BASS METALS LTD. (ASX: BSM)
ABN: 31 109 933 995
Phone: +61 (0) 7 3063 3233
WEBSITE: WWW.BASSMETALS.COM.AU
POST: PO BOX 15048 BRISBANE QLD 4000

ASX Announcement 2 March 2021

EXPLORATION UPDATE

Bass Metals Limited (ASX:BSM) (the **Company** or **Bass**) is pleased to provide investors with an update regarding further exploration success at the Company's wholly owned Graphmada Mining Complex, located in eastern Madagascar.

HIGHLIGHTS

- Bass has completed a fourth phase of exploration drilling consisting of 70 shallow auger holes drilled to an average depth of 11m from surface.
- The program delivered further excellent intersections of up to 11.5m @ 4.9% Fixed Carbon (FC) and 7.0m @ 5.9% FC of large-flake graphite.
- The low cost auger drilling reaffirms that mineralization extends over 4.5 km, immediately adjacent to well-established large flake graphite mining and processing infrastructure (the Graphmada Mining Complex).
- Significant upside remains in pursuing drilling beyond these shallow drill intercepts, as a majority of soft easily minable ore mined by Bass has occurred from surface to approximately 50 metres in depth.
- The drilling aims to increase the current Mineral Resource to facilitate future large scale mining and processing operations at Graphmada.
- Bass aims to continue shallow drilling at the Ambatofafana prospect, which has recorded outcropping graphite up to 11% FC. The planned 131 drill hole program has commenced.

KEY INTERCEPTS

- 10.1m @ 3.8% FC (incl. 2.6m @ 8.7%FC)
- 3.0m @ 4.3% FC
- 8.0m @ 3.8% FC
- 6.0m @ 5.9% FC
- 7.5m @ 4.0% FC
- 1.5m @ 6.2% FC
- 2.5m @ 3.5% FC
- 3.0m @ 4.9% FC
- 7.0m @ 5.9% FC
- 4.5m @ 4.1% FC
- 9.0m @ 3.4% FC
- 11.5m @ 4.9% FC
- 5.0m @ 4.6% FC
- 3.0m @ 4.4% FC
- 5.0m @ 4.3% FC

CURRENT MINERAL RESOURCES & EXPLORATION TARGET

With the long-held view that significant additional graphite mineralization exists in the broader Graphmada area, in 2019 the Company, with an extensive data set of historical exploration, announced a brownfields **Exploration Target estimate of 86-146 Million tonnes between 4-6% Total Graphitic Carbon (TGC)**, in accordance with the JORC Code (2012)[1].

This Exploration Target is in addition to an already substantial regolith hosted large flake graphite **Mineral Resource[2] of 14.3 Mt @ at 4% TGC**, estimated in accordance with the JORC Code (2012).

Mineral Resources for Graphmada Mining Complex[3] [4]

Total	**Tonnes**	**TGC**	**Contained Graphite**
Measured	0.4 Mt	4.1%	16 Kt
Indicated	4.0 Mt	4.3%	172 Kt
Inferred	9.9 Mt	3.9%	386 Kt
Total	**14.3 Mt**	**4.0%**	**574 Kt**

Important Notes:

An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, relates to mineralization for which there has been insufficient exploration to estimate a Mineral Resource. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate an additional Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

[1] ASX Announcement "Significant Exploration Program to commence at Graphmada" released 3 June 2019.
[2] ASX Announcement "Bass increases Mahefedok North graphite resource by 54%" released 25 November 2019 and ASX Announcement "Bass delivers outstanding increase in Mineral Resources" released 4 December 2019.
[3] Reported in accordance with the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code 2012') See ASX Announcement 'Bass delivers outstanding increase in Mineral Resources' released on the 4/12/19.
[4] The Loharano Mineral Resource that forms part of the Company's Mineral Resources herein was reported in accordance with the 2004 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code 2004) at a >2% cut-off and first disclosed by Stratmin Global Resource PLC under the JORC Code 2004. Bass Metals notes that the estimates have not been updated to JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Reference should be made to the Company's announcement of 2/09/15, for further detail.

