



Large Flake Graphite Production

and developing
Expandable Graphite
Technologies




Company Overview

Bass Metals Ltd
(ASX:BSM) is a Large-Flake Graphite Producer developing downstream Expandable Graphite production & technologies.



**100% OWNS AND OPERATES
THE DEBT FREE GRAPHMADA
GRAPHITE MINE**

- Production capacity of 6,000 tonnes per annum (tpa), at greater than 94% Fixed Carbon (FC).
- 382kt of contained natural flake graphite (JORC^{1,2}).
- 40 year mining permits & 20 year landholder agreements.
- Established infrastructure with straightforward logistics.
- Expanding production to >20,000 tpa by 2020.
- Developing Expandable Graphite production & technologies.



\$5.0M

**CASH & RECEIVABLES
WITH NO DEBT**



All figures above are as 12 July 2018 and exclude performance rights and unlisted options.

Capital Market Summary

- Share Price (ASX:BSM) of 3.0c
- Shares Outstanding 2,455m and Listed Options 478m
- Executives & Directors hold ~8% and Top 20 hold ~46%

Board of Directors



RICK ANTHON Non-Executive Chairman

Mr. Anthon is a practicing lawyer with over 30 years' experience in both corporate and commercial law. With extensive experience in the resource sector, as a director of a number of resource companies and as legal adviser, Mr. Anthon is currently General Counsel and Joint Company Secretary at Orocobre Ltd, Australia's premier Lithium producer.



PETER WRIGHT Executive Director

Mr. Wright has 20 years experience advising on capital markets, investor relations, acquisitions and divestments, particularly in lithium, and industrial minerals & metals markets. Mr. Wright is also currently Executive Director of Bizzell Capital Partners, a Brisbane based corporate advisory and funds management firm.



JEFFREY MARVIN Non-Executive Director

Mr. Marvin has 20 years global experience in mineral resource project origination, financing and development. Prior to joining Bass, Mr. Marvin was a founding executive director of an Australian energy technology company and has experience working across a range of projects including gold, coal, mineral sands and coal seam gas.

Management



TIM MCMANUS Chief Executive Officer

Mr. McManus has 25 years as a mining professional with significant experience at senior management level across all facets of project assessment, development and operations. Previous roles include CEO of ASX listed Elementos Ltd, Chief Geologist for Xstrata, and Partner – Barclays Natural Resource Investments: Metallurgical Coal Management Team.



