

EXPLORATION UPDATE

Bass Metals Limited (ASX:BSM) (**Bass** or the **Company**) is pleased to provide an update on its 2020 exploration program at its wholly owned Graphmada Mining Complex, located in eastern Madagascar.

KEY POINTS

- Bass, post the initial stages of its exploration program, identified large flake graphite mineralization of at least 4.5km in strike length, between the Mahela and Loharano large flake graphite deposits.
- Bass is seeking to expand its resource at Graphmada and establish a globally significant resource already proven to produce, without penalty or rejection, clean graphite concentrates saleable into traditional and emerging advanced carbon materials markets.
- Bass has to date completed 56 holes of a planned 543 drill hole program (~10% of the program), the results of which were reported to the ASX in accordance with the JORC Code (2012) on 16 July 2020¹, announcing the Mangabe discovery.
- The Company continues to drill and expects further results to be received in the coming weeks.
- Bass has utilized results so far to update its geological model for Graphmada, which now interprets the deposits of Mahela, Mangabe and Loharano are in fact part of an extensive large flake graphite mineralization system, with a wide and shallow morphology.
- The Company aims to provide an updated 2020 Mineral Resource Statement, to be reported in accordance with the JORC Code (2012), interpreting the mineralization as a single deposit that takes into account this morphology.

¹ ASX Announcement "Exploration Update - Large Flake Graphite Discovery" released 16 July 2020.

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Graphmada's Mineral Resource is >90% large flake graphite insitu and has a proven commercial record of producing, without penalty or rejection, clean graphite concentrates. Graphmada's concentrates have been sold into all key global markets, including emerging advanced carbon materials markets, such as expandable graphite applications for use in fire retardant technologies.

After establishing production and sales, Bass now intends to fully appraise the potential of this commercially proven resource and establish it as a globally significant large flake graphite resource with the aim of undertaking large-scale mining and processing.

Bass has long been of the view that significant additional graphite mineralization exists in the broader Graphmada area, beyond the already substantial regolith hosted large flake graphite Mineral Resource² of 14.3 Mt @ at 4% Total Graphitic Carbon (TGC), estimated in accordance with the JORC Code.

Table 1: The total 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

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 of between 86-144 million tonnes of large flake graphite mineralization, in accordance with the JORC Code (2012)⁵.

Important Note: 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

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.

