



## CORPORATE INFORMATION

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

### FAST FACTS

ASX Code	BSR
Issued Capital	1,175,661,981
No of shareholders	1,786
Top 20	45%

### INVESTMENT HIGHLIGHTS

Mineral tenements over approximately 850 km<sup>2</sup> of prospective Birimian Gold Belt, Senegal.

- Makabingui Gold Project Feasibility Study – Initial high grade open pit project of 1Mt at 5.7g/t for 171,000 oz production inventory, \$680/oz cash cost, US\$88m 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 80km of partially drilled mineralised strike.

### 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

**Bassari Resources Limited (ACN 123 939 042)**

Level 17, 500 Collins Street,  
Melbourne, Victoria, 3000, Australia.

T: +61 3 9614 0600

F: +61 3 9614 0550

Email: [admin@bassari.com.au](mailto:admin@bassari.com.au)

[www.bassari.com.au](http://www.bassari.com.au)

28 October 2014

## September 2014 Quarterly Activity Report

Bassari Resources Limited (ASX:BSR) is pleased to report on activities at its gold projects in Senegal, West Africa for the September 2014 quarter.

### Makabingui Gold Project

- **Maiden gold open pit ore reserve**
  - 158,000 ounces in 860,000 tonnes at 5.7g/t gold
  - Underpins high grade development strategy
- **High grade underground scoping study highlights potential development expansion**
  - 120,000 ounces in 500,000 tonnes at 7.5g/t gold
- **Highly experienced team in place to deliver project**
- **Equipment procurement alliance in place with Vanture International**
- **Field work completed for Environmental & Social Impact Study**
- **Completing detailed design for upgraded Douta Plant**
  - Significant savings made in crushing facilities
  - Major and critical items sourced and costed
  - Procurement and delivery package for ball mills ready
- **Gold refining agreement with international refining group TCA S.P.A**
- **Water storage dam full and ready for plant commissioning in 2015**
- **Mining Services Contract (including crushing) tender closing 31 October 2014**

### Corporate

- **Capital Raising – 1 for 5 non renounceable pro rata rights issue commitments received from eligible shareholders raising \$556K at 2 cents per new share and \$1.1M raised via a placement at 2 cents**

# MAKABINGUI GOLD PROJECT

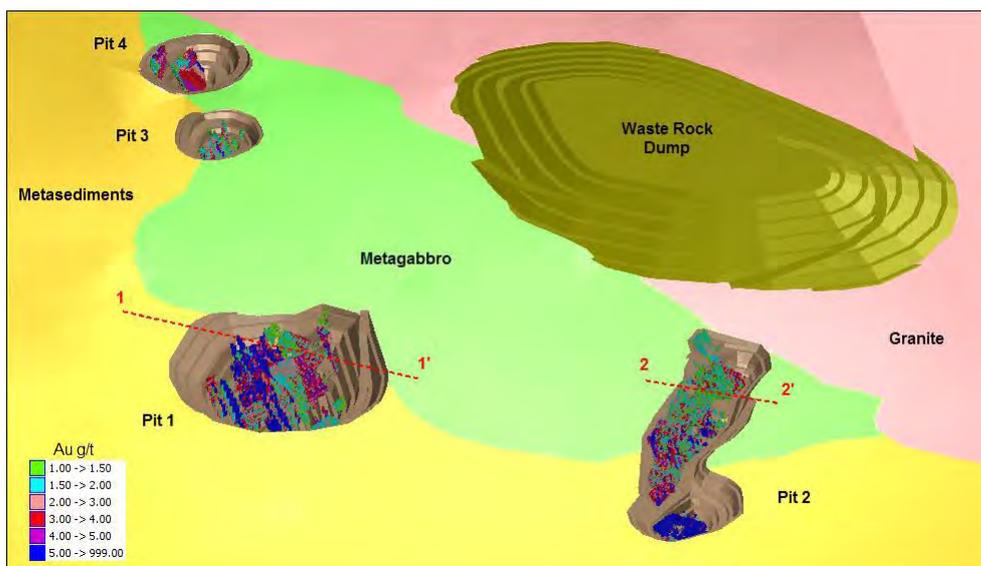
## Ore Reserve

Bassari released a maiden open pit gold Ore Reserve for the Makabingui Gold Project on 16 September 2014. The conversion of Indicated Resources to Ore Reserves is for the initial stage of the project focused on high grade zones mined from open pits (refer Figure 1) within the 1 million ounce gold resource. The Ore Reserves are reported in accordance with the 2012 Australasian Code for the Reporting of Resources and Reserves (JORC Code 2012).

