

30 October 2015

The Manager Companies
Company Announcements
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

September 2015 Quarterly Report Of Activities

Please find following the September 2015 Quarterly Report of Activities and Cash flow for Bass Metals Limited ("Bass" or the "Company").

Quarterly highlights:-

- ***In September Bass made an announcement concerning a strategic investment;***
- ***Details of Bass' strategic investment in the producing Graphite asset was released;***
- ***Bass confirmed successful Due Diligence of its strategic investment;***
- ***The company announced its proposed short term capital raising and funding plans and provided updates to the market about this;***
- ***Bass announced the successful raising of funds to date;***
- ***Following ongoing negotiations and subsequent to quarter end, the Company announced a potential transaction to sell its Que River Asset.***

Strategic Investment in Graphite Asset

On 2 September 2015, Bass announced that it had entered into an agreement with AIM listed Stratmin Global Resources Plc (**Stratmin, AIM:STG**), to acquire a strategic interest in their Madagascan graphite operations which currently produce high quality graphite flake concentrate for sale to a large US based offtake partner.

The acquisition will occur via an investment in the Stratmin subsidiary company Graphmada Mauritius, which is the 100% owner of the Madagascan operating company, Graphmada S.A.R.L.

Further detail about the Company's strategic investment in the Graphite asset, its location and technical merits can be found in our announcement of 2 September 2015

During September 2015, the Company also confirmed it had completed due diligence, to its satisfaction, and intended to move toward the completion of tranche one of its investment in Graphmada.

Investment in Graphmada and Short term Funding

In September and subsequent to the quarter end, the company announced the terms of its intended investment in Graphmada and its proposed short term capital raising and potential other fund raising plans.

Subsequent to quarter end, the Company confirmed it had successfully raised \$539,000, as part of its funding raising activities and also had indicative commitments from investors and other financiers that will enable it to complete the first tranche of its investment in Graphmada. To date, the Company has paid in excess of \$350,000 to Stratmin as part of the transaction.

The company also notified the market (announcement dated 26 October 2015) that the board were confident that the additional funds and indicative commitments to the Company will be finalised over the next 2 weeks and that further detail about this would be announced to the market as soon as practicable.

Divestment of Que River Assets

Following quarter end, the Company announced that it had entered into a 3 month Exclusivity Period with private company Mancala Resources Pty Ltd ("Mancala") with the purpose of divesting its Que River Assets in Tasmania.

Amongst other things, the Company's Que River Assets include the Que River Mine, Access Lease and the Mt Block exploration lease, which contain base metals inventories of Zinc and Lead, with a variety of additional precious metals.

In this release of 26 October 2015, the Company confirmed that the terms of Mancala's conditional offer contain a Due Diligence period, as well as conditions that are typical of this type of Transaction. Bass are aware that Mancala will be working to complete their Due Diligence during the Exclusivity Period with intention of entering a binding agreement thereafter.

Environmental activities, Tasmania

The Company continued to comply with its Care and Maintenance plan for the Que River and other sites during the quarter.

Environmental management at the Que River site focussed on the rehabilitation of the surface areas of the site, with significant progress being achieved in clean up, covering and re-seeding of previously disturbed areas.

Daily field testing and environmental laboratory testing continued throughout the period as per the site's Care and Maintenance Plan.

Summary

The Board of Bass are pleased with the Company's progress and development over the recent quarter and look forward to updating the market with further detail in the near future

Yours faithfully

Rick Anthon
Chairman

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The Company's interests in mining tenement as at 30 September 2015 were as follows:

Tenement	Interest
EL48/2003 Mt Block ⁴	100%
EL28/2009 Lake Margaret ¹	75%
EL20/1010 Sock Creek ¹	75%
CML 103M/1987 Hellyer Mine Lease ^{2&4}	100%
CML 68M/1984 Que River Mine Lease ⁴	100%
ML 10W/1980 Access Easement to QRML	100%
RL11/1997 Mt Charter Retention ^{3&4}	100%

Notes:

1. Subject to joint venture with Clancy Exploration Limited.
2. CML 103M/1987 is owned by HMO a 100% subsidiary of Ivy Resources Ltd. Bass has 100% interest in all of the existing base metal resources and base metal exploration rights through a Sublease Agreement.
3. RL11/1997 is owned by Bass, but HMO has a 100% interest in the existing gold resource and gold exploration rights through a Sublease Agreement. Bass retains all base metal exploration rights.
4. Intec Limited holds a 2.5% NSR Royalty over all Product from Bass' interests in RL11/1997, EL48/2003, CML68M/1984 and CML103M/1987.