year ended on that date; and
- based on reasons provided in note 1 there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the directors



John Traicos
Executive Chairman

Melbourne
23 April 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Bassari Resources Limited

Report on the Half-Year Financial Report

Disclaimer of conclusion

We were engaged to review the half-year financial report of Bassari Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

We do not express a conclusion on the accompanying financial report of the Company. Because of the significance of the matters described in the *Basis for disclaimer of conclusion* section of our report, we have not been able to obtain sufficient appropriate evidence to provide a basis for a review conclusion on this financial report.

Basis for disclaimer of conclusion

Going Concern

As disclosed in Note 1(c) to financial report, the directors have prepared the financial statements on a going concern basis. As disclosed in Note 10, the Company has disposed of its interest in Bassari Mauritius Holding No.2 Limited (BMHL) and Makabingui Gold Operations SA (MGO) post balance date to Bishop Resources Limited ('Bishop') and no longer holds any operating assets. To continue as a going concern, the Company is reliant on consideration to be received from the disposal, which includes Bishop settling certain liabilities on behalf of the Company and providing a \$500,000 cash contribution via funding ongoing expenditure. At the date of issuing this financial report, there remains uncertainty as to whether the Company will be wound up or there will be a continuity of normal business activity after collection and distribution of the consideration to be received from Bishop. As a result, we have been unable to obtain sufficient appropriate evidence to support the financial report being prepared on a going concern basis.

Bassari Mauritius Holdings No 2 Limited (BMHL) and Makabingui Gold Operations SA (MGO)

At balance date, BMHL was a wholly owned subsidiary of the Company and held the Group's 63 percent interest in MGO, a company incorporated in Senegal. As per Note 4 to the financial report, MGO held the Group's mining and development asset (Makabingui Gold Project) which relates to the Sambarabougou exploitation permit in Senegal. This is carried at \$53,181,000 on the consolidated statement of financial position as at 30 June 2023 (31 December 2022 \$53,702,000), which represents over 99 percent of the Group's total assets. After balance date the Company has disposed of its interest in BMHL and MGO (refer Note 10).

We have been unable to obtain sufficient appropriate evidence to support the financial position of BMHL and MGO as at 30 June 2023 and their financial performance for the half-year then ended. Consequently, we were unable to determine whether any adjustments to the asset balance was necessary.

Financial Liabilities

As per Note 5(i) to the financial report, as at 30 June 2023 the Group has recorded a private equity loan facility payable to Bishop Resources Limited of \$32,706,000. As disclosed in Note 5(i), the Group has accrued interest owing to Bishop Resources Limited on this loan facility of \$4,956,000 which is included in trade and other payables owing as at 30 June 2023. We have been unable to obtain sufficient appropriate audit evidence to support the balances owing to Bishop at period end. Consequently, we were unable to determine whether an adjustment to this balance was necessary.

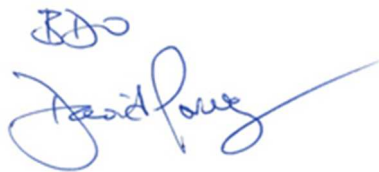
Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. However, because of the matter described in the *Basis for disclaimer of conclusion* section of our report, we were not able to obtain sufficient appropriate evidence to provide a basis for a review conclusion on the financial report. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

BDO Audit Pty Ltd



David Garvey
Director

Melbourne, 23 April 2024