### Makabingui Gold Project Ore Reserve

Category	Ore		
	kt	g/t Au	koz Au
Probable			
Pit 1	450	7.3	107
Pit 2	410	3.8	51
<b>Total Ore Reserve</b>	<b>860</b>	<b>5.7</b>	<b>158</b>

*Note: The tonnes and grades are stated to a number of significant digits reflecting the confidence of the estimate. Since each number and total is rounded individually the columns and rows in the above table may not show exact sums or weighted averages of the reported tonnes and grade.*



**Figure 1 – High Grade Open Pit Mine Area Layout**

## **Development Team**

Following the outstanding results of the Makabingui Gold Project Feasibility Study (see ASX announcement 26 June 2014) - the Company moved quickly to secure experienced industry professionals to deliver the project (see ASX announcement 29 July 2014).

Mr Jozsef Patarica (Project Manager) – Mining / Processing / Operations

Mr Marcus Binks - Metallurgy / Processing / Commissioning

Mr Cameron Bain - Mechanical / Civil / Structural

Mr Ron Goodman - Metallurgy

Mr Anthony Holland – Electrical / Power Generation

Mr Trevor Clark (Trevor Clark & Associates) – Tailings Storage

Mr Ian Riley – Cost Control / Financial Reporting

## **In Country Team**

Mr Moussa Diba – Geology

Mr El Hadji Baba Sow - Logistics

Mr Karim Fall - Engineering

Mr Modou Guene - Accounting

## **Equipment Procurement Alliance – Vanture International**

On the 31 July the Company secured a strategic alliance with China sourcing and procurement firm Vanture International (see ASX announcement 31 July 2014).

Vanture International and its international business arm ASIA's Resource Connections is an experienced and dynamic Chinese sourcing and procurement firm which has been procuring quality Chinese manufactured equipment for clients internationally for the past 10 years. The company has developed an enviable reputation for good equipment pricing and delivery. It particularly specialises in mobile and fixed plant mining and mineral processing equipment. The team is a highly skilled, professional group of engineers proficient in English and Chinese and with vast international experience.

The company maintains a head office in Melbourne for its international business and Beijing is its operational headquarters. An office and engineering support base is located in South Africa servicing sub-Saharan Africa and West Africa.

Vanture International has exported SAG mills, ball mills, crushers, flotation cells, thickeners, transformers, girth gears, mill liners and grinding media, and Africa is its fastest growing export market for global equipment sales.

## **Environmental & Social Impact Study**

Independent Consultancy, Synergie Environment based in Dakar has undertaken the Environmental & Social Impact Study (ESIS) for the Makabingui Gold Project.

Leading the study team is Mr Amath Dior MBAYE who is a Director of Synergie and was part of the study team for the gravity operation where the existing gravity plant is located.

With previous operating experience in Senegal, Bassari has undertaken considerable community development initiatives in recognition and respect of the country's culture, values, and traditions.

Key initiatives include constructing a school and medical clinic, providing fresh water pumps and a grain mill to the community. Other completed infrastructure projects include building roads and bridges, provision of power and establishing water dams. People from the local region are employed with a strong focus on skills development and transfer of knowledge.

The ESIS is an important step in the approval process to commence mining activities with the application to convert the Sambarabougou exploration permit to a mining production permit already lodged with the government in accordance with the Senegal Mining Code.

## **Development Progress**

A significant cost improvement in upgrading the existing Douta Processing Plant was identified in the process flow sheet by relocating the primary and secondary crushing facilities to the mining area on the run-of-mine (ROM) pad. The two crushers initially planned for the processing plant can also be procured as off the shelf mobile units which present further advantages. Benefits from new crushing option are:

- ✓ Only crushed product (minus 50 mm) will be trucked to the processing facility from the mine significantly reducing haulage costs.
- ✓ No need to expand existing plant footprint, saving costs associated with civil works. (See Figure 2)
- ✓ Crushing will be tendered as part of mining contract potentially reducing the capital cost of the processing plant by \$800K.
- ✓ Procuring off the shelf mobile units provides flexibility to move crushers to new deposits in the future.
- ✓ Mobile crushing units reduces the capital cost associated with concrete foundations.



**Figure 2 – Processing Plant Footprint**

The existing wet scrubber currently installed will be removed from the processing plant as the existing double deck screen is adequate. Benefits of removing the scrubber are:

- ✓ Reduced maintenance costs.
- ✓ Reduces power requirement with 55kw motor removed.
- ✓ Reduced water demand in the plant.

The plant layout review has been finalised to follow the general process flow for equipment layout within a compact footprint.

Site test work was completed for the proposed tailings storage facility (TSF) in excavating test pits within the designated area. Analysis of samples taken from the test pits will enable detailed design of the TSF wall to be undertaken. A total of ten pits have been sampled with test work to be undertaken in Dakar. Substantial cost savings in undertaking this work were made by utilising the PC450 excavator which is part of the larger mobile fleet owned by Bassari (See Figure 3).