NEAR-MINE EXPLORATION

Bass sees the expansion of the Mineral Resource at Graphmada as a key requirement to complement its large scale mining and processing feasibility studies. An increased production profile at Graphmada, capitalizing on the achievements of Stage 1, will deliver significant long term value to shareholders.

Figure 1: Stage 1 mining of extensive graphite mineralization at surface.

Following the successful completion of Stage 1 production, Bass initiated surface exploration which identified large flake graphite mineralization of at least 4.5km in strike length between the Mahela and Loharano large flake graphite deposits.

The Company subsequently completed a reconnaissance drilling program (phase 1), reported to the ASX in accordance with the JORC Code (2012), on 16 July 2020[5]. This initial program identified a large flake graphite zone over approximately 1.1km within the broader 4.5km mineralization trend, at an approximate width of 180m, known as the Mangabe discovery.

The second and third phases of drilling subsequent to this discovery, reported to the ASX on 8 December 2020[6] and 11 February 2021 respectively, further validated the trend as a significant near-mine discovery.

[5] ASX Announcement "Exploration Update - Large Flake Graphite Discovery" released 16 July 2020.
[6] ASX Announcement "Exploration Update" released 8 December 2020.

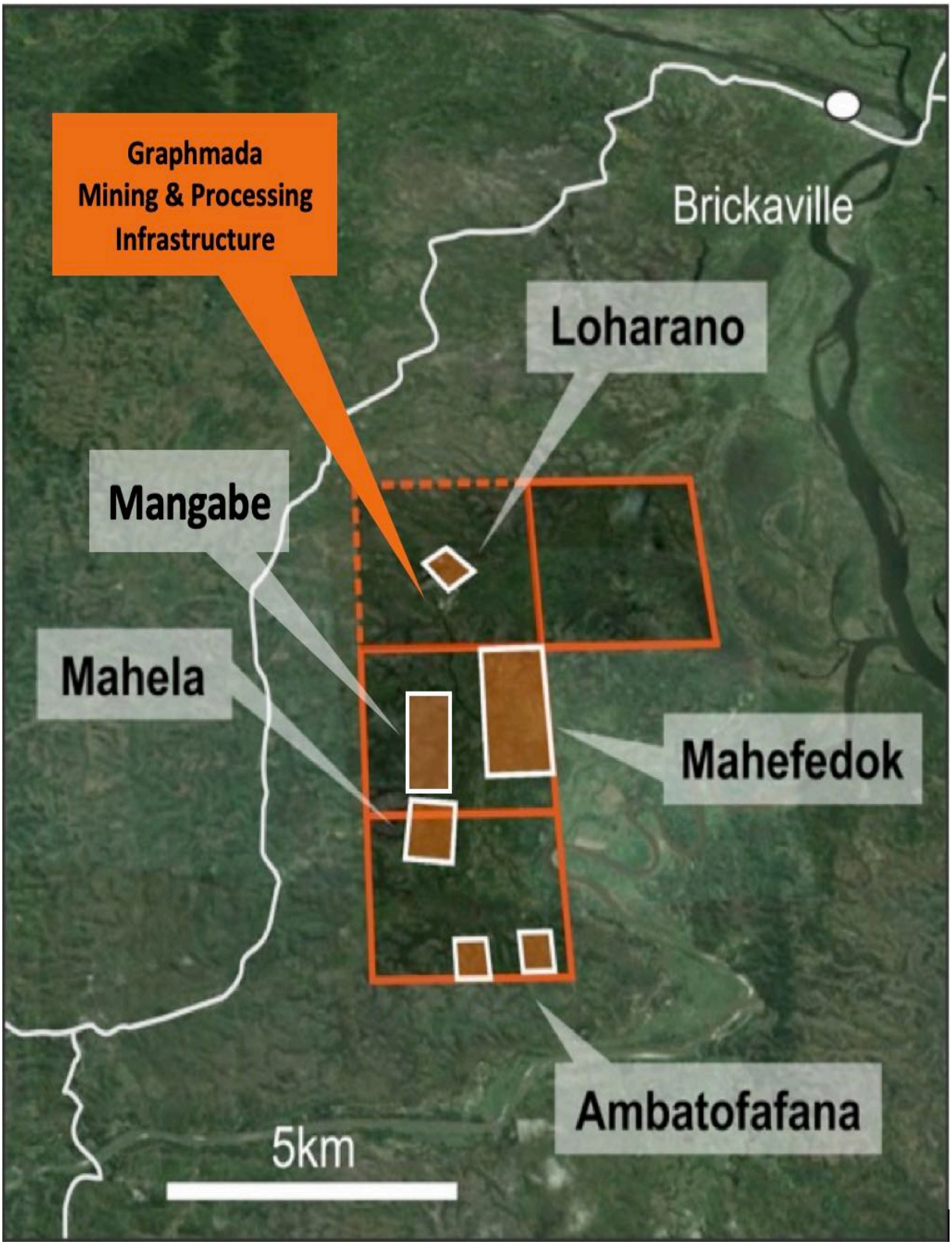

Figure 2: Graphmada Mining Complex.

Results

The results of the Company's fourth phase of drilling, consisting of an additional 70 shallow auger holes drilled to an average depth of 11m from surface, continue to demonstrate the regolith hosted graphite mineralization footprint at Graphmada is extensive, both laterally and in width.

Key intercepts from the fourth phase of drilling include:

Collar ID	X	Y	Azimuth	Inclination	Total Depth	Weighted Average %FC
BSMA355	287,830	7,902,719	0	-90	12.00	3.0m @ 4.3 % FC
BSMA356	287,849	7,902,712	0	-90	12.00	8.0m @ 3.8 % FC
BSMA357	287,867	7,902,706	0	-90	11.00	6.0m @ 5.9 % FC
BSMA359	287,906	7,902,694	0	-90	12.00	7.5m @ 4.0 % FC
BSMA360	287,924	7,902,688	0	-90	8.00	5.0m @ 4.6 % FC
BSMA361	287,944	7,902,681	0	-90	12.00	3.0m @ 4.4 % FC
BSMA365	288,019	7,902,657	0	-90	12.00	5.0m @ 4.3 % FC
BSMA376	287,609	7,902,736	0	-90	10.60	10.1m @ 3.8 % FC (incl. 2.6m @ 8.7 % FC)
BSMA381	287,544	7,902,810	0	-90	12.00	1.5m @ 6.2 % FC
BSMA382	287,697	7,902,753	0	-90	12.00	2.5m @ 3.5 % FC
BSMA400	287,669	7,902,041	0	-90	9.00	3.0m @ 4.9 % FC
BSMA406	287,440	7,902,116	0	-90	12.00	7.0m @ 5.9 % FC
BSMA415	287,658	7,901,986	0	-90	12.00	4.5m @ 4.1 % FC
BSMA416	287,673	7,901,982	0	-90	10.00	9.00m @ 3.40 % FC
BSMA417	287,639	7,901,992	0	-90	12.00	11.50m @ 4.95 % FC

Please refer to tables provided as appendices for further information.