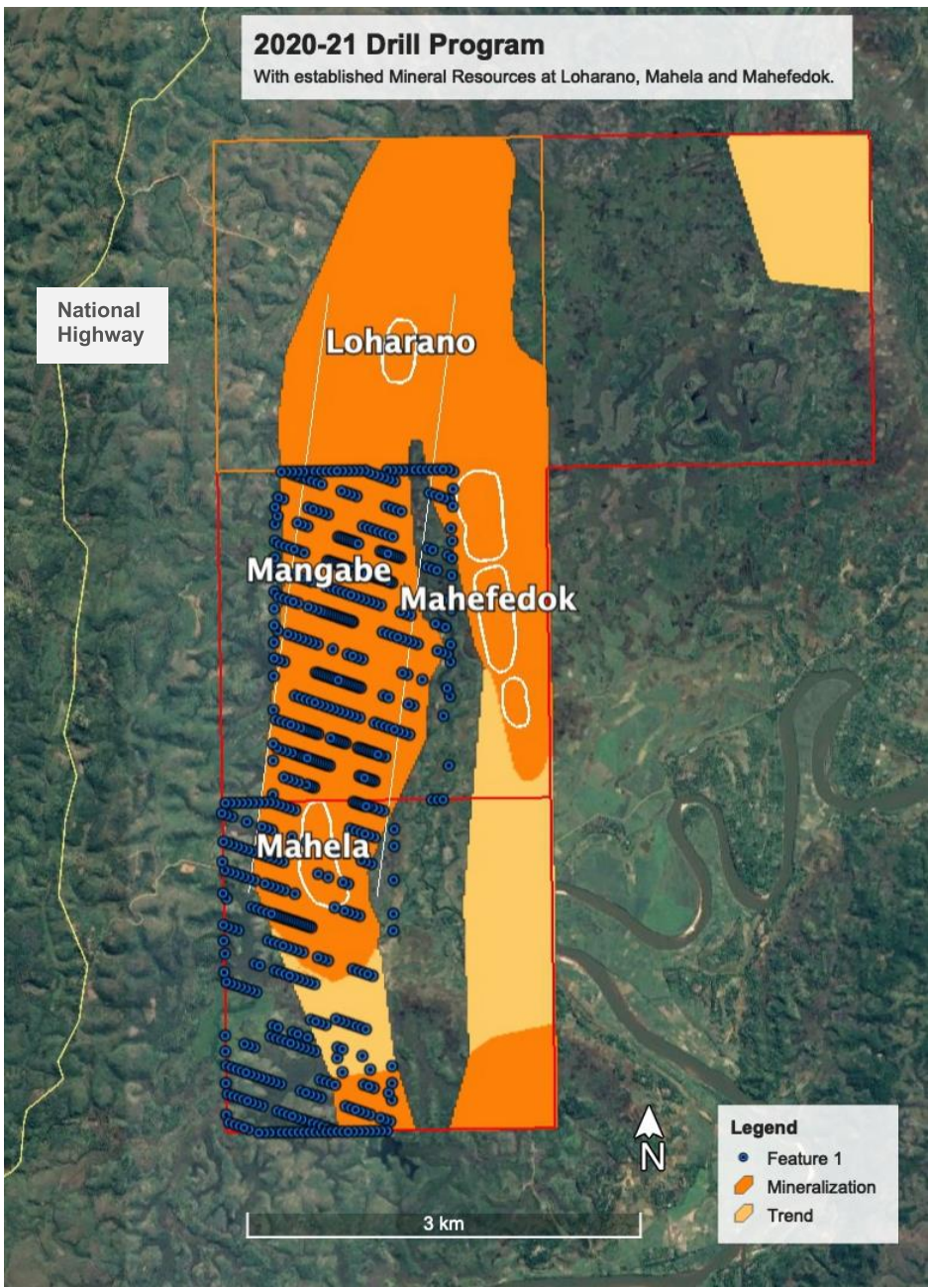
³ Reported in accordance with the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code 2012') See ASX Announcement 'Bass delivers outstanding increase in Mineral Resources' released on the 4/12/19.

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.

⁵ ASX Announcement "Significant Exploration Program to commence at Graphmada" released 3 June 2019.

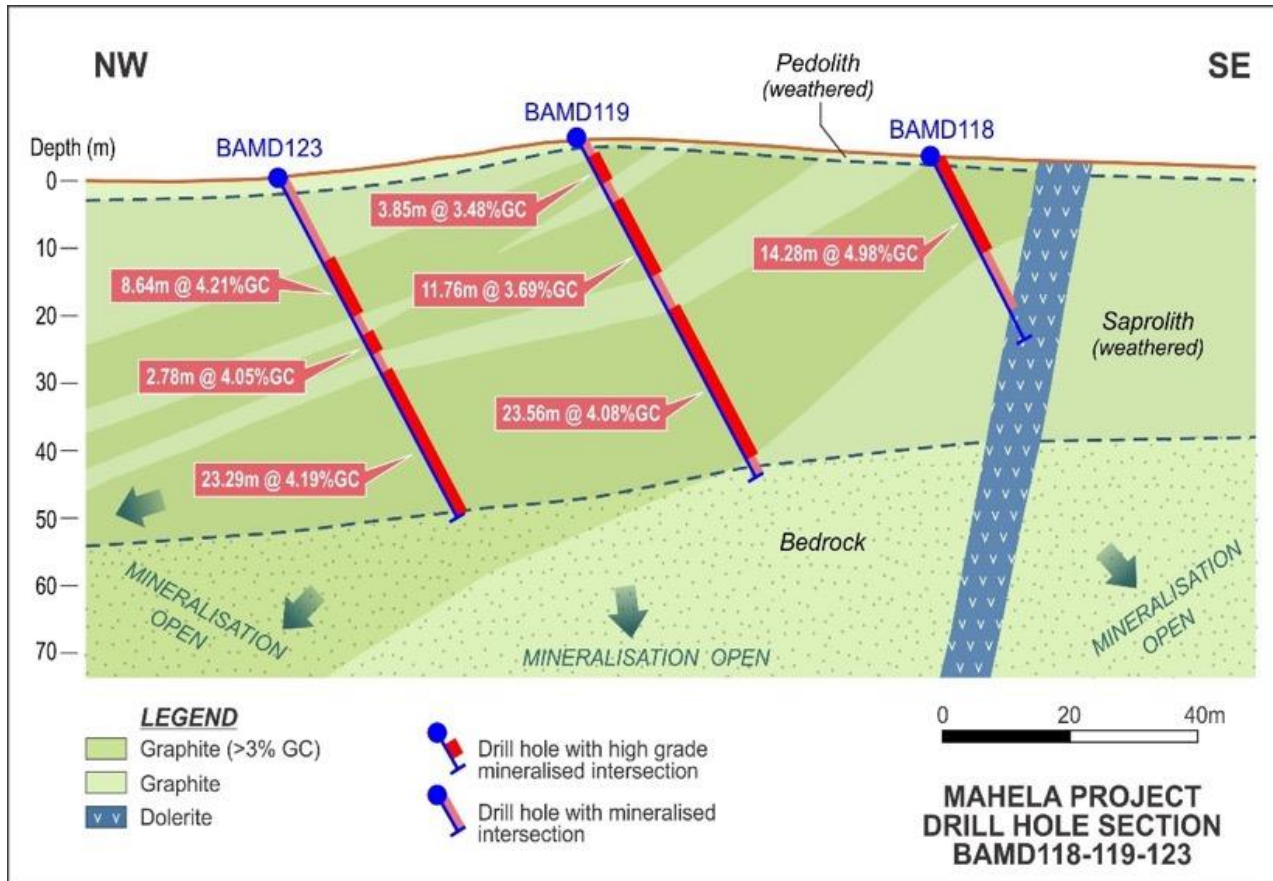
a range of tonnes and a range of grade, relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate an additional Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.

Bass subsequently initiated exploration activities between the known deposits of Mahela and Loharano to test if the orientation of these deposits was indeed a larger trend of mineralization extending the 4.5km between the deposits. This led to the Mangabe discovery, reported to the ASX in accordance with the JORC Code (2012) on 16 July 2020⁶.



⁶ ASX Announcement "Exploration Update - Large Flake Graphite Discovery" released 16 July 2020.

Subsequently, Bass has utilized these results, along with other historical results, to update its geological model for Graphmada, with the new geological model interpreting that the deposits of Mahela, Mangabe and Loharano are in fact part of an extensive large flake graphite mineralization system. The system is extensive, both laterally and in width, with a shallow, regolith-hosted morphology.



As such, the Company plans to provide an updated Mineral Resource Statement for Graphmada, reported in accordance with the JORC Code (2012), treating the mineralization as a single deposit that takes into account this wide and shallow morphology.

In addition, Bass is pursuing its feasibility studies utilizing this new geological model and has commenced a review of its mining technique in light of the morphology of the system.

Exploration and development activities continue, remaining in close proximity to existing infrastructure, as part of the Company’s strategy to expand its operations to large-scale mining and processing.

TIM MCMANUS CEO

“The team at Bass is of the view that there is significant value for shareholders in the expansion of the Graphmada Mineral Resource given it has been commercially proven to produce clean graphite concentrates that have been sold into all major markets, as well as emerging markets.

We’ll continue to explore and develop this asset to pursue our long-stated strategy of expanding Graphmada for large-scale mining and processing and in parallel the downstream development of advanced carbon products.”

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

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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.