***Figure 3 – Tailings Storage Facility Soil Sampling***

A review of the facilities and area available within the existing 120 person camp has identified that the additional rooms and facilities required for the mining contractor can be incorporated into the same secured area. Benefits of incorporating the mine accommodation requirements into the existing camp area are:

- ✓ Reduced establishment costs clearing and establishing a new camp.
- ✓ Utilising existing services:
  - Power supply
  - Sewage system
  - Fresh water supply and purification
  - Internet/phone communication
  - Security

A review of the mine layout has been undertaken incorporating preliminary feedback from recent field visits by Synergie Environmental, which is undertaking the Environmental & Social Impact Study. The Bassari geological team together with a representative of Australian Mine Design and Development (AMDAD) reviewed the proposed layout of the mining area (See Figure 4 & 5). During the quarter, mining contractors were also briefed on the scope of work which will incorporate the mining activities, ore crushing and ore haulage to the processing facility. The mining services tender is in progress and closes 31 October 2014.



***Figure 4 – Makabingui Mine Area Field Review***

Artisanal activity, which was ceased by the government earlier in the year has not resumed. The Gendarmes (local police) have maintained a permanent 24/7 presence at a permanent camp located at the Makabingui mine site area.



***Figure 5 – Development Team at Makabingui Mine Area***

The existing processing plant and mobile fleet has been inspected and found to be in good working order. A comprehensive care and maintenance program has been in place for the processing plant and the mobile fleet has been regularly serviced. The mobile fleet has supported our exploration programs and continues to support early stage development activities. The gravity processing facility is operational and has been inspected as part of field activities (see Figure 6).



***Figure 6 – Existing Gravity Plant***

The company owned mobile equipment fleet will be utilised for pre-development work to provide significant cost saving for the development of the project.

The existing water storage dam is full with the wet season now coming to an end (see Figure 7 & 8). A representative of Trevor Clark & Associates has inspected the dam and prepared a plan for minor remediation works and ongoing maintenance. There is ample water already available to both commission and operate the processing plant in 2015.



***Figure 7 – Water Storage Dam***



**Figure 8 – Water Storage Dam Spillway**

## High grade underground scoping study

An Underground Scoping Study has been undertaken, which provides an assessment of the potential for an underground development phase for the Makabingui Gold Project within the current one million ounce gold resource. Underground development would commence on completion of the Pit 1 mining operations and use the existing infrastructure and 300ktpa processing plant factored into the Open Pit Feasibility Study for the development of four high grade open pits.

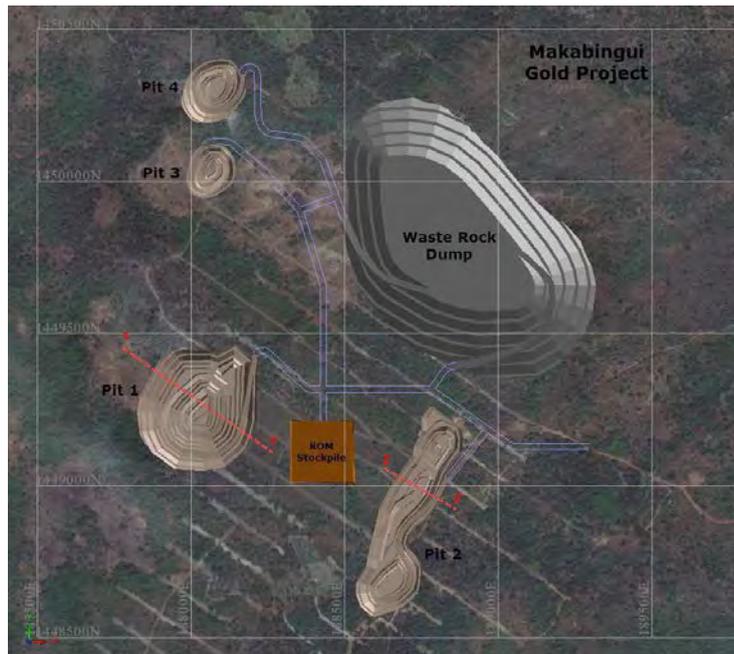
### ***Makabingui High Grade Underground Scoping Study highlights at US\$1200/oz gold price:***

