



CORPORATE INFORMATION

Bassari Resources Limited is an Australian ASX-listed company focused on discovering and developing multi-million ounce gold deposits in the Birimian Gold Belt, Senegal, West Africa.

FAST FACTS

ASX Code	BSR
Issued Capital	2,287,293,060
No of shareholders	2,315
Top 20	37%

INVESTMENT HIGHLIGHTS

Mineral tenements over approximately 312km² of prospective Birimian Gold Belt, Senegal.

- Makabingui Gold Project Feasibility Study – Initial high grade open pit project of 1Mt at 5.7g/t for 174,000 oz production inventory, \$678/oz cash cost, US\$90m pre Capex 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 60km of partially drilled mineralised strike.

BOARD AND MANAGEMENT

Alex Mackenzie

Executive Chairman

Peter Spivey

Director

Ian Riley

Director & Company Secretary

CONTACT US

Bassari Resources Limited (ACN 123939042)

Suite 1204, 530 Little Collins Street,
Melbourne, Victoria, 3000, Australia.

T: +61 3 9629 9925

Email: admin@bassari.com.au

Website: www.BassariResources.com

30 July 2019

JUNE 2019 QUARTERLY ACTIVITY REPORT

The Directors are pleased to report on Makabingui Gold Operation's development works during the quarter ended 30 June 2019 and in July, subsequent to the end of the quarter.

MAKABINGUI GOLD PROJECT

Significant progress has been made to bring the Makabingui Gold Project into production. Activities include:

Project funding

Funding is flowing from Coris Bank - Senegal, the project loan financier, with \$5.1 million drawn down in the quarter and further project development equipment payments of \$228,000 made in July. Total funds drawn down to 30 June approximate \$7.7 million.

Equipment purchases

Project financing provided by Coris Bank – Senegal has enabled the significant equipment purchases required for production start-up to be made.

Purchases include:

- Ball Mill
- Tertiary crusher
- Agitators
- Cyclones
- Screens
- Air compressors
- Magnets and metal detectors
- Elution, electrowinning, heaters and kilns
- Furnace and calcine ovens
- Bolted CIL tanks and welded tanks
- 60T mobile crane
- Fabricated steelworks

Mine Plan

The completion by the mining consultants, Mining Plus of the UK of the new mine design, which includes finalising the:

- Block modelling
- Pit optimisation
- Mine design, and
- Mine scheduling

The new mine design recommends we commence mining with starter pit two (2) followed by pit one (1) in preference to the original plan of a large open pit one, two, three and four.

Grade control drilling

First pass grade control drill hole planning according to the new starter pits design was completed. The plan is to commence grade control drilling in August on a 10M x 10M pattern then reduce to a 10M x 5M pattern for evaluation. A drilling contractor has been selected and a contract is being finalised.

Mine site preparation and mine layout

Clearing of the mine permit boundary fence has been completed with the fencing 90% complete. Mine ROM pad and mine waste dump locations have been finalised with the haul road from the ROM pad to the channel also completed. In addition the important dam repairs have been completed.



Water level in the plant raw water dam near spillway

Accommodation and access roads

Security accommodation was completed for the 30 man security team. Camp extensions are continuing, increasing the current 120 person capacity at Douta camp by a further 20 places and upgrading and increasing the kitchen and laundry capacity.

Works have been completed on the development of the mine access road to the Douta village after approval by the Douta villagers.



Security accommodation at the camp completed



Security supervisor's office at the camp completed



Makabingui road, culvert masonry works completed

Plant and processing facilities construction

- Clearing of the tailings dam storage facility area completed;
- Contractor for partial dismantling of gravity circuit has been agreed, with a purchase order being prepared; and
- Power load estimations for the camp and processing plant generators have been finalised to allow purchase orders to be prepared.



Tailing storage facility (TSF) grub & clear works completed

CORPORATE

Annual General Meeting

The Annual General Meeting of Bassari Resources Limited was held on 31 May 2019 and was attended by 123 shareholders in person and by proxy. All resolutions put to the meeting were passed.

