ASX Announcement 29 April 2020

Targeted exploration strategy leads to identification of Large Flake Graphite Trend

Bass Metals Limited (ASX: **BSM**) (the **Company**) is pleased to announce an exciting development regarding its ongoing graphite exploration program aimed at significantly expanding its large flake graphite resources.

HIGHLIGHTS

- An initial surface and auguring program has led to the identification of mineralization of at least 4.5km in strike between the Mahela and Loharano deposits, significantly improving the potential of the overall resource.
- The identification of the Mahela-Loharano Mineralization Trend was based on grab sample and auger drilling with a summary of selected grab samples results:

- OC04: 4.2 FC%
- OC06: 8.1 FC%
- OC07: 4.6 FC%
- OC09: 6.0 FC%
- OC15: 5.0 FC%
- OC18: 5.4 FC%
- OC20: 9.1 FC%
- OC21: 4.8 FC%
- OC23: 4.4 FC%
- OC24: 3.9 FC%
- OC29: 5.3 FC%
- OC33: 5.8 FC%

- A summary of selected 1m depth auger drilling results:

- OC09: 6.5 FC%
- OC013: 2.1 FC%
- OC015: 3.5 FC%
- OC016: 2.6 FC%
- OC017: 2.9 FC%
- OC022: 2.1 FC%
- OC028: 3.7 FC%
- OC029: 2.7 FC%
- OC031: 3.1 FC%

- All results were recorded in weathered (regolith) rock, which is easily mineable and therefore amenable to large flake preservation.
- Augering to 10m depth across the discovery is now underway. Results will be used for follow-up diamond drilling with the aim to materially expand Graphmada's Mineral Resource.

EXPLORATION STRATEGY

Bass considers that significant additional graphite mineralization may exist in the broader Graphmada area, beyond the already substantial regolith hosted large flake graphite Mineral Resource[1] of 14.3 Mt @ at 4% Total Graphitic Carbon (TGC), estimated in accordance with the JORC Code (2012).

Table 1: The total Mineral Resources for Graphmada Mining Complex[2] [3].

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

In 2019, the Company, with an extensive data set of historical exploration, incorporating auger and diamond drilling results, outcropping mineralization, field mapping, rock chip sample results, along with mine operational data and product sales performance, announced a brownfields Exploration Target estimate, in accordance with the JORC Code (2012)[4].

Bass subsequently initiated exploration activities between the known deposits of Mahela and Loharano to test if the orientation of these orebodies was part of a larger trend of mineralization extending for 4.5km between the deposits.

The Company is pleased with the results as it provides further strong empirical data to continue expanded works at the Mahela-Loharano Mineralization Trend which is now targeted for follow up drilling with the aim to materially expand Graphmada's Mineral Resource to further underpin the Company's large scale mining and processing strategy.

[1] 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.
[2] 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.
[3] 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.
[4] ASX Announcement "Significant Exploration Program to commence at Graphmada" released 3 June 2019.

EXPLORATION RESULTS

Reconnaissance grab sampling was conducted at surface, at easily accessible locations along the predicted trend line. The results demonstrated widespread mineralization in the region. See Table 2 below.

Grab Sample	Lithology	Fixed Carbon %
OC 01	Regolith	2.47
OC 02	Regolith	0.45
OC 03	Regolith	1.08
OC 04	Regolith	4.18
OC 05	Regolith	0.24
OC 06	Regolith	8.07
OC 07	Regolith	4.56
OC 08	Regolith	0.86
OC 09	Regolith	6.04
OC 12	Regolith	2.04
OC 15	Regolith	4.96
OC 18	Regolith	5.43
OC 19	Regolith	1.11
OC 20	Regolith	9.08
OC 21	Regolith	4.76
OC 23	Regolith	4.43
OC 24	Regolith	3.92
OC 27	Regolith	2.70
OC 29	Regolith	5.33
OC 32	Regolith	2.79
OC 33	Regolith	5.83

