

BASS METALS PROGRESSES TO COMPLETION OF STAGE 1 OBJECTIVES AT THE 100% OWNED DEBT FREE GRAPHMADA GRAPHITE MINE

HIGHLIGHTS

- Bass Metals progresses toward successful completion of Stage 1 objectives for the re-establishment of production and positive cash flow from its Graphmada large flake graphite mine.
- Major mining equipment has been delivered, commissioned and has commenced the upgrade of the Mahefedok haul road, in preparation of Open Pit development works scheduled to begin in March.
- The Mahefedok Bridge extension and reinforcement for larger haulage fleet is nearing completion.
- The Process Plant has reached the final phase of recommissioning, with all equipment items installed, and final electricals underway.
- Graphmada, at completion of Stage 1 delivers shareholders a 100% owned mine free of debt and offtake agreements in place, establishing Bass as one of only two ASX listed producers, and one of only four publically listed graphite producers globally.
- First field activities and camp establishment have commenced at the highly prospective Millie's Reward lithium project, in conjunction with a robust community engagement program.

Bass Metals Limited (ASX: "BSM") (the "Company") is pleased to announce that it has reached the final phase of its recommissioning works at the Graphmada Large Flake Graphite Mine. On commencement of operations, the Company will deliver shareholders a 100% owned mine free of any serviceable debt, with offtake agreements in place, producing premium large flake graphite concentrates at a time of rising prices.

OPERATIONS

Graphmada has reached the final phase of Stage 1, with the aim of being fully operational by late March 2018. The completion of Stage 1 will establish Bass as one of only two ASX listed producers, and one of only four publically listed graphite producers globally.

Post the successful recommissioning of Drying and Packaging operations, with first production achieved from stockpiled wet product, the Company is pleased to report the Process Plant now has all equipment items installed and electrical engineers are on site installing electrical boards and components. Post start-up in late March, the Company aims to ramp up production to 500 tonnes of premium large flake graphite concentrate production per month, delivering positive cash flow for its shareholders.



Delivery of electrical components for the completion of Stage 1.



New Excavator delivered, commissioned and put to work.



Wheel Loader delivered and commissioned, ready to supply plant feed from existing ROM Stock.

EXPLORATION

MILLIES' REWARD

The Company is also pleased to inform shareholders of its activities at the Millie's Reward lithium project, with camp establishment underway and planning completed for first round exploration activities.



River crossing at Millie's Reward.

Recently, Company representatives were greeted by local officials and villages during visits throughout the region, as part of developing the Company's community engagement program for the Project. Our representatives were extremely encouraged by the warm welcome they received, with discussions mainly centred on the economic benefits a professional company, like Bass Metals could bring to the area.

ANDAPA PROJECT

As previously announced, shallow exploration auguring at the Andapa graphite project has confirmed that the area contains at least three lenticular bodies of large flake graphite within the weathered profile. The program predominantly concentrated on mineralisation to the east, directly along strike to the Ansirabe Graphite Mine, decommissioned by its Chinese owners in 2017. This eastern mineralised trend is

adjacent to water supply and road access, allowing the Company to make an early assessment of the Project's economics, post drilling to depth.

The final assay results although received by the Company, are being further revalidated by the laboratory and Competent Person, prior to announcement to the ASX.

BASS METALS CEO, MR TIM MCMANUS:

"The team is excited and working hard to reach our aim of being fully operational in late March. With a significant number of the Malagasy and Expat management team now also shareholders, the team is aligned and focused on achieving our key corporate objective; positive cash flow from high value graphite concentrate production.

With the recent successful commissioning of Drying and Packaging operations, exceeding our expectations, we now seek similar results from our work on the Process Plant.

In addition, the mining equipment which recently arrived adds greater capability to our operations and the long-term successful production from the Mahefedok Deposit. While we have longer term plans for the Loharano Deposit, its Mahefedok where the Company sees the scale of mining required to enter its next exciting phase, the Stage 2 expansion to 20,000 tonnes per annum."

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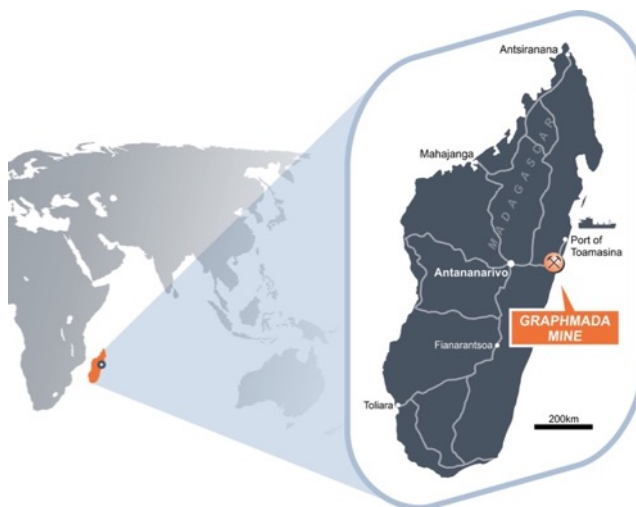
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ABOUT THE GRAPHMADA LARGE FLAKE GRAPHITE MINE

Bass Metals Ltd. is one of a few publicly listed large flake graphite producers in the world. The Company 100% owns and operates the Graphmada large flake graphite mine, Bass' flagship project, located in eastern Madagascar. Madagascar has been a recognized producer and exporter of premium graphite for over 100 years and sets the world standard for product quality and flake size.

The Graphmada mine has 40-year mining permits in place, containing four premium quality, large flake, graphite deposits hosted in weathered graphitic gneiss, a soft, easily minable rock that incurs low mining costs. With all associated mining infrastructure and logistics in place, the mine currently produces and sells a range of graphite concentrates into multiple market segments, to customers in Europe and the United States.



ABOUT THE MILLIE'S REWARD PROJECT

Millie's Reward is a highly prospective conventional spodumene hosted Li₂O deposit located in Madagascar. A majority of the visible pegmatitic dykes and sills within the permits are over 10 metres in thickness, with swells in areas of up to 40 metres in thickness, while being up to several hundred metres in length.

Adjacent to the project area is the Holcim Talc Mine, which has a sealed road for product transport and grid power installed. In addition to the potential access of this infrastructure, Millie's Reward has extensive water supplies, accommodation and an available local workforce.

The Project area has been subjected to very little modern geological assessment, as all the activity performed in the past occurred at an artisanal mining scale, operated by the local miners working for gemstones.



High purity Spodumene crystals discovered at Millie's Reward

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COMPETENT PERSON STATEMENT

The information in this document that relates to Exploration Results 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.