Changes of Directors

On 25 June 2019, Philip Bruce resigned as a director and Ian Riley was appointed to fill the vacancy.

Change of Address

The company moved office on 15 July 2019, and from this date the office address and principal place of business is:

Suite 1204
Level 12, 530 Little Collins Street
Melbourne Vic 3000
Telephone: +61 3 9629 9925

About Bassari

Melbourne – based West African gold developer Bassari Resources Limited (ASX:BSR) has a strategic portfolio of exploration and exploitation permits focussed on the Birimian Gold Belt in Senegal. The permits cover an area of 312 km2 with 60km of strike along the two adjoining permits. The permits are located within the Keneiba 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.

For Further Information Contact:

Mr Alex Mackenzie, Executive Chairman
T: +61 3 9629 9925

Mr Ian Riley, Company Secretary
T: +61 3 9629 9925

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, 01/05/13, 01/09/16

Name of entity

BASSARI RESOURCES LIMITED

ABN

123 939 042

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development	(405)	(2,745)
(c) production		
(d) staff costs	(597)	(1,075)
(e) administration and corporate costs	(263)	(440)
1.3 Dividends received (see note 3)		
1.4 Interest received	0	0
1.5 Interest and other costs of finance paid	(11)	(11)
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,276)	(4,271)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1,992)	(2,825)
(b) tenements (see item 10)		
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(d) other non-current assets		
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(1,992)	(2,825)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings	5,163	4,597
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	5,163	4,597

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	(1,319)	86
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,276)	(4,271)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,992)	(2,825)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	5,163	7,597

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(56)	(67)
4.6	Cash and cash equivalents at end of period	(3,347)	(3,347)

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	84	9
5.2	Call deposits		
5.3	Bank overdrafts	436	(1,328)
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	520	(1,219)

Note: On 31 December 2018 Bassari's subsidiary company, Makabingui Gold Operation SA signed a loan agreement for the development of the Makabingui Gold Project in the amount of FCFA7 billion (approximately AUD 17 million). See ASX announcement 3 January 2019. Approximately \$5.13 million of that loan was drawn down in the quarter with the balance of \$13.58 million yet to be drawn.

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	95
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Director fees and payments made to directors for consulting services to director and director related entities
--

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	95
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Amount paid to director related entities included in amount shown at item 6.1

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	17,284	7,654
8.2 Credit standby arrangements	N/A	N/A
8.3 Other (please specify)	N/A	N/A
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 31 December 2018, the company signed a project funding loan agreement with Coris Bank International, for a loan to fund the Makabingui Gold project. The funding package is for the amount requested by Makabingui Gold Operation SA to fund the CAPEX for the development and production of the Makabingui Gold project. The loan amount is FCFA 7 billion which approximates AU\$17.3 million. FCFA 2.1 billion AU\$5.1 million was drawn down in the quarter for a total drawdown to 30 June 2019 of FCFA 3.1 billion, with a loan balance of FCFA 3.9 billion AU\$9.6 million available to be drawn down for further project funding.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	
9.2 Development	400
9.3 Production	
9.4 Staff costs	550
9.5 Administration and corporate costs	250
9.6 Other (provide details if material) – Assets in construction	1,500
9.7 Total estimated cash outflows	2,700

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		NO CHANGE		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		NO CHANGE		

In accordance with ASX Listing Rule 5.3.3, Bassari Resources Limited provides its list of exploration and exploitation permits with its June 2019 quarterly activities report.

Project	Country	Area (sq km)	Licence type	Granted/ renewed	BSR Group % interest
Moura	Senegal	184	Exploration Permit	28-02-2015	70% (a)
Makabingui	Senegal	128	Exploitation Permit	28-11-2016	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 63% owned subsidiary, Makabingui Gold Operation SA holds the permit.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 30 July 2019

Print name: Ian Riley
Company Secretary

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.