- |   |   |
|---|---|
| ○ <i>Mined ounces</i>                   | <b>120,000 ounces (additional to open pits)</b> |
| ○ <i>Average gold grade to the mill</i> | <b>&gt;7.0 g/t gold</b>                         |
| ○ <i>Mine life extension</i>            | <b>~2.5 years</b>                               |
| ○ <i>Estimated Revenue</i>              | <b>US\$144M</b>                                 |
| ○ <i>Estimated OPEX</i>                 | <b>US\$56M</b>                                  |
| ○ <i>Estimated CAPEX</i>                | <b>US\$35M</b>                                  |
| ○ <i>Processing recovery</i>            | <b>95%</b>                                      |
| ○ <i>Cut-off-grade</i>                  | <b>3g/t gold</b>                                |

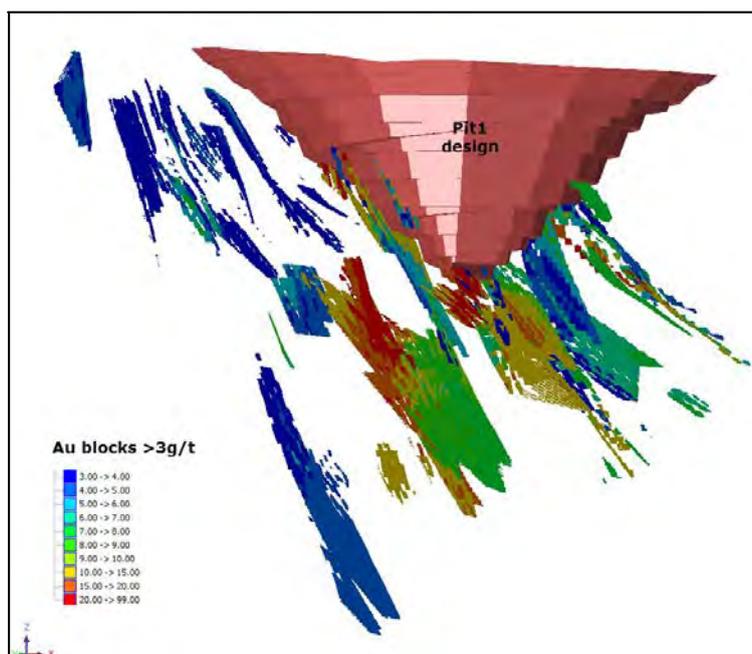
The pit designs for Pit 1, developed as part of the initial mining phase of the Makabingui Gold Project, have been used for the preliminary Underground Scoping Study. The underground analysis only uses the Inferred Resources within the vicinity of Pit 1 (see Figure 9 & 10).

The Makabingui gold resource at depth comprises steep mineralised zones dipping to the south east and striking NNE. The following parameters have been used to generate optimised stope shape designs within the mineralised lodes:

- Minimum mining width (horizontal) **2 metres**
- Stope height **20 metres**
- Stope length **10 metres**
- Stope dilution (on both footwall and hangingwall) **0.3 metres**
- Minimum pillar between adjoining stopes (between lodes) **10 metres**
- Cut-off-grade **3g/t gold**



**Figure 9 - Mine Plan View Showing Pits and Waste Dump**



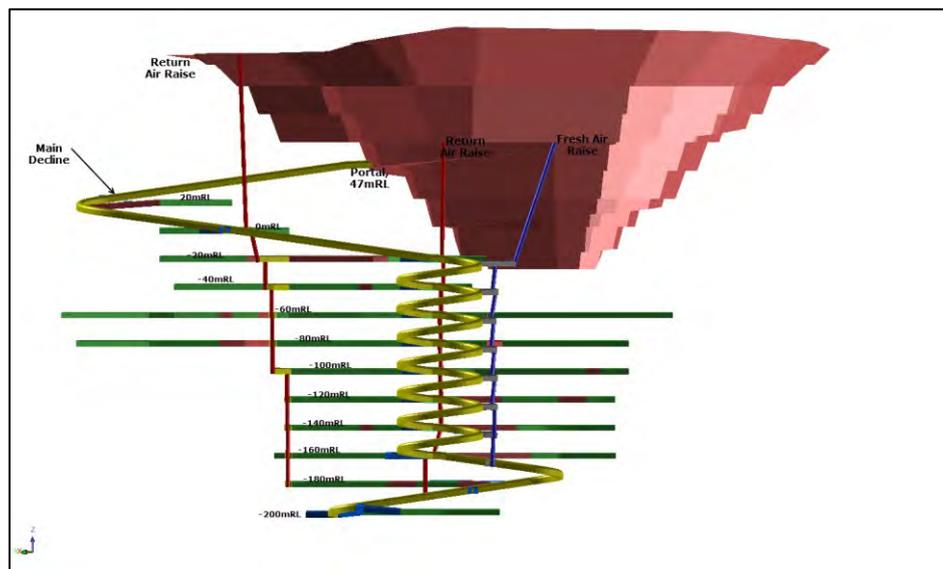
**Figure 10 – Makabingui Resource Blocks – Pit 1 Area**