DAVID ROUND Chief Financial Officer

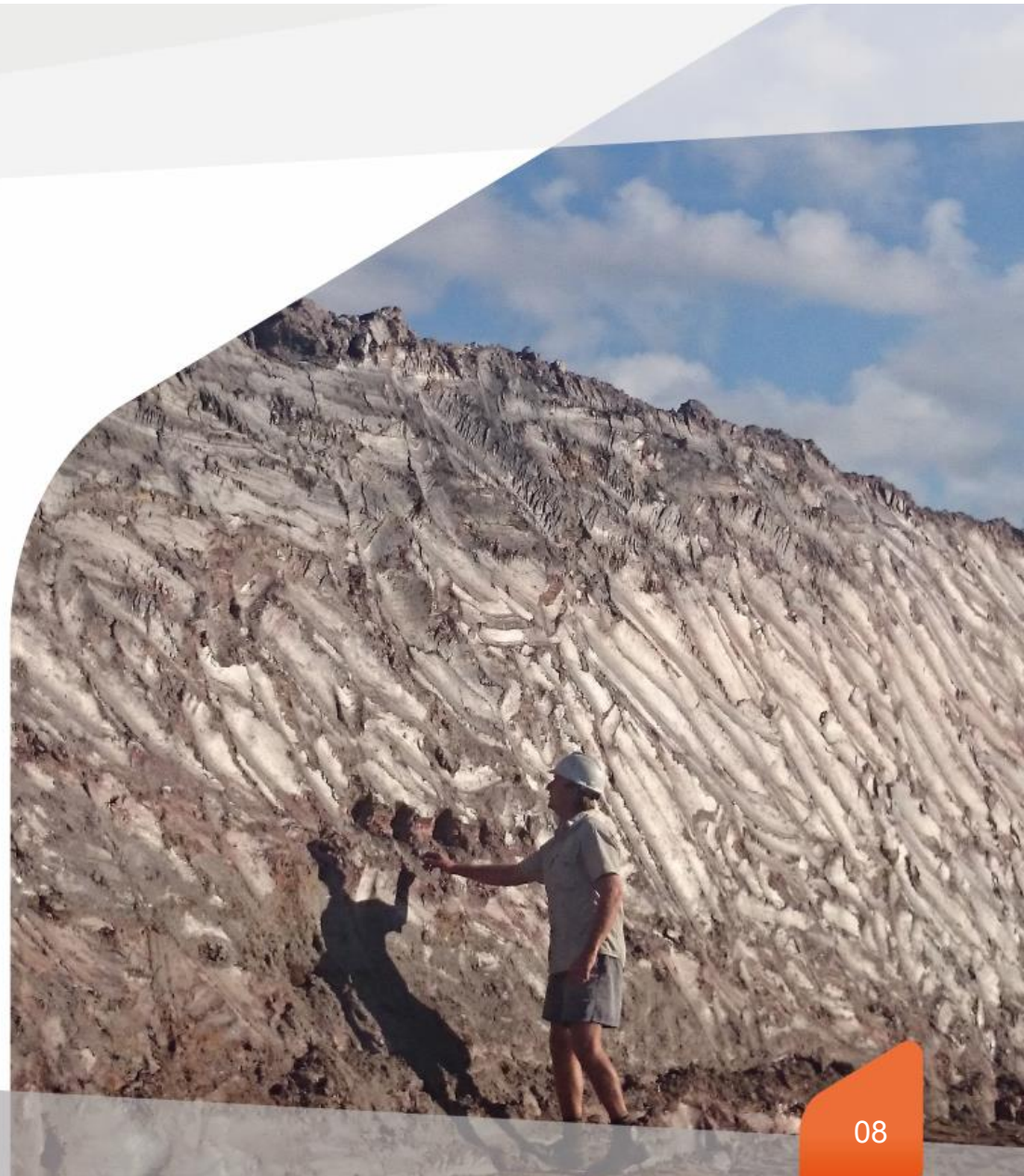
With over 25 years experience, Mr. Round is a qualified accountant with extensive resource sector experience at senior management level. As Chief Financial Officer and Company Secretary to a number of resource companies, he has been integral to the commercial success of a number of companies both in Australia and internationally.