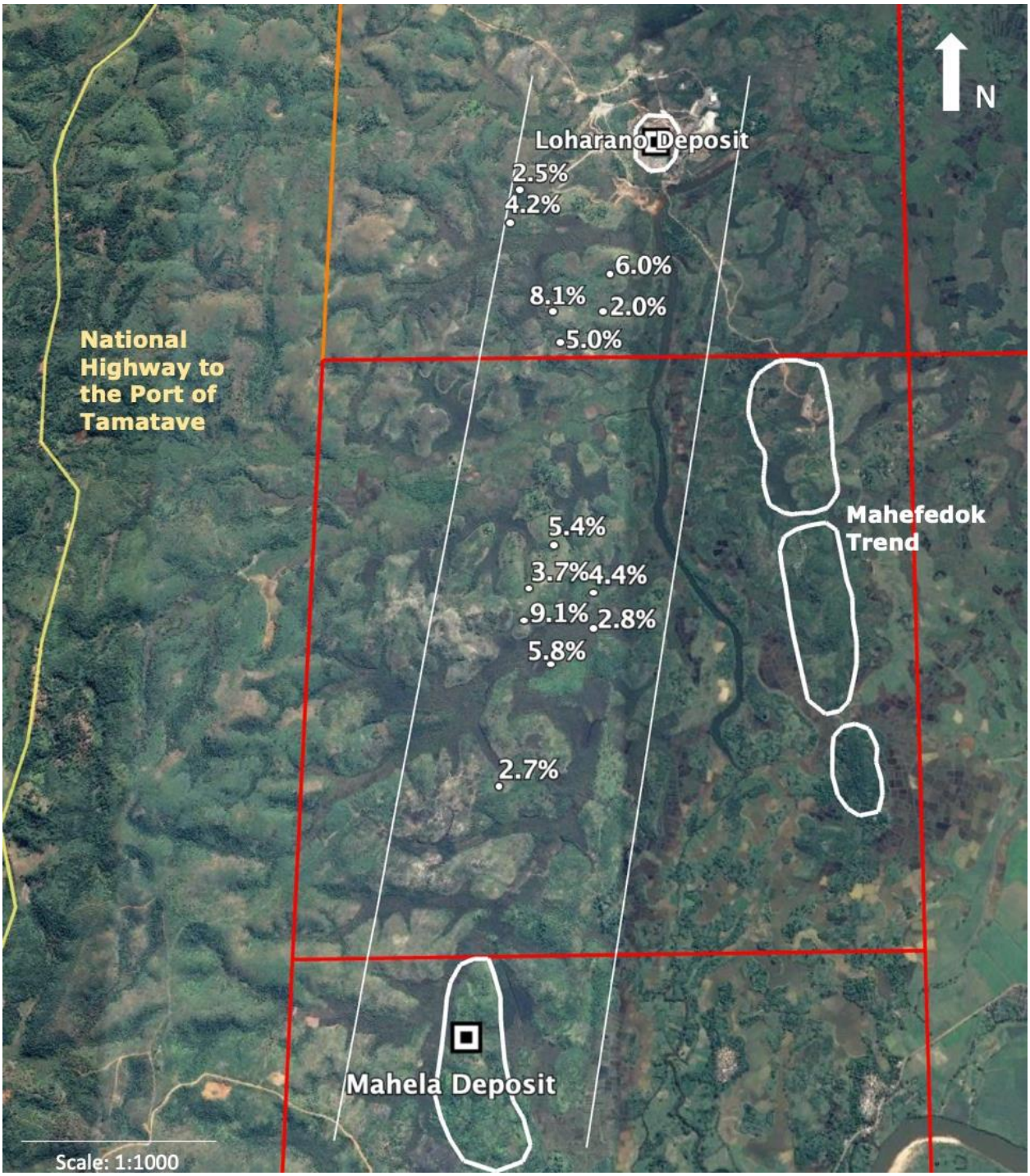
The grab sampling program was followed up by reconnaissance augering, drilled to a depth of only 1m. The results confirmed widespread mineralization in the region. See Table 3 below.