The Pit 1 design, prepared as part of the Open Pit Feasibility Study, was used to locate the portal. The underground design used the following parameters (*Note 2*):

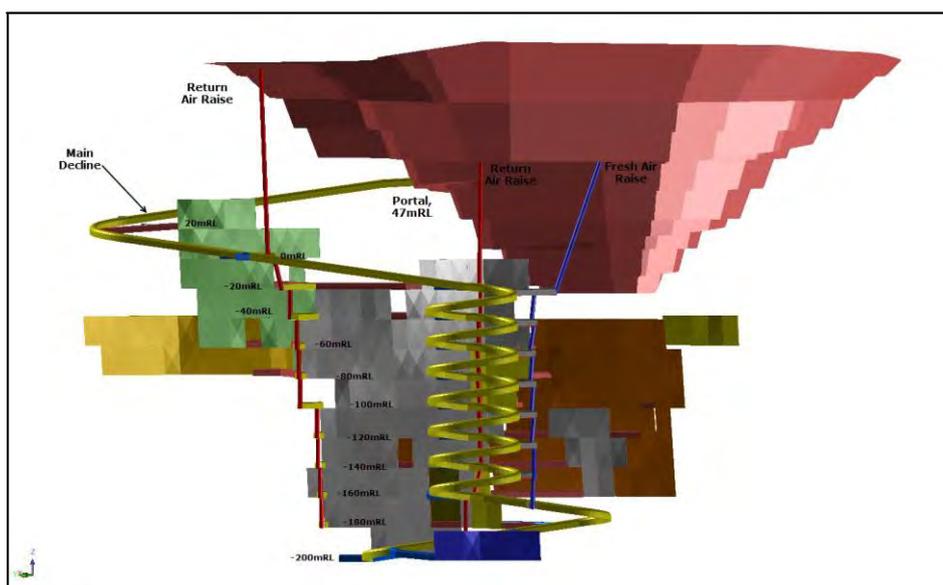
- Decline size 5 metres wide by 5.5 metres high at a gradient of 1 in 7 **2,120 metres**
- Lateral access of 5 metres wide by 5 metres high and flat **3,740 metres**
- Mineralised lode development of 4.5 metres wide by 4.5 metres high and flat **3,360 metres**
- Interval between levels **20 metres**
- Ventilation development **734 metres**

*Note 2: These are indicative only at this stage.*

Figures 11 & 12 below show the underground design.



**Figure 11 – Underground Development Design Looking South East**



**Figure 12 – Underground Development Design Looking South East Including Stopes**

Underground development would commence on completion of Pit 1 mining operations and utilise existing infrastructure and 300ktpa processing plant factored into the Open Pit Feasibility Study for the development of four high grade open pits (see Figure 13 & refer ASX Announcement 26 June 2014).



**Figure 13 – Project Layout – Mine and Processing Plant**

## PROJECT LOCATION

Bassari holds a 70% interest in each of three contiguous exploration permits; Sambarabougou, Moura and Bounsankoba, covering approximately 850 km<sup>2</sup> in a central location of the highly prospective Birimian Kenieba Inlier (refer Figure 14). The permits are located approximately 750km east of Senegal's capital city of Dakar and about 70km north east of the town of Kedougou, and span 80km strike length of parts of a major crustal shear zone, the Main Transcurrent Shear Zone (MTZ), a well-defined gold mineralised structural corridor. The Kenieba Inlier is host to several multi-million ounce gold deposits and extends into the bordering countries of Mali and Guinea (refer Figure 15).

