

14 November 2016

Mr Dean Litis
ASX Compliance Pty Ltd
Level 4 North Tower
525 Collins Street
Melbourne 3000

Dear Dean

Bassari Resources Limited (“BSR”, “Bassari” or “Company”) – Price Query

I refer to ASX letter of 14 November regarding a price query of the Company’s securities on 14 November 2016.

The Company provides the following response to the questions raised in this letter:

1. The Company is not aware of any information concerning it that has not been announced to the market which could explain the recent trading in its securities. The Company’s recently released September 2016 Quarterly Activity Report referred to recent fund raisings, advances made in negotiations for the long-term production permit for the Makabingui Gold Project, in addition to the commencement of a small drilling program. Management is continuing its discussions with Senegal government authorities to finalise the terms of the required production permit.
2. There is no other information of which the Company, its Directors and management is aware which could explain the recent trading in its securities.
3. The Company confirms that it is in compliance with the Listing Rules, and in particular, Listing Rule 3.1
4. The Company confirms that responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of BSR with delegated authority from the board to respond to ASX on disclosure matters.

Yours sincerely



Ian Riley
Company Secretary/Chief Financial Officer

c.c. – Mr Kobe Li



14 November 2016

Ian Riley
Company Secretary/ Chief Financial Officer
Level 17, 500 Collins Street
Melbourne VIC 3000

By email only

Dear Mr Riley

Bassari Resources Limited ("BSR")- Price Query

We note the change in the price of BSR's securities from a close of 2.3 cents on 11 November 2016 to a high of 2.8 cents at the time of writing today.

We also note the significant increase in the volume of BSR's securities traded today.

In light of this, ASX asks BSR to respond separately to each of the following questions and requests for information:

1. Is BSR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes":
 - a) Is BSR relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in BSR's securities would suggest to ASX that such information may have ceased to be confidential and therefore BSR may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that BSR may have for the recent trading in its securities?

4. Please confirm that BSR is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that BSR's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of BSR with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before **9.30 am AEDT**) on **Tuesday 15 November 2016**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in BSR's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, BSR's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at dean.litis@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to BSR's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that BSR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in BSR's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and

- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically, without signature]

Dean Litis

Principal Adviser

Listings Compliance (Melbourne)