Collar ID	Sample ID	Lithology	Sub-Lithology	Fixed Carbon %
OC 01	OC01 0.0-0.5	Regolith	PED	0.48
OC 01	OC01 0.5-1.0	Regolith	PED	1.49
OC 02	OC02 0.0-0.5	Regolith	PED	0.51
OC 02	OC02 0.5-1.0	Regolith	PED	1.02
OC 04	OC04 0.0-0.5	Regolith	PED	2.69
OC 04	OC04 0.5-1.0	Regolith	PED	1.39
OC 05	OC05 0.0-0.5	Regolith	PED	0.76
OC 05	OC05 0.5-1.0	Regolith	PED	0.46
OC 06	OC06 0.0-0.5	Regolith	PED	0.60
OC 06	OC06 0.5-1.0	Regolith	PED	0.28
OC 07	OC07 0.0-0.5	Regolith	PED	1.02
OC 07	OC07 0.5-1.0	Regolith	PED	0.23
OC 08	OC08 0.0-0.5	Regolith	PED	0.34
OC 08	OC08 0.5-1.0	Regolith	PED	0.13
OC 09	OC09 0.0-0.5	Regolith	PED	8.75
OC 09	OC09 0.5-1.0	Regolith	PED	4.26
OC 10	OC10 0.0-0.5	Regolith	PED	0.20
OC 10	OC10 0.5-1.0	Regolith	PED	1.07
OC 11	OC11 0.0-0.5	Regolith	PED	1.01
OC 11	OC11 0.5-1.0	Regolith	PED	0.79
OC 12	OC12 0.0-0.5	Regolith	PED	0.71

OC 12	OC12 0.5-1.0	Regolith	PED	1.69
OC 13	OC13 0.0-0.5	Regolith	PED	1.70
OC 13	OC13 0.5-1.0	Regolith	PED	2.60
OC 14	OC14 0.0-0.5	Regolith	PED	0.49
OC 14	OC14 0.5-1.0	Regolith	PED	1.09
OC 15	OC15 0.0-0.5	Regolith	PED	2.83
OC 15	OC15 0.5-1.0	Regolith	PED	4.25
OC 16	OC16 0.0-0.5	Regolith	PED	2.59
OC 16	OC16 0.5-1.0	Regolith	PED	2.67
OC 17	OC17 0.0-0.5	Regolith	PED	2.70
OC 17	OC17 0.5-1.0	Regolith	PED	3.08
OC 20	OC20 0.0-0.5	Regolith	PED	2.28
OC 20	OC20 0.5-1.0	Regolith	PED	1.21
OC 21	OC21 0.0-0.5	Regolith	PED	0.89
OC 21	OC21 0.5-1.0	Regolith	PED	1.27
OC 22	OC22 0.0-0.5	Regolith	PED	1.16
OC 22	OC22 0.5-1.0	Regolith	PED	3.77
OC 23	OC23 0.0-0.5	Regolith	PED	1.64
OC 23	OC23 0.5-1.0	Regolith	PED	0.63
OC 25	OC25 0.0-0.5	Regolith	PED	0.04
OC 25	OC25 0.5-1.0	Regolith	PED	0.20
OC 26	OC26 0.0-0.5	Regolith	PED	0.09
OC 26	OC26 0.5-1.0	Regolith	PED	0.63
OC 28	OC28 0.0-0.5	Regolith	PED	3.28
OC 28	OC28 0.5-1.0	Regolith	PED	4.11
OC 29	OC29 0.0-1.0	Regolith	PED	2.69
OC 30	OC30 0.0-0.5	Regolith	PED	0.23
OC 30	OC30 0.5-1.0	Regolith	PED	0.67
OC 31	OC31 0.0-1.0	Regolith	PED	3.13
OC 33	OC33 0.0-0.5	Regolith	GGNE	0.08
OC 33	OC33 0.5-1.0	Regolith	PED	0.44
OC 34	OC34 0.0-0.5	Regolith	PED	0.62
OC 34	OC34 0.5-1.0	Regolith	PED	0.44

When all results were plotted results confirmed the presence of a large zone of mineralization trending between Mahela and Loharano, which remains open both to the north of Loharano and to the south of Mahela, with the width of the zone also open for further discovery.

Loharano-Mahela Trend showing selected mineralization results over 4.5kms.



