



CORPORATE INFORMATION

Bassari Resources Limited is an Australian listed company focused on discovering and delineating gold resources which can be developed into profitable operations in the Birimian Gold Belt, Senegal, West Africa.

FAST FACTS

ASX Code	BSR
Issued Capital	1,093,837,102
No of shareholders	1,664
Top 20	48%

INVESTMENT HIGHLIGHTS

Exploration permits cover approx. 850 km² over prospective Birimian Gold Belt, Senegal, West Africa.

- Makabingui Gold Project, Mineral Resource (Prepared and disclosed under the JORC Code 2004 and remains unchanged) **1.0 million ounces in 11.9 Mt at 2.6 g/t gold at a 0.5 g/t cut-off**, comprising:
 - Indicated: 336,000 ozs in 2.6Mt at 4.0g/t
 - Inferred: 669,000 ozs in 9.3Mt at 2.2g/t
- Senegal, stable democracy since 1960.
- Quality ground holding in a +55M ounce gold region which hosts a number of world class deposits.
- 13 prospects identified along 80km strike length within Kedougou-Kenieba Inlier.
- Strategic and dominant exploration package.
- Gold intersected over a wide interval at Konkouto Prospect.

BOARD AND MANAGEMENT

Alex Mackenzie

Executive Chairman

Jozsef Patarica

Managing Director/CEO

Chris Young

Non-Executive Director

Philip Bruce

Non-Executive Director

Ian Riley

Company Secretary/Chief Financial Officer

CONTACT US

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Bassari Fast Tracking Development of its Makabingui Gold Project

Key Points

- **Definitive Feasibility Study on track for completion Q2, 2014**
- **Significant investment in Bassari by mining contractor BCM International Limited (ASX Announcement 29 April 2014) strengthens development strategy**
- **Very high gravity gold recovery (92%) from new metallurgical test work improving on previous results**
- **Mining production permit application lodged with Government of Senegal**
- **Government relocating artisanal miners from prospective mining areas, including Makabingui in the lead up to mining**
- **A range of funding options for development are under consideration aimed at providing upside for shareholders**

Bassari Resources Limited (ASX:BSR) is pleased to provide an update on the feasibility study for the Company's Makabingui Gold Project in Senegal, West Africa.

The study is on track for completion by the end of Q2, 2014 to deliver the value of the Makabingui Gold Project with significant areas of improvement identified over the Scoping Study.

Bassari Managing Director Jozsef Patarica said "Our number one priority is the development of the Makabingui Gold Project, maximising profits and delivering value to shareholders. Our studies are progressing very well with many improvements identified since the Scoping Study across all aspects from mining to processing.

"We are also reviewing numerous funding options to fast track Makabingui through the development phase into production with a focus on maximising the upside for shareholders."

Processing

New metallurgical test work focused purely on gravity recoverable gold has achieved high free gold recoveries (92% recovery from four passes) supporting and improving all previous metallurgical test work programs.

Key outcomes from the test work:

- **92% gravity recovery from four passes**
- **18 g/t gold calculated feed grade**
- **Free gold up to ~3mm observed in first two passes**

The majority of gold was recovered in the first two Knelson Concentrator passes (ground to a P80 of 700 micron, 78% total gold recovery). An additional third pass at a grind P80 of 300 micron increased overall gold recovery to 89%.

The processing flow sheet has been revised based on the new metallurgical test work to maximise gravity gold recovery through the processing plant. Capital costs associated with the revised flow sheet are expected to be in line with the Scoping Study.

A processing physical and financial model has been developed using first principals costs which supports the operating cost assumptions used in the Scoping Study.

Three potential tailings storage facilities have been identified with the preferred option located within ~300 metres of the processing plant facility. The Scoping Study assumed a storage facility within a 1km radius of the processing plant.

Mining

A geotechnical study is underway to establish pit slope design parameters for the next pit optimisation and to assist mine design and costing. This work is planned for completion by the end of May.