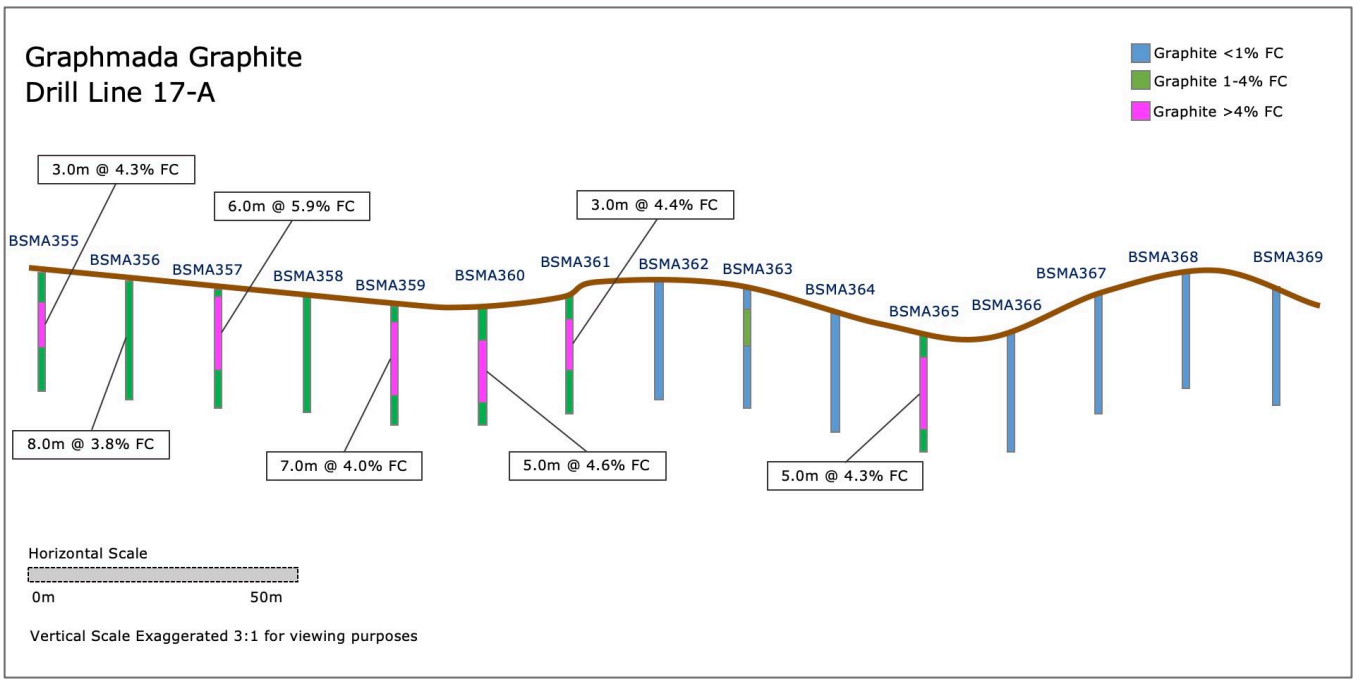

Figure 3: Drill section.