NEXT STEPS

With the receipt of these results demonstrating the significant prospectivity of the trend, the Company has now commenced a new auguring program, drilling to a depth of approximately 10m on a grid-line basis.

The aim is to delineate further mineralization for follow up diamond drilling for the potential estimation Mineral Resources in accordance with JORC Code (2012).

TIM MCMANUS CEO

"These exploration results establish the prospectivity between Loharano and Mahela. We have commenced a follow up augering program, the results of which could alter the governing parameters of our development plans for the Graphmada Mine Complex.

Until now we have concentrated our long-term planning on the extensive resource at Mahefedok. However, these results demand follow up drilling and further assessment, as the graphite mineralization is pervasive along this trend and as mining at Loharano and test work at Mahela has confirmed, constitutes greater than 90% large flake insitu (>180 microns).

With the production history of Loharano and the recent Mahela Mineral Resource statement, this highly prospective mineralization trend is exciting in its possible scale."

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

APPENDIX OF RESULTS

Mahela-Loharano Auger & Grab Sample Coordinates (UTM39s)

Collar ID	X	Y	Z	Azimuth	Inclination
OC 01	287751	7906734	21	0	-90
OC 02	287733	7906686	10	0	-90
OC 03	287855	7906653	11	0	-90
OC 04	287842	7906662	14	0	-90
OC 05	287735	7906698	18	0	-90
OC 06	287970	7906237	10	0	-90
OC 07	288001	7906213	14	0	-90
OC 08	288171	7906308	16	0	-90
OC 09	288217	7906308	15	0	-90
OC 10	288217	7906316	13	0	-90
OC 11	288225	7906303	16	0	-90
OC 12	288196	7906262	11	0	-90
OC 13	288191	7906268	15	0	-90
OC 14	288184	7906253	14	0	-90
OC 15	288133	7906039	13	0	-90
OC 16	288122	7906039	18	0	-90
OC 17	288137	7906030	13	0	-90
OC 18	287976	7905139	11	0	-90
OC 19	287996	7904811	16	0	-90
OC 20	288037	7904840	15	0	-90
OC 21	288018	7904846	19	0	-90
OC 22	288117	7904913	17	0	-90
OC 23a	288155	7904934	16	0	-90
OC 23b	288161	7904942	19	0	-90
OC 24a	287825	7904000	14	0	-90
OC 24b	288172	7904926	18	0	-90
OC 25	287850	7904002	15	0	-90
OC 26	287825	7904026	17	0	-90
OC 27	287823	7904121	17	0	-90
OC 28	288158	7904947	15	0	-90
OC 29	288094	7904976	17	0	-90
OC 30	288094	7904987	18	0	-90
OC 31	288081	7904968	15	0	-90
OC 32	288193	7904886	13	0	-90
OC 33	288032	7904682	13	0	-90
OC 34	288045	7904678	12	0	-90

JORC CODE, 2012 EDITION – TABLE 1

Discussion and results within this appendix relate to Mahela-Loharano Trend.

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 mineralisation prior to 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 °) and to a depth of 1m.
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 codes 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 prior to every run. Each sample was manually crushed to nominal -2mm and approximately 100-150g sub-samples was collected and send 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 conduct analysis on all blanks, standards and duplicates to maintain QAQC standards.
Quality of assay data and laboratory tests	Samples were analysed 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 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: 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 crucible + sample are 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. The VM % is calculated as follows: V M % = $(1 - \frac{\text{Weight of ash}}{\text{Weigh of original sample}}) \times 100$ The 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
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	Samples were collected along to the hypothesised strike of the Mahela-Loharano Trend where graphitic mineralization was found to be outcropping. 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 are 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 preparation laboratory in Antananarivo and after to the laboratory (SGS) in South Africa via courier.
Audits or reviews	The sampling techniques and data were 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

Criteria listed in the preceding section also applies 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 trend 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 concentrate 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 reported as in-situ Fixed Carbon (FC) grades as analysed by the in-house Graphmada laboratory. No Metal Equivalents have been stated.
Relationship between mineralisation 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.

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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.