First principals mining costs are being established for input into the pit optimisation and will include:

- Assessment of equipment requirements
- Haul profile modelling to derive truck hours per bench
- Fleet hours for excavators, drills and support equipment
- Equipment fleet operating cost estimation
- Explosives consumption and cost estimate
- Mining workforce numbers and cost estimate

The waste rock dump layout and design will be reviewed incorporating a waste rock management strategy.

Artisanal Miners

The Government of Senegal has commenced a program relocating artisanal miners active in the Makabingui Project area. The government program is focused on the entire gold region with emphasis on Makabingui in the lead up to development. The program follows a decision by the government to confine artisanal activity to 16 designated areas within the region all of which are outside Bassari's three contiguous permits. The government is working closely with Bassari and other mining and exploration Companies in the region.

Senegal President Visit to Region

In April the President of Senegal, Macky Sall, accompanied by several government officials toured the nearby region of Kedougou and visited the Sabodala Gold Mine located approximately 25km from the Makabingui Gold Project. During his visit to Sabodala the President acknowledged the contribution mining has made into training and career development of Senegalese people along with the economic benefits of foreign direct investment.

Senegal is focused on attracting more investment in mining to support the growth of the country. At the World Economic Forum held in Davos, Switzerland on 24 January 2014 Senegalese President Macky Sall was quoted as saying: "Mining will be one of Senegal's pillars of development. We're committed to putting all the conditions in place to attract companies and have an adequate working environment"

The President has also stated his government's aim to raise Senegal's growth rate to 7% per annum, based on the further development of the mining and agricultural industries.

Mining Permit Application

The application to convert Bassari's Sambarabougou exploration permit (see Figure 1) to a mining production permit has been lodged with the government in accordance with the Senegal Mining Code. Government officials have indicated support for the application.

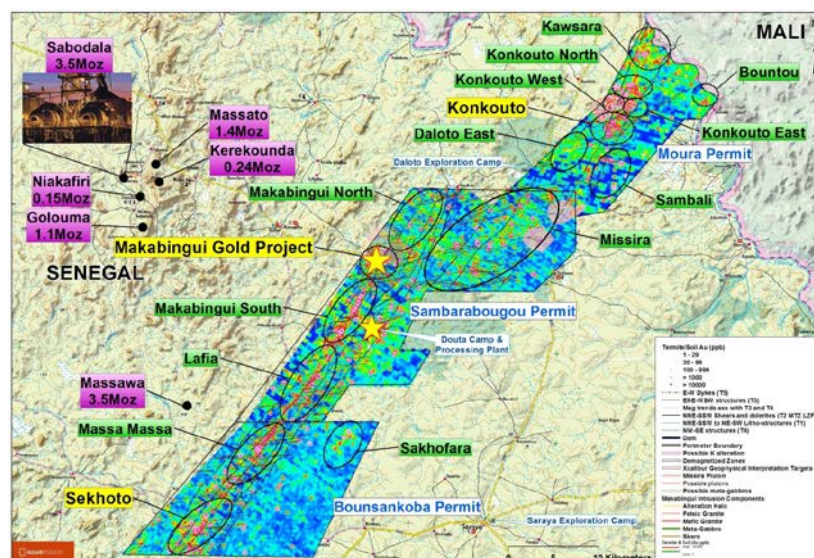


Figure 1 – Bassari's Permits with Project & Prospect Locations

About BCM International Limited

BCM is a large multi-national mining and civil contractor operating throughout Africa, where it has 10 operations, Central Asia and Australia.

BCM, which is primarily focused in West Africa, has significant experience in open-cut mining and civil earthworks construction with a mobile equipment fleet of 1,289 machines and over 2,500 employees worldwide. They have a strong track record in delivering projects safely, and within budget.

BCM has in country experience having been involved with the Sabodala Gold Mine during the development phase. Sabodala is the largest gold producer in Senegal and located only 25km from our Makabingui Gold Project.

Project Funding

Bassari is considering a number of options to fund the development of the Makabingui Gold Project. The robust economics demonstrated by the Scoping Study improved the positive pre-development results from Whittle optimisations.

The Makabingui Project, with its low capital cost, high grade & metallurgical recovery, strong cash flow and rapid payback, presents a unique investment opportunity and has attracted interest from funding sources offering a range of options.

For Further Information Contact:

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