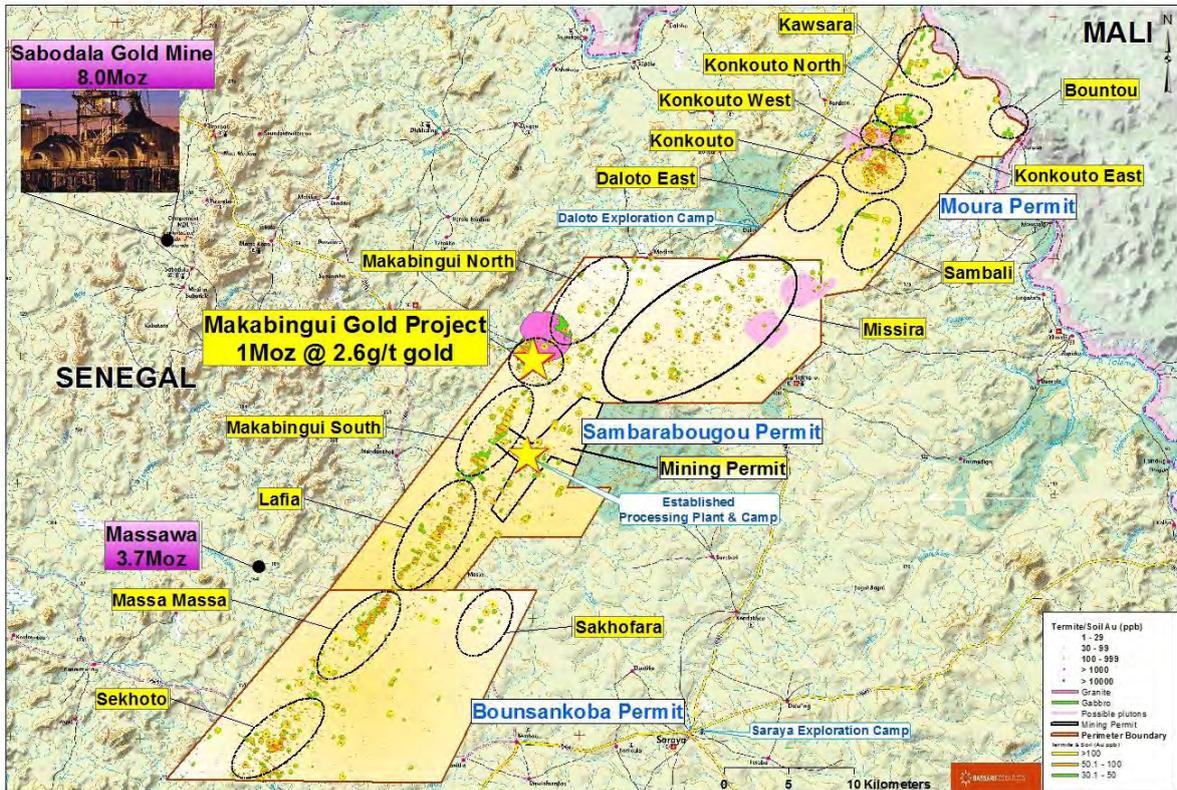


Figure 14 – Bassari’s Permits with Project & Prospect Locations

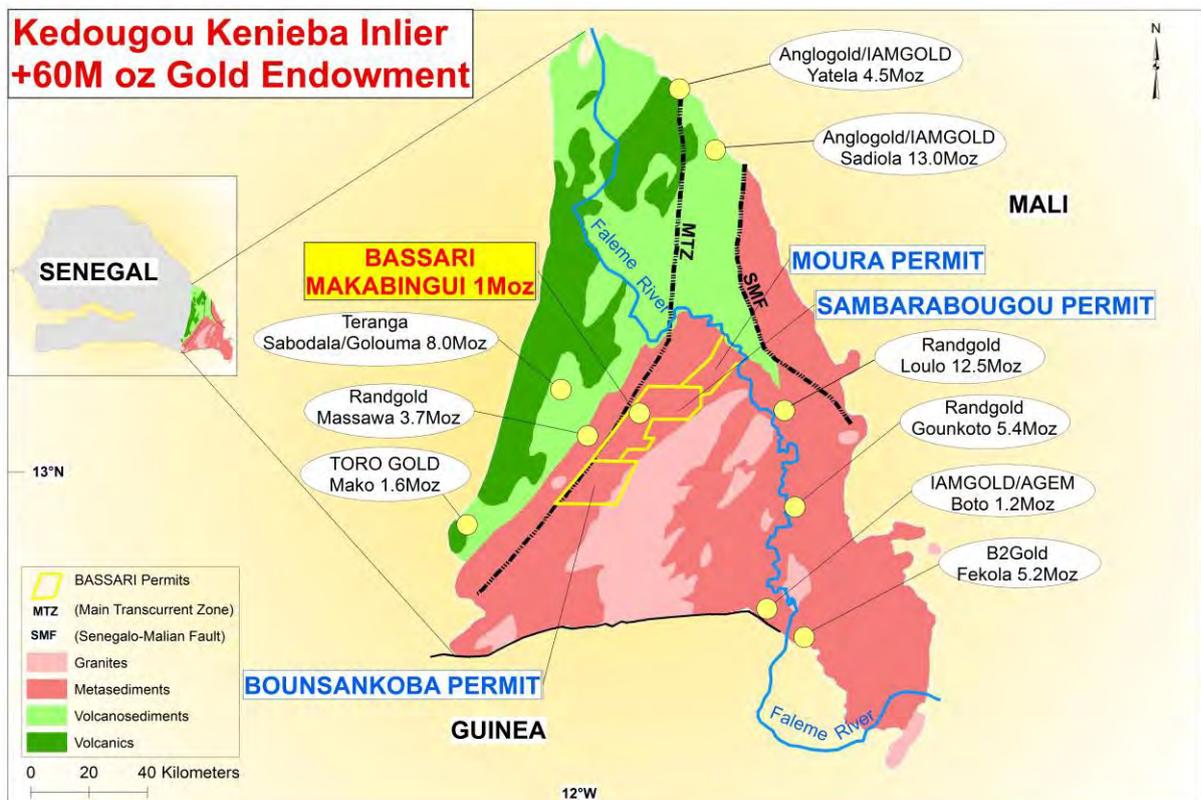


Figure 15 – Kedougou-Kenieba Inlier

## **Corporate Capital Raising**

In July, Bassari completed a \$1.1 million capital raising to sophisticated and institutional investors, including existing shareholders, at \$0.02 (2 cents) per share. BCM International Limited, a cornerstone Bassari shareholder, were strong supporters in the placement.

The Company announced the initial stage of the 1 for 5 non renounceable pro rata rights issue ("Rights Issue"). The Company received commitments from eligible shareholders raising \$556,414 at \$0.02 (2 cents) per new share (see ASX announcement 11 September 2014).

A total of 201,747,529 shortfall shares are available under the Rights Issue to be issued by Directors at an issue price of not less than \$0.02 (2 cents) within 3 months of the Rights Issue closing date (8 September 2014).

Net proceeds of the Rights Issue will be applied to develop the Company's Makabingui Gold Project in Senegal, West Africa and for working capital.

**About Bassari**

Melbourne - based West African gold developer Bassari Resources Limited (ASX:BSR) has a strategic portfolio of exploration permits focused on the Birimian Gold Belt in Senegal. The permits cover an area of 850 km<sup>2</sup> with 80 km of strike along the combined three contiguous permits. The permits are located within the Kenieba 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.

**Forward-Looking Statement**

This release may include forward-looking statements which are based on assumptions and judgments of management regarding future events and results. Statements regarding Bassari Resources Limited plans with respect to future exploration and drilling are forward-looking statements. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Bassari Resources Limited that could cause actual results to differ materially from such statements. Bassari Resources Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

**Competent Persons Statement**

The information in this announcement that relates to the Mineral Resources and Exploration Results has been reviewed and approved by Mr Chris Young who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Young is a non-executive director and consultant to Bassari Resources Limited and has over 40 years' experience in the industry and has more than five years' experience which is relevant to the style of mineralisation being reported upon and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Young consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Mineral Resource information referred to in the announcement was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not changed since it was last reported.

The Competent Person signing off on the overall Ore Reserves Statement is John Wyche. Mr Wyche is a Member of The Australasian Institute of Mining and Metallurgy who has 27 years of experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Wyche is a full time employee of Australian Mine Design and Development Pty Ltd and acts as a consultant mining engineer to Bassari Resources. Mr Wyche is not an employee of Bassari Resources and does not hold shares or other equities in Bassari.