Graphmada
Large Flake
Graphite Mine

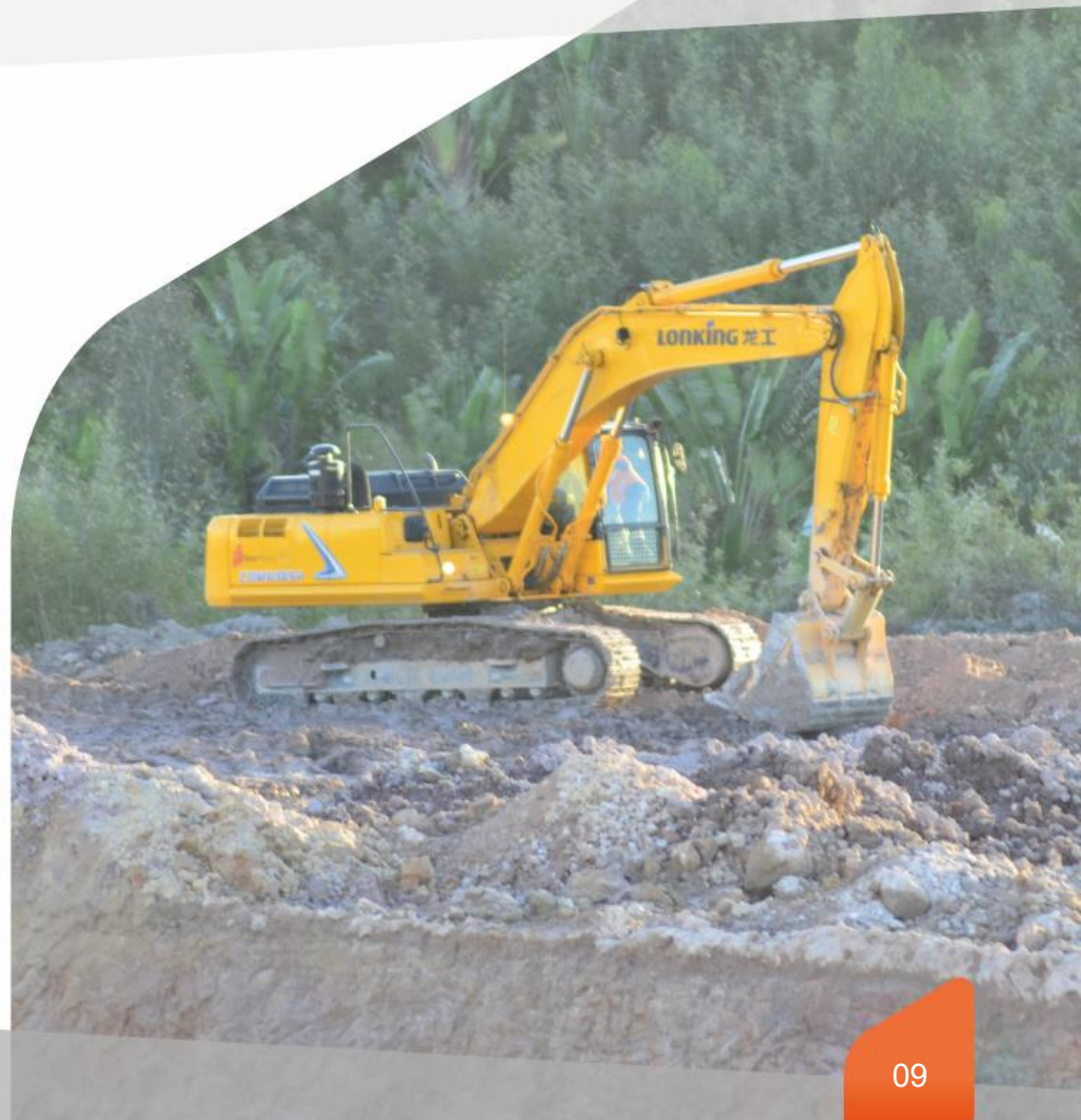
Mineral Resources & Prospects

- 382kt of contained graphite estimated in accordance with JORC.
 - Primary Deposit (Mahefedok) 3.5 Mt @ 4.2%_{TGC}.¹
 - Secondary Deposit (Loharano) 5.7 Mt @ 4.1%_{TGC}.²
 - Mahela & Ambatofafana deposits.
 - Andapa discovery.³
-
- Millie's Reward lithium discovery.