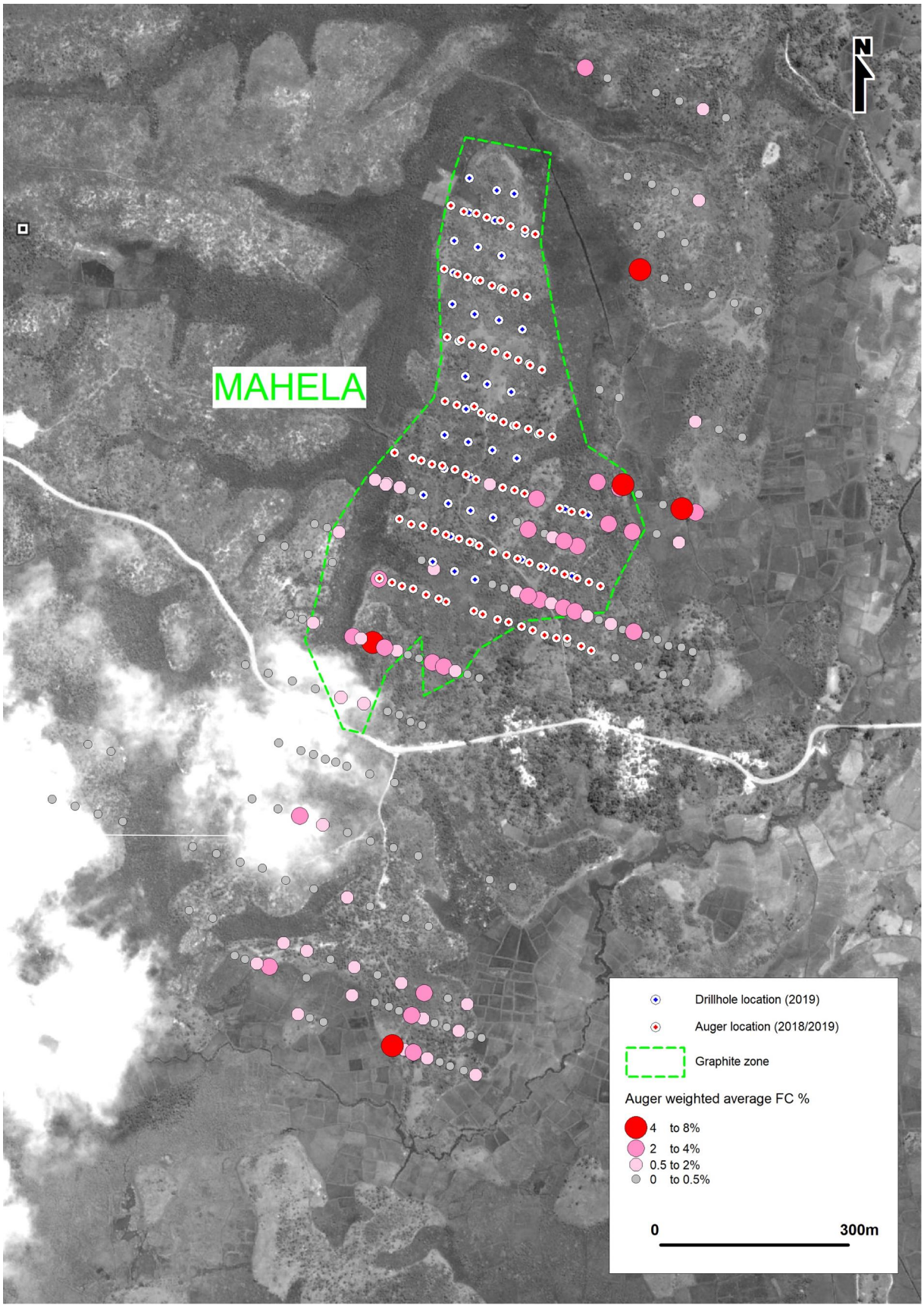

Figure 4: Collar locations.

NEXT STEPS

With the completion of the fourth phase of drilling Bass is now in the process of finalizing an updated Mineral Resource estimate for Graphmada, aiming to table a Mineral Resource Statement by the end of the current quarter.

The Company is encouraged that the updated Mineral Resource will be estimated using shallow drilling which captures only the first 10 metres of regolith-hosted graphite mineralization. A majority of the current regolith-hosted Mineral Resource occurs from 10-50m. To date Bass has not yet extensively tested the known hard-rock mineralization at depth.

Bass aims to continue shallow drilling at Graphmada to test the Ambatofafana prospect which has recorded outcropping graphite up to 11% FC. The 131 drill hole program has commenced and will be completed prior to undertaking an extensive diamond drilling campaign across the mineralized footprint of Graphmada.

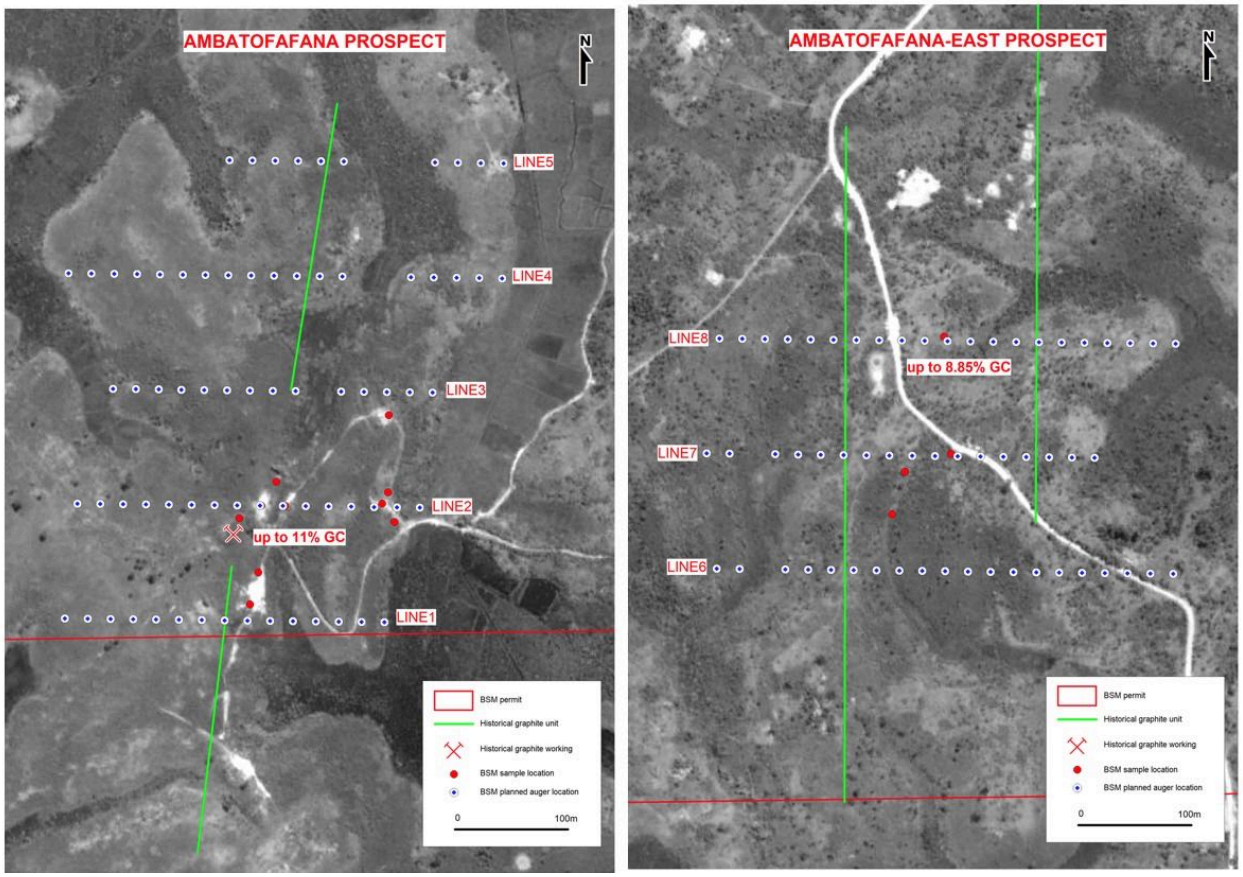

Figure 5: Ambatofafana planned collar locations.

TIM MCMANUS CEO

"The Company continues its strong progress in delineating the large footprint of graphite mineralization at Graphmada, with recent results reaffirming the mineralization system is extensive, both laterally and in width.

Final preparations are now underway to provide our highly valued shareholders with an updated Mineral Resource for Graphmada within the next few weeks."

For more information, please contact:

Tim McManus
Chief Executive Officer

Peter Wright
Executive Director

Phone: (07) 3063 3233
Email: InvestorRelations@bassmetals.com.au
www.bassmetals.com.au

This announcement has been approved by the Company's Disclosure Committee for release.

Disclaimer

This document has been prepared by Bass Metals Limited (the "Company"). It should not be considered as an invitation or offer to subscribe for or purchase any securities in the Company or as an inducement to make an invitation or offer with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this document.

This document is provided on the basis that neither the Company nor its officers, shareholders, related bodies corporate, partners, affiliates, employees, representatives and advisers make any representation or warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the document and nothing contained in the document is, or may be relied upon as a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law.

Forward Looking Statements

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology.

Any forecasts or other forward-looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material.

Bass Metals does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements. The information in this document does not take into account the objectives, financial situation or particular needs of any person. Nothing contained in this document constitutes investment, legal, tax or other advice.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

This document may not be distributed or released in the United States.

Competent Person Statement

The information in this document that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Tim McManus, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy and a full-time employee of the Company.

Tim McManus has sufficient experience that is relevant to the style of mineralization 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.

Tim McManus consents to the inclusion of the information in this document in the form and context in which it appears.

JORC CODE, 2012 EDITION – TABLE 1

Discussion and results within this appendix relate to exploration activities at the Graphmada Mining Complex.

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	Auger samples were collected and included composite samples of the graphite bearing host rocks. Visual estimation of graphite percentages and flake sizes have been used to define mineralization before the return of assays. The samples were solar-dried, manually crushed, split twice through a 50/50 riffle splitter to obtain a representative sub-sample, weighing between 100-150g that was sent to the Bass Metals in-house laboratory for Fixed Carbon analysis.
Drilling techniques	Drilling was vertical (-90 °) with the aim to achieve an average depth of 10-12m.
Drill sample recovery	Not applicable
Logging	Samples were all geologically logged and photographed, and geological recording of relevant data was captured on Bass Metals logging templates. All data was codified to a set company code system as per sampling and logging procedures which are in place. All logging included lithological features, estimates of graphite percentages, and flake sizes which is quantitative and is recorded on the logging sheets. Photographs have been taken as a qualitative check on logging when the need arises.
Sub-sampling techniques and sample preparation	Samples were solar-dried, crushed, and split twice using a 50:50 riffle splitter. The crushing and splitting equipment were cleaned according to best practice procedures before every run. Each sample was manually crushed to nominal -2mm and approximately 100-150g sub-samples were collected and sent to the Bass Metals in-house laboratory in Madagascar. The in-house laboratory then pulverized such that 80% of the sample is -75 micron or less in size. consultant will analyze all blanks, standards, and duplicates to maintain QAQC standards.
Quality of assay data and laboratory tests	Samples are currently being analyzed at the Bass Metals in-house laboratory for a preliminary evaluation of the carbon grade. The Muffle Furnace method was used to determine Loss on Ignition (LoI), Volatile Matter (VM), and Fixed Carbon (FC). LoI Test: a crucible is placed on an electronic balance, primarily zeroed and the weight recorded. 1 gram +- 0.01 of the sample are added, the weight of the crucible + sample are recorded. The crucible is placed in the Muffle Furnace at 950°C +-25°C for 8 hours continuously. After the crucible is removed and cooled, the ash + crucible is then weighed and recorded. The LoI % is calculated as follows: $\text{LOI \%} = (1 - \frac{\text{Weight of ash}}{\text{Weigh of original sample}}) \times 100$ VM Test: a crucible is placed on an electronic balance, primarily zeroed and the weight recorded. 2 grams +- 0.01 of the sample are added, the weight of the crucible + sample is recorded. The crucible is placed in the Muffle Furnace at 950°C +- 25°C for 7 minutes. After the crucible is removed and cooled, the ash + crucible is then weighed and recorded. VM % is calculated as follows: $\text{V M \%} = (1 - \frac{\text{Weight of ash}}{\text{Weigh of original sample}}) \times 100$ FC % of the sample is calculated as follows: FC % = (LOI % - VM %) Certified graphite standards (GC-09 and GC-10) and silica blanks (AMIS0439) were inserted with the samples. An external, independent consultant has certified the results.
Verification of sampling and assaying	All work was completed by Bass Metals personnel. Significant mineralization intersections were verified by an external consultant and by internal peer review. No twinned holes were drilled as this was reconnaissance drilling. All data was collected initially on paper log sheets by Bass Metals personnel. This data was hand entered into spreadsheets and validated by an external consultant. All paper log sheets were scanned, and electronic spreadsheets stored together with the photographs of the geological features logged. The master collar and assay database with all photographs are backed-up via cloud storage.

	No adjustments were made to the data.
Location of data points	DGPS's were used to locate collar locations, and final location coordinates were completed with estimated positional errors between 15 and 30 centimetres. The WGS84 UTM Zone 39S projection system was used.
Data spacing and distribution	The purpose of the auger locations was to confirm the presence of graphitic units within the project area. The data collected is insufficient to determine a Mineral Resource and is considered preliminary exploration results only. Sample compositing has not been applied.
Orientation of data in relation to geological structure	Not applicable.
Sample security	Samples were stored in a secure storage area at the Bass Metals sample storage facility. Samples bags were sealed as soon as sampling was completed and stored securely until dispatch to the Company's laboratory facility at Graphmada.
Audits or reviews	The sampling techniques and data are reviewed by an external consultant and internally peer reviewed. It is considered by the Company that industry best practice methods have been implemented by the Company at all stages of exploration.

Section 2 Reporting of Exploration Results

The criteria listed in the preceding section also apply to this section.

Criteria	Commentary
Mineral tenement and land tenure status	Exploitation permit no PE 26670 is located in the Toamasina Province of Madagascar and held by the Malagasy company, Graphmada SARL which is a wholly owned subsidiary of the ASX listed company, Bass Metals Ltd. Permit no PE 26670 was granted on 21/01/2008 and is valid for 40 years. The permit is in good standing, and all statuary approvals are in place to conduct exploration and exploitation activities throughout this permit area, including mining.
Exploration done by other parties	Not applicable as the mineralization is a virgin discovery by Bass Metals and has had no previous work completed by other Parties.
Geology	Crystalline "hard rock" flake graphite deposits occur in graphitic gneisses within Neoproterozoic metasedimentary type rocks and include accessory minerals of biotite (± sillimanite/kyanite, ± garnet). Due to the tropical climate and because graphite is comparatively inert, weathering of the "hard rock" graphitic gneiss units further concentrates the graphite to form residual regolith-hosted accumulations within the weathered profile. Regolith refers to weathered material that occurs above unweathered bedrock. Two primary subdivisions are the pedolith (PED) and the saprolith (SAP). Secondary subdivisions of the pedolith, from the surface downwards, include soil (SL), ferruginous zone (FZ), and the mottled zone (MZ). Secondary subdivisions of the saprolith, include saprolite (SP) and saprock (SR).
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of visually logged data is supplied in the above announcement.
Data aggregation methods	Samples are currently being assayed for in-situ Fixed Carbon (FC) grades by the in-house Graphmada laboratory. No Metal Equivalents have been stated.
Relationship between mineralization widths and intercept lengths	The mineralization is hosted within a weathered regolith profile and the main mineralized lenses/horizons are suspected to dip towards the west at between 30° and 45°. The samples, taken vertically, are reported as true width and tables have been annotated in the above announcement.
Diagrams	This information has been accurately represented in the announcement and contains all relevant information required for the reader to understand the nature of the graphitic mineralization.
Balanced reporting	The summary table of all the auger sample results is contained within the announcement.
Other substantive exploration data	Not applicable.
Further work	A systematic exploration program will be planned, including further auger and pitting with sampling, to be followed by a potential drilling and sampling program for grade estimation, flake size distribution, and metallurgical testing.

END