**For Further Information Contact:****Managing Director/CEO**

Mr Jozsef Patarica

Ph: +61 3 9614 0600

Mobile: +61 419 899 966

E: Jozsef@bassari.com.au

**NWR Communications**

Mr Nathan Ryan – Investor Relations

Mobile: +61 420 582 887

## Glossary of Terms

<b>AMDAD</b>	<i>Australian Mine Design and Development</i>
<b>ASX</b>	<i>Australian Securities Exchange</i>
<b>Au</b>	<i>Chemical symbol for gold</i>
<b>BSR</b>	<i>Bassari Resources Limited</i>
<b>CIL</b>	<i>Carbon In Leach</i>
<b>COG</b>	<i>Cut-off grade</i>
<b>C1</b>	<i>The costs of mining, milling and concentrating, onsite administration and general expenses, property and production royalties not related to revenues or profits, metal concentrate treatment charges, and freight and marketing costs less the net value of the by-product credits.</i>
<b>DCF</b>	<i>Discounted cash flow</i>
<b>DD Drilling</b>	<i>Diamond drilling</i>
<b>ENE</b>	<i>East North East</i>
<b>FS</b>	<i>Feasibility Study</i>
<b>g/t</b>	<i>grams per tonne</i>
<b>GDP</b>	<i>Gross Domestic Product</i>
<b>IRR</b>	<i>Internal rate of return</i>
<b>JORC</b>	<i>Joint Ore Reserves Committee</i>
<b>JORC Code</b>	<i>Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves</i>
<b>k</b>	<i>Thousand</i>
<b>kg</b>	<i>kilogram</i>
<b>km<sup>2</sup></b>	<i>square kilometres</i>
<b>km</b>	<i>kilometres</i>
<b>ktpa</b>	<i>Thousand tonnes per annum</i>
<b>kva</b>	<i>kilovolt-ampere</i>
<b>m</b>	<i>metre</i>
<b>M</b>	<i>Million</i>
<b>Mt</b>	<i>Million tonnes</i>
<b>Mtpa</b>	<i>Million tonnes per annum</i>
<b>mm</b>	<i>millimetres</i>
<b>MTZ</b>	<i>Main Transcurrent Zone</i>
<b>Moz</b>	<i>Million ounces</i>
<b>NE</b>	<i>North East</i>
<b>NPV</b>	<i>Net Present Value</i>
<b>NW</b>	<i>North West</i>
<b>NNE</b>	<i>North North East</i>
<b>NN</b>	<i>Nearest neighbour – estimation method</i>
<b>OK</b>	<i>Ordinary Kriging – estimation method</i>
<b>Oz</b>	<i>Troy ounces (1 troy oz = 31.10348 grams)</i>
<b>ppb</b>	<i>parts per billion, e.g. 1000 ppb gold is 1 g/t gold</i>
<b>ppm</b>	<i>parts per million</i>
<b>p80</b>	<i>80% percentile</i>
<b>RAB Drilling</b>	<i>Rotary Air Blast drilling.</i>
<b>RC Drilling</b>	<i>Reverse Circulation drilling</i>
<b>RL</b>	<i>Reduced Level (Elevation in metres)</i>
<b>ROM</b>	<i>Run of mine (includes mining loss and dilution)</i>
<b>SE</b>	<i>South East</i>
<b>SSW</b>	<i>South South West</i>
<b>tph</b>	<i>tonnes per hour</i>
<b>tpa</b>	<i>tonnes per annum</i>
<b>t/m<sup>3</sup></b>	<i>tonnes per cubic metre</i>
<b>US\$</b>	<i>United States dollars</i>
<b>3D</b>	<i>Three dimensional</i>
<b>24/7</b>	<i>24 hour operation, 7 days a week</i>

## 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, 01/05/2013

Name of entity

**BASSARI RESOURCES LIMITED**

ABN

84 123 939 042

Quarter ended ("current quarter")

30 September 2014

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(811)   (518)	(2,158)   (1,237)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	1	2
1.5 Interest and other costs of finance paid		(4)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
	(1,328)	(3,397)
<b>Net Operating Cash Flows</b>		
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)	35	35
	35	35
<b>Net investing cash flows</b>		
1.13 Total operating and investing cash flows (carried forward)	(1,293)	(3,362)

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,293)	(3,362)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	1,494	3,692
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Costs of capital raising	(20)	(65)
	<b>Net financing cash flows</b>	1,474	3,627
	<b>Net increase (decrease) in cash held</b>	181	265
1.20	Cash at beginning of quarter/year to date	89	0
1.21	Exchange rate adjustments to item 1.20	0	5
1.22	<b>Cash at end of quarter</b>	270	270

### Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	184
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Salaries and payments made for consulting services to directors and director related entities

### Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	600
4.2 Development	
4.3 Production	
4.4 Administration	250
<b>Total</b>	<b>850</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	(Australia) 249 (Senegal) 21	(Australia) 167
5.2 Deposits at call		
5.3 Bank overdraft		(Senegal) (78)
5.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (item 1.22)	270 (See note below)	89

**NOTE:**

The company issued approximately 81.8 million ordinary shares at 2 cents each during the quarter by placement and 1 for 5 rights issue. The company has the ability to place shortfall shares from the rights issue by 8 December 2014 at no less than 2 cents to raise approximately \$4 million and is also in discussion with parties to secure additional near term and project pre-development funding. The company also has the ability to place up to a further 220 million shares pursuant to Listing Rule 7.1 and 7.1A remaining capacity.

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

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Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b>			
7.2	<i>(description)</i> Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	1,175,661,981	1,175,661,981	
7.4	Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	81,824,879	81,824,879	
7.5	<b>+Convertible debt securities</b>			
	<i>(description)</i>			

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+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 28 October 2014

Print name: Ian Riley

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+ See chapter 19 for defined terms.

## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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In accordance with ASX Listing Rule 5.3.3, Bassari Resources Limited provides its list of exploration and exploitation permits with its September 2014 quarterly activities report.

Project	Country	Area (sq km)	Licence type	Granted/renewed	BSR Group % interest
Sambarabougou	Senegal	183.2	Exploration Permit	13-09-2013	70% (a)
Moura	Senegal	400.1	Exploration Permit	28-02-2012	70% (a)
Bounsankoba	Senegal	267.7	Exploration Permit	05-08-2010	70% (a)
Douta (within Sambarabougou)	Senegal	30.0	Exploitation Permit	13-08-2010	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 subsidiary which holds the interest in this permit is owned 63% by the Bassari Group.