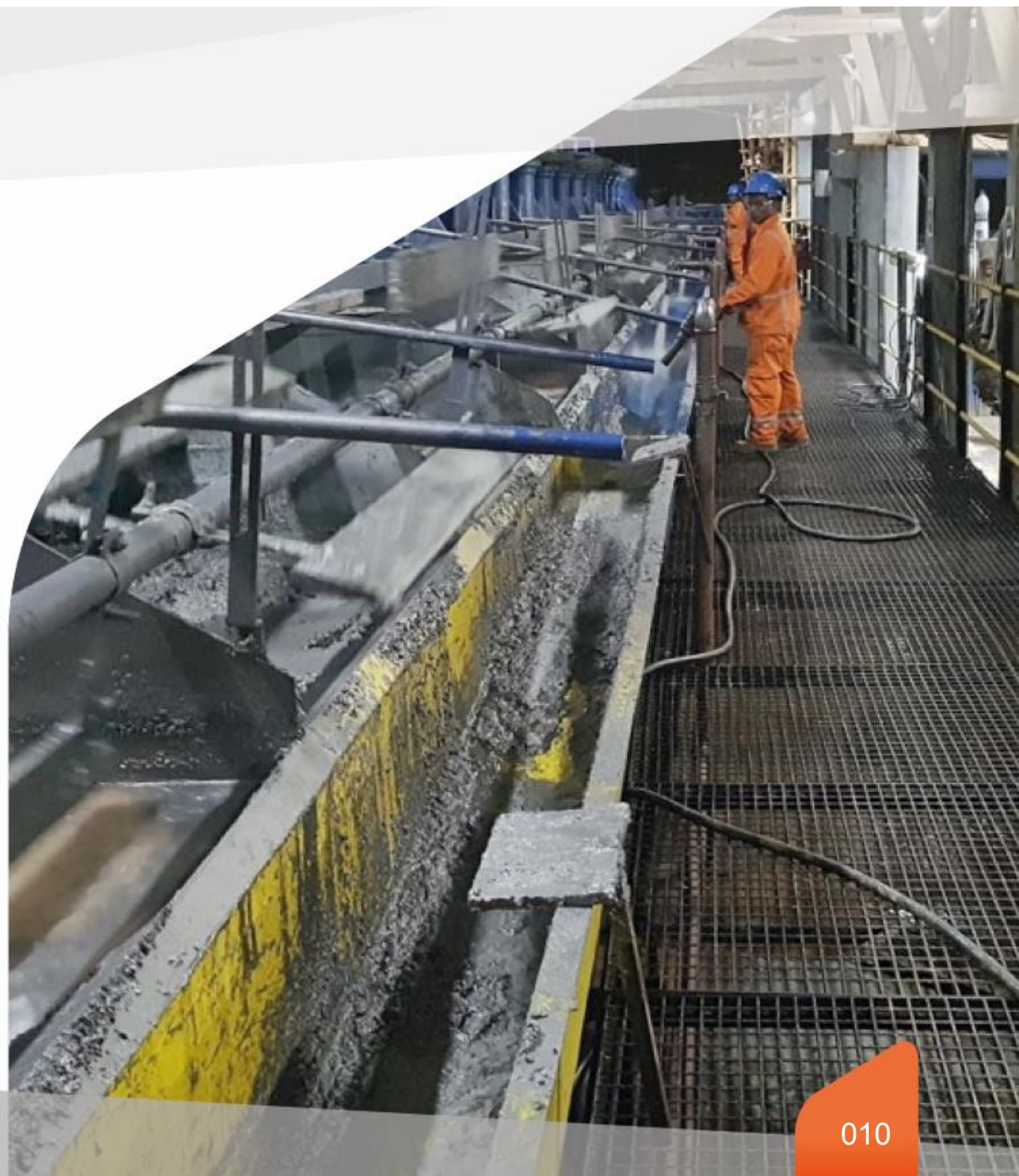
Mining

- Easily mineable saprolite-hosted graphite mineralization.
- New mining fleet and equipment.
- Fully tooled and skilled maintenance workshop.
- Low operating costs ~\$US5 per tonne of ore delivered.



Processing & Drying

- Producing predominantly large flake concentrates for the global market.
- Ramping production to 6,000tpa.
- Achieving >75% Recovery.
- Consistently produced a final concentrate grade above 94% Fixed Carbon.
- Warehouse at Port for ~1,000 tonnes storage.



Stage 1 Status

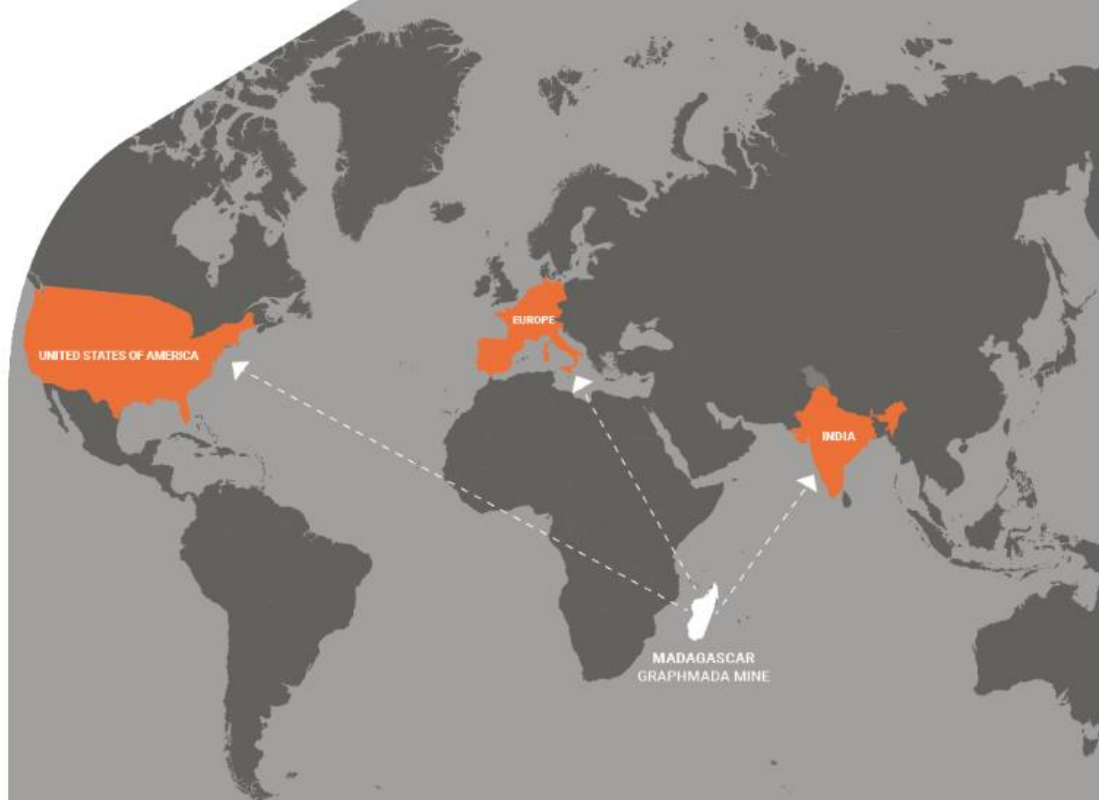
- Process Plant production of 623 tonnes since recommissioning.
- Commenced drying and packaging operations.
- Completed and resolved all commissioning modifications without any material unbudgeted capital expenditure.
- Expected production cost (C1) of <US\$500 per tonne.



**AIM TO REACH STAGE 1
OBJECTIVE BY END FY Q1
500tpm**

Sales & Logistics

- Excellent logistics to reach established graphite concentrate markets.
- Mine adjacent to the main National Highway and only 110 km (~ 2.5 hours) to the country's main export port at Tamatave.
- Offtake Agreement in place.
- The port is currently being upgraded via a US\$640m investment from the Madagascan and Japanese Governments.



Stage 2: Expansion

A low capital intensity expansion leveraging existing infrastructure, workforce and production knowledge, providing scale to lower and protect unit costs.



↑ PRODUCTION EXPANSION
>20,000 TPA by 2020

Stage 3: Expandability

Expandability tests across all flake sizes delivered excellent results, with the maximum expansion volume of 510 cm³/g achieved with extremely large flakes > 400 microns³.

These results exceed typical concentrates currently available.



Expandable Graphite

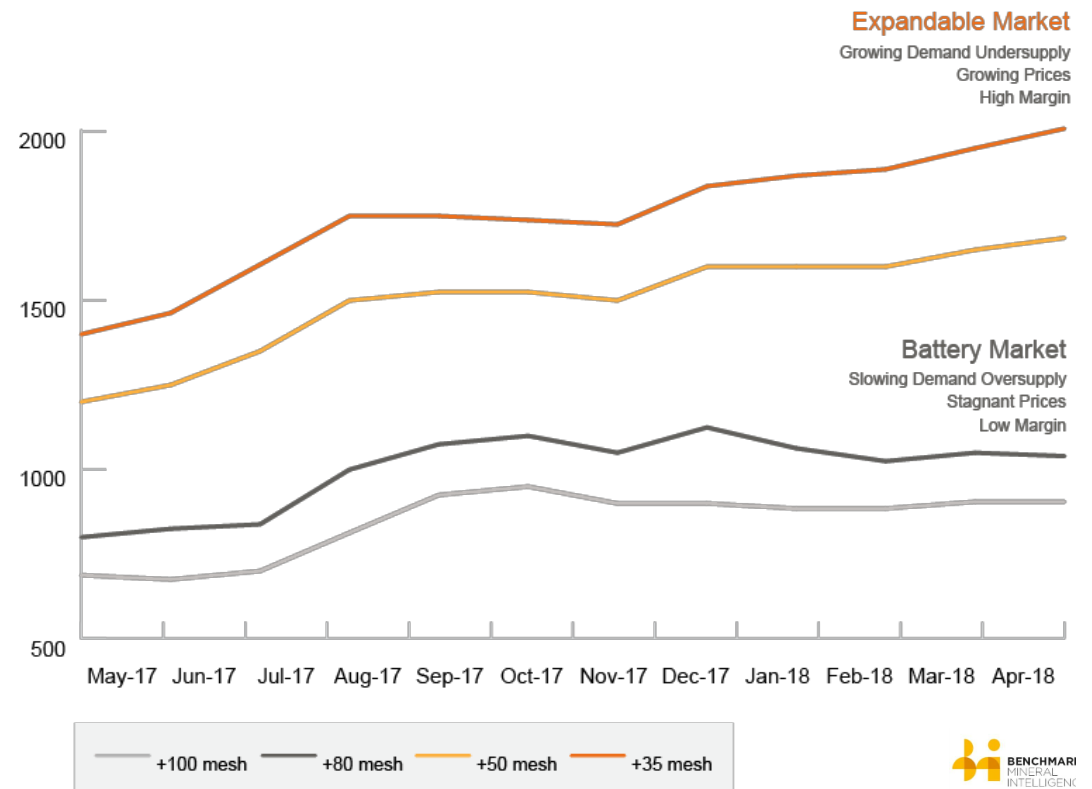
- Highest price growth of any graphite products.
- Regulatory pressures forcing higher adoption in flame retardants, with demand estimated to reach >2mtpa by 2027 in China alone.
- Very limited supply structure; only a few suppliers in the market.
- For Bass; Low capital intensity, high margins, utilising existing workforce and infrastructure with consumables available in country.



EXPANDABLE GRAPHITE HAS THE
HIGHEST PRICE GROWTH
OF ANY GRAPHITE PRODUCTS

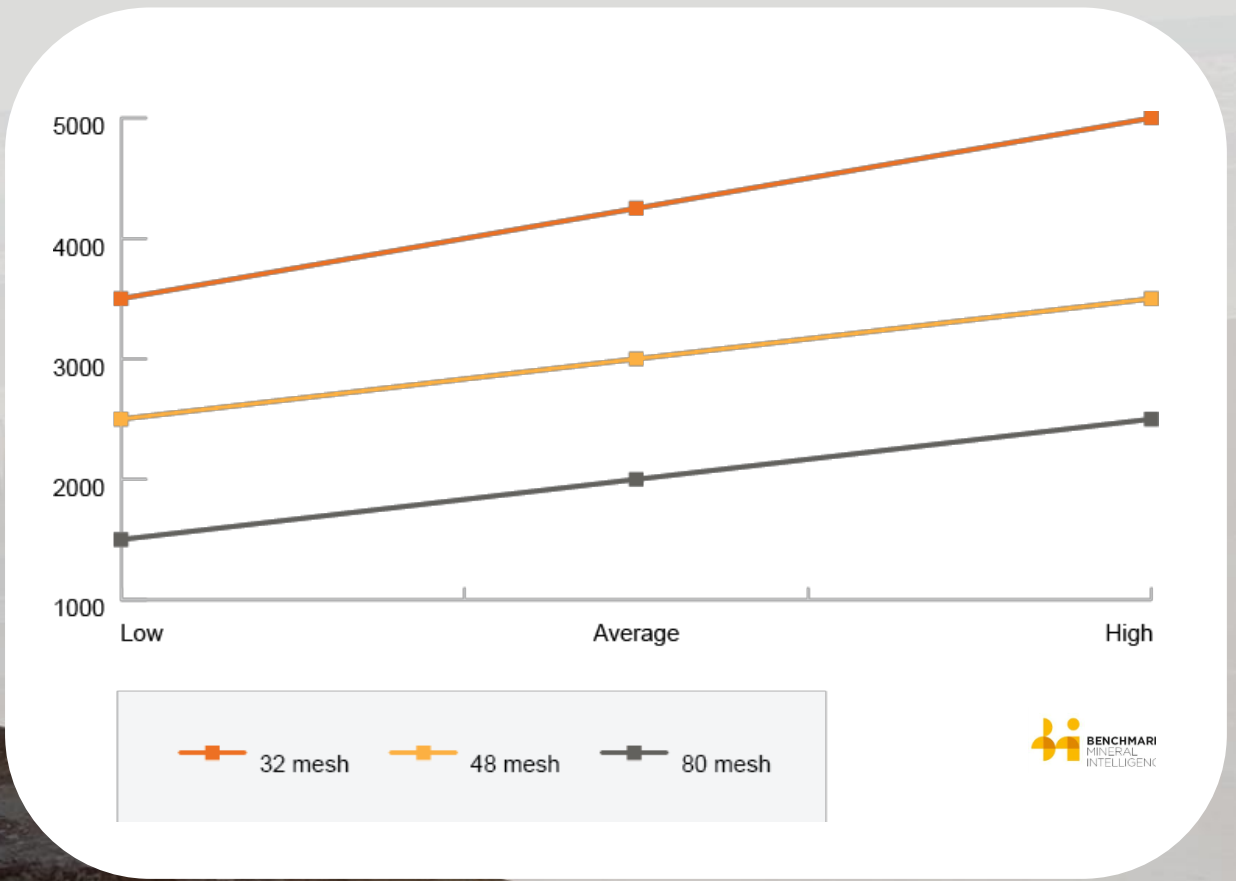
94-95% Fixed Carbon Concentrate Pricing

Natural Flake Graphite Pricing (US\$) is becoming divergent; with large flake commanding higher pricing due to undersupply and increasing demand. Graphmada produces predominantly large flake concentrates.



Expandable Graphite Pricing

Graphmada's large flake concentrates provides excellent feedstock into Expandable Graphite technologies; achieving 3 - 4 times the margin for low capital and operating costs.



Community Development Program



- Focused on Delivery.
- Government certified Medical Clinic.
- 1,900 Landholder Titles issued.
- 5 water wells installed providing sustainable drinking water.
- Refurbishment of the Mahatsara School.
- Bridges, roads and many more initiatives.





Lithium

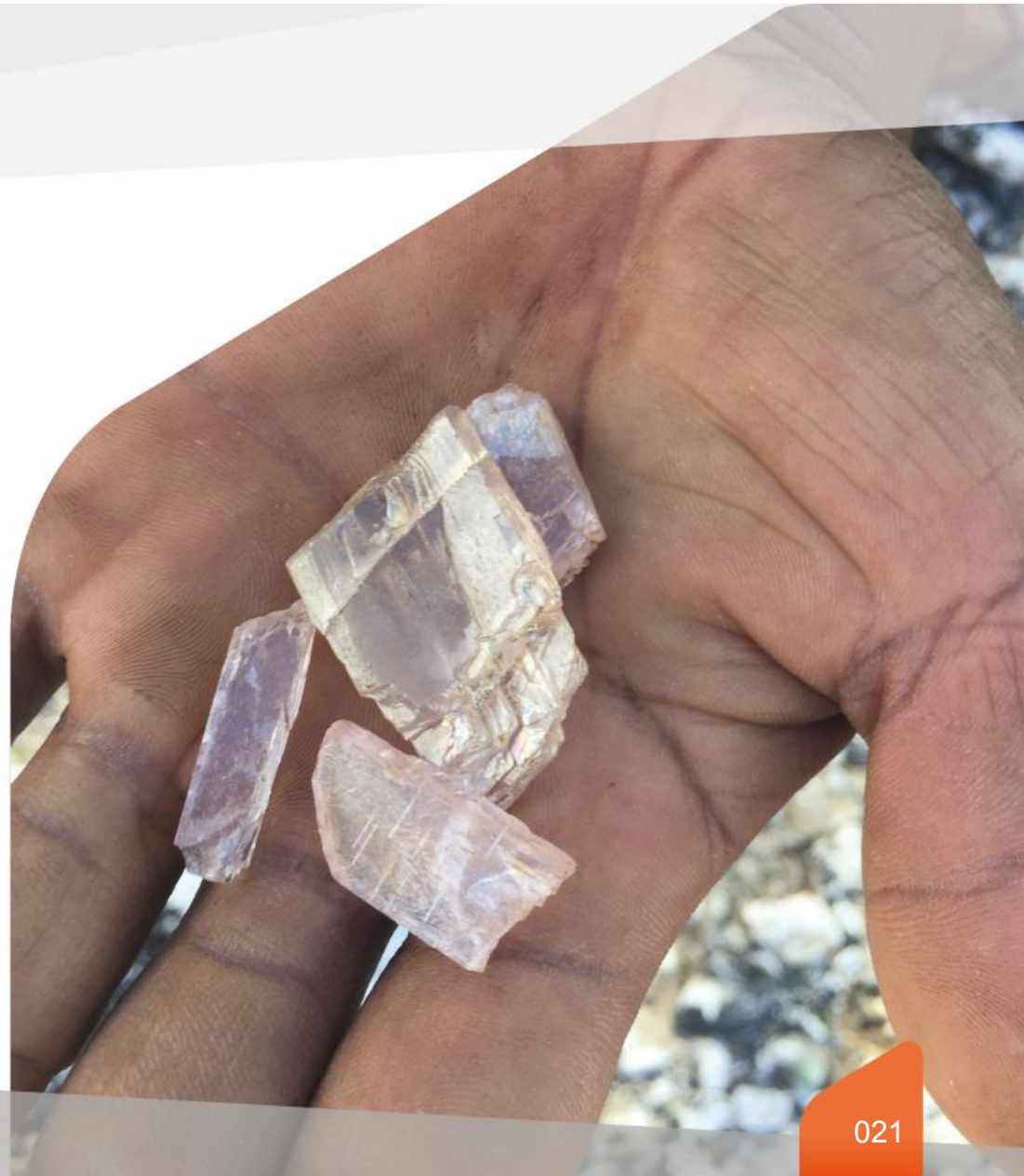
Millie's Reward Discovery

- A pegmatite-hosted lithium province located in central Madagascar.
- >200 multiple pegmatite surface occurrences along a strike length of 10 km returning rock-chip grades up to 7.08% Li_2O .⁵
- Phase 1 exploration has identified 8 priority prospects, with 4 selected as possible drill locations as the project moves into Phase 2.



Maiden Drilling Program

- Circa 5,000 metre drill program to commence this Quarter (FY Q1).
- Excellent community support built on consultation and local procurement.
- Adjacent mining infrastructure includes power, water, accommodation and local workforce.



Appendix

- Disclaimer
- Cautionary Statements
- Important Information
- Footnotes

Disclaimer & Cautionary Statements

DISCLAIMER

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Exploration Results, as well as the Competent Persons' statements. All persons should consider seeking appropriate professional advice in reviewing the document and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of the document nor any information contained in the document or subsequently communicated to any person in connection with the document is, or should be taken as, constituting the giving of investment advice to any person.

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This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement. The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward looking statements will be or are likely to be fulfilled. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements). 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.

COMPETENT PERSON STATEMENT

The information in this report that relates to 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 report in the form and context in which it appears.

SUBSEQUENT PUBLIC REPORTING

The information for the JORC Mineral Resource Summary is extracted from the ASX Announcement "Strategic investment in producing graphite asset" released 2 September 2015, which is available to view on www.asx.com.au. Bass Metals Ltd. confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Footnotes

1. Reported in accordance with the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code 2012') at a >3% cut-off and first released to the ASX on 21/06/17 "Maiden Mineral Resource for Mahefedok Deposit".
2. 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.
3. See ASX Announcement 'Outstanding assay results confirmed for Andapa discovery' released on the 2/03/17.
4. See ASX Announcement 'Tests confirm Industry Leading Expandability for Graphmada' released on the 24/05/17.
5. See ASX Announcement 'Exceptional lithium assay results up to 7%' released on the 29/5/17.



Contact us

Tim McManus

Chief Executive Officer

Telephone: (07) 3203 5894

Email: admin@bassmetals.com.au

Peter Wright

Executive Director

Telephone: (07) 3212 9200

Email: admin@bassmetals.com.au

www.